

# BEHAVIORAL SCIENCE

## B.B.A. 1<sup>st</sup> Year Paper-VII

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## FOREWORD

*Since its establishment in 1976, Acharya Nagarjuna University has been forging ahead in the path of progress and dynamism, offering a variety of courses and research contributions. I am extremely happy that by gaining a B++ (80-85) grade from the NAAC in the year 2003, the Acharya Nagarjuna University is offering educational opportunities at the UG, PG levels apart from research degrees to students from over 285 affiliated colleges spread over the three districts of Guntur, Krishna and Prakasam.*

*The University has also started the Centre for Distance Education with the aim to bring higher education within reach of all. The centre will be a great help to those who cannot join in colleges, those who cannot afford the exorbitant fees as regular students, and even housewives desirous of pursuing higher studies. With the goal of bringing education to the doorstep of all such people, Acharya Nagarjuna University has started offering B.A., and B.Com courses at the Degree level and M.A., M.Com., M.Sc., M.B.A., and L.L.M., courses at the PG level from the academic year 2003-2004 onwards.*

*To facilitate easier understanding by students studying through the distance mode, these self-instruction materials have been prepared by eminent and experienced teachers. The lessons have been drafted with great care and expertise in the stipulated time by these teachers. Constructive ideas and scholarly suggestions are welcome from students and teachers involved respectively. Such ideas will be incorporated for the greater efficacy of this distance mode of education. For clarification of doubts and feedback, weekly classes and contact classes will be arranged at the UG and PG levels respectively.*

*It is my aim that students getting higher education through the centre for Distance Education should improve their qualification, have better employment opportunities and in turn facilitate the country's progress. It is my fond desire that in the years to come, the Centre for Distance Education will go from strength to strength in the form of new courses and by catering to larger number of people. My congratulations to all the Directors, Academic Coordinators, Editors and Lesson-writers of the Centre who have helped in these endeavours.*

Prof. P. Rajasekhar  
Vice-Chancellor  
Acharya Nagarjuna University

## Syllabus details

### DBBS11: BEHAVIOURAL SCIENCES

The purpose of the paper is to introduce the concepts of behavioural sciences to enable the students to understand employee behavioural patterns at work.

1. Introduction – Scope and significance of behavioural Sciences to management.
2. People – Nature – Types – Mc Gregor's Theory.
3. Personality – Concept – Attitudes & values – Developing positive personality.
4. Perception – Process – Blocks.
5. Cognition- information sources- Learning process – Reinforcement.
6. Motivation – Maslow's need hierarchy – Herzberg's two factor theory.
7. Groups – Concept – Significance – Types – Group formation process.
8. Group dynamics – Competition and collaboration – Conflict-Change Process.
9. Group Decisions – Modes of decision-making – Problems making group decision process effective.

#### Books Recommended:

1. Girish Bala Mohanty : Industrial and organizational psychology Oxford & IBH Pub. Co., New Delhi,
2. Keith Davis, Human Behaviour at work Tata Mc Graw Hill, New Delhi.

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## **LESSON - 1**

# **INTRODUCTION - SCOPE AND SIGNIFICANCE OF BEHAVIOURAL SCIENCES TO MANAGEMENT**

### **1.0. Objectives:**

Executives in business are being exposed increasingly to application of behavioural science. Behavioural Science is concerned with people at work. It means trying out at theory in actual work settings with constant observance, reliability, validity and recording of data with a hope that individual will achieve universality.

After going through this lesson, you should be able to:

- \* Meaning and Definitions of Behavioural Science
- \* Scope and Concepts of Behaviour Science
- \* Characteristics of Organisation Behaviour
- \* Significance of Behaviour Science
- \* O.B., and other fields of study.

### **STRUCTURE:**

- 1.1 Introduction**
- 1.2 Concept and meaning of Organisational Behaviour**
- 1.3 Scope of Behavioural Sciences**
- 1.4 Characteristics of Organisational Behaviour**
- 1.5 Importance of Behavioural Sciences**
- 1.6 Role of Organisational Behaviour**
- 1.7 The Behavioural Approach to Management**
- 1.8 Summary**
- 1.9 Technical Terms**
- 1.10 Self-Assessment Questions**
- 1.11 Reference Books**

### **1.1 Introduction:**

Behavioural Science is an inter-disciplinary knowledge, the Psychology, Sociology, Anthropology, Economics, Political Science and human engineering, Psychology is concerned with the study of an individual and its inter-relationship with an individual's behaviour. Sociology is concerned with the evolution of society. Anthropology is a science about the study of a man.

Behaviour is a mode of conducting oneself, the way in which a human being acts, specially in response to a stimulus. A person engaged in the science of human behaviour is a Behavioural scientist. Behavioural scientist primarily is concerned with the study of how and why people behave as they do.

Behavioural Science connotes all the factors that go into man's fundamental personality, his needs, emotions, thinking, ability to relate his thoughts and feelings. The actions of a man are the composite result of all these factors.

## 1.2 Concept and Meaning of Organisation Behaviour:

Organisational Behaviour is directly concerned with the understanding, prediction and control of human behaviour in organisations. It is an area of study that investigates the impact that individuals, groups and structure have on behaviour within organisation. A few definitions of organisational behaviour are as follows:

According to **Callahan, Fleenor and Kudson**, "Organisational Behaviour is a subset of management activities concerned with understanding, predicting and influencing individual behaviour in organisational setting.

According to **Fred Luthans** "Organisational behaviour is directly concerned with the understanding, production and control of human behaviour in organisations".

According to **Raman J. Aldag** "Organisational behaviour is a branch of the Social Sciences that seeks to build theories that can be applied to predicting, and controlling behaviour in work organisations".

According to **Stephens P. Robbins** "Organisational behaviour is a field of study that investigates the impact that individuals, groups and structure have on behaviour within the organisation for the purpose of applying such knowledge toward improving an organisation effectiveness".

In short, organisational behaviour revolves around two fundamental components (1) The nature of the man and (2) The nature of the organisation. In other words, organisational behaviour may be organisation of individual's behaviour in relation to physical means and resources so as to achieve the desired objective of the organisation.

## 1.3 Scope of Behavioural Science:

Behavioural Science is generally confused with organisational theory, organisational Psychology, and human resource management.

Organisational behaviour tries to understand the behaviour, attitudes and performance of the people in the organisations. Organisational theory focuses on the design and structure of the organisations. Organisational theory is a macro study whereas organisational Behaviour is a micro study of people's behaviour.

Organisational Psychology restricts itself to psychological factors only whereas organisational behaviour considers and combines all the branches of study i.e. Science, Technology, Economics, Anthropology, Psychology and so on and so forth.

Organisational behaviour is the basis of human resource Management and development. The former is concept oriented whereas the latter is concerned with the technology of human development. The variables influencing human development are scientifically studied under organisational behaviour. Human Resource Management, is activated, directed and channelised by the application of the knowledge of organisational behaviour which has become a field of study, research and application for the development of human resources and the organisation as a whole. Thus, we can say that all these terms are interrelated but not synonymous with each other.

## **1.4 Characteristics of Organisational Behaviour:**

From the above definitions, the following features of organisational behaviour emerge:

### **1. Behavioural Approach to Management:**

Organisational behaviour is that part of whole management which represents the behavioural approach to management. Organisational behaviour has emerged as a distinct field of study because of the importance of human behaviour in organisations.

### **2. Cause and Effect of Relationship:**

Human behaviour is generally taken in terms of cause and effect relationship and not in philosophical terms. It helps in predicting the behaviour of individuals. It provides generalisations that managers can use to anticipate the effect of certain activities on human behaviour.

### **3. Organisational Behaviour is a Branch of Social Sciences:**

Organisational Behaviour is heavily influenced by several other social sciences viz. Psychology, Sociology and Anthropology. It draws a rich array of research from these disciplines.

### **4. Three Levels of Analysis:**

Organisational Behaviour encompasses the study of three levels of analysis namely individual behaviour, inter-individual behaviour and the behaviour of organisations themselves. The field of organisational behaviour embraces all these levels as being complementary to each other.

### **5. A Science as well as an Art:**

Organisational behaviour is a science as well as an Art. The systematic knowledge about human behaviour is a science and the application of behavioural knowledge and skills is an Art. It is not an exact science because it cannot exactly predict the behaviour of people in organisations. At best a manager can generalise to a limited extent and in many cases, he has to act on the basis of partial information.



## **6. A Body of Theory, Research and Application:**

Organisational Behaviour consists of a body of theory, research and application which helps in understanding the human behaviour in organisation. All these techniques help the managers to solve human problems in organisations.

## **7. Beneficial to both Organisation and Individuals:**

Organisational Behaviour creates an atmosphere whereby both organisation and individuals are benefitted by each other. A reasonable climate is created so that employees may get much needed satisfaction and the organisation may attain its objectives.

## **8. Rational Thinking:**

Organisational behaviour provides a rational thinking about people and their behaviour. The major objectives of organisational behaviour is to explain and predict human behaviour in organisations, so that result yielding situations can be created.

## **1.5 Importance of (Significance) Behavioural Sciences:**

Behaviour Science tells us that human beings are with human emotions, impulses and deep feelings which arise out of their basic needs, drives instincts, obscurity and position. The behaviour science, emphasis on concept of individual difference. The individual difference is because of our heredity and also because we every day are exposed to stimuli and events which are different. Individual difference if effectively utilised can help the management to get the greatest motivation among the employees by training them differently. Individual is the unit of feeling, the judgement and of action, who determines satisfaction and is motivated.

Behaviour science gives us an idea about human experience involving interaction or relationship with other persons. Many factors are involved when two persons interacts each person is unique and his behaviour is influenced by his personality and environment. Interpersonnel interaction is affected by conflicts. The improvement in inter personnel relationship in an organisation can come from increased awareness of self, others and of the organisation. There are three fundamental needs that enter in any permanent or temporary relationship.

- a) Need to be with the people
- b) Need to influence situation and people
- c) Need to have feeling of warmth and love.

The above three needs are the cause of interpersonal relationship and each need is associated with two dimensions i.e. expressed and wanted.

Human effectiveness is the need for consultative collaboration and effect their personnel relations among the members of the organisation. Effectiveness depends upon when one values, whether freedom or status or money. Effectiveness need to be judged by ideas. The ability to develop relation with other people is very important. If an individual operates from his open area, the

communication is more free. The studies have shown that effectiveness of an individual can be measured by drawing feedback exposure charts. The charts give the idea about the personality of an individual. Exposure is the capacity of an individual, to tell others about oneself and what others feel about individual. Feedback is individual's ability, about individual's susceptibility to oneself, we must increase our area of open-self. This can be done by decreasing one's hidden area and increasing the known area. The exposure and feedback score should normally be high and equal for effective executives.

## 1.6 Role of Organisational Behaviour:

Organisational Behaviour is concerned with understanding and describing human behaviour in an organisational setting. It seeks to shed light on the complex human factor in organisations by identifying causes and effects of human behaviour. It is called a social science because its main concern is people and their behaviour. It studies four determinants of behaviour in organisations, individuals, groups, interpersonal and intergroup. It is concerned with the behaviour of individuals and groups and the impact of structural design on the behaviour of individuals and groups. The knowledge of all these is applied to the organisation to make the organisation work more effectively. Thus, the role of Managers include understanding the human behaviour and influencing the human behaviour.

## 1.7 The Behavioural Approach to Management:

The behavioural approach, also known as human relations approach, is based upon the premise of increase in productivity and managerial efficiency through an understanding of the people. The growth and popularity of this approach is attributable to Elton Mayo (1880 - 1949) and his Hawthorne experiments. The basic aim of this approach is to increase the organisational effectiveness of its human resources, which could be achieved by properly taking care of human needs. Therefore, the human needs could be Physiological or Psychological. According to Maslow, these needs fall into a hierarchy. At the bottom of the hierarchy are the lower level needs such as the need for food, water and physical comfort as well as security of job and love and affection needs. At the upper level are the needs for respect and self-fulfilment.

The behavioural approach had a major impact on Management thinkers right through the 1970s and indeed changed the structure of the organisation from the bureaucratic to participative in which the workers have more freedom to participate in the affairs of the organisation.

## 1.8 Summary:

Behavioural science is the study and application of knowledge about how people as individuals and groups - act in, organisations. Its goals are to make managers more effective at describing, understanding, predicting and controlling human behaviour, key elements to consider are people, structure technology, and the external environment. Previously known as human relations, organisational behaviour has emerged as an interdisciplinary field of value to managers. It builds on an increasingly solid research foundation that was begun in the 1920's, and it draws upon useful ideas and conceptual models from many of the behavioural sciences.

Fundamental concepts of organisational behaviour relate to the nature of the people (individual differences, a whole person motivated behaviour, desire, for involvement, perception, and value of the person) and to the nature of organisations (Social system, and mutual interest). Managerial actions should be oriented holistically to attain superordinate goals of interest to employees, the organisation, and society. This can best be done by the understanding and use of human resources, contingency, productivity, and systems approaches.

### 1.9 Technical Terms:

1. Contingency : A possible but unpredictable occurrence.
2. Cost benefit analysis : A technique for the evaluation of an existing situation.
3. Human Resource Management : Managing Human Resource (Employees)
4. Values : The guidelines and beliefs that a person uses when confronted with a situation in which a choice must be made.

### 1.10 Self-Assessment Questions: (Essay Type)

1. What do you understand by 'Behavioural Sciences? Explain the scope, and significance of Behavioural Sciences to Management.
2. Discuss the significance and scope of the study of Behavioural Sciences.
3. Discuss the meaning and scope of Behavioural Sciences. What are its Social and Psychological dimensions.
4. Explain the inter disciplinary nature and significance of Behavioural Sciences.
5. What is the importance and scope of Organisational Behaviour?

### 1.11 Reference Books:

1. Alex Micronoff, "*De-Stalinizing the Corporation, Training*" August, 1990.
2. John W. Newstrom/Keith Davis, *Organisational Behaviour* TATA McGraw Hill Publishing Co, Ltd., New Delhi - 1995
3. Amrik Singh Sudan and N. Kumar, *Management Process and Organisational Behaviour*, Anmol Publications Pvt. Ltd., New Delhi-2003.

**- Dr. D. Nageswara Rao**

## LESSON - 2

# PEOPLE - NATURE - TYPES

## 2.0 Objective:

Till now we have discussed the human behaviour in the organisation in general. But organisations are composed of individuals (peoples) and each individual is different from the other. The behaviour of each individual is influenced by several factors.

After going through this lesson you should be able to:

- \* The Nature of the People
- \* Biographical characteristics
- \* Learned characteristics
- \* Environment Factors
- \* Types of People

## Structure:

### 2.1 Introduction

### 2.2 The Nature of the People

### 2.3 Personal Factors

#### 2.3.A. Biographical Factors

#### 2.3 B. Learned Factors

### 2.4 Environmental Factors

### 2.5 Organisational Factors

### 2.6 Types of Man (People)

### 2.7 Summary

### 2.8 Technical Terms

### 2.9 Self Assessment Questions

### 2.10 Reference Books

## 2.1 Introduction:

Human behaviour, a complex phenomenon as it is, most difficult to define in absolute terms. It is primarily a combination of responses to external and internal stimuli. These responses would reflect Psychological structure of the person and may be result of a combination of biological and psychological process. It is a system by which a human being senses external events and influences, interprets them, responds to them in an appropriate manner and learns from the result of these responses.

Psychologist Kurt Levin has conducted considerable research into the human behaviour and

its causes. He believes that people are influenced by a number of diversified factors, both genetic and environmental, and influence of these factors determine the pattern of behaviour. He called his conception of these influences “the field theory” and suggested that:

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

So that behaviour (B) is a function (F) of the person (P) and environment (E) around him. It is important to recognise the effect of the “person” and that of environment individually as well as their interaction and dependence upon each other in order to understand the pattern of behaviour. These two factors are highly linked with each other.

## 2.2 The Nature of People:

With regard to people, every field of social science (or even physical science) has a philosophical foundation of basic concepts that guide its development. In accounting, for example, a fundamental concept is that, “for every debit there will be a credit”. The entire system of double entry accounting was built on this equation when it replaced single-entry book-keeping many years ago. In physics, a basic belief is that elements of nature are uniform. The law of gravity operates uniformly in Tokyo and London, and an atom of hydrogen is identical in Moscow and New York. But the same can not be said for people.

As shown in Figure 1.1, organisational behaviour starts with a set of fundamental concepts revolving around the nature of people and organisations.

There are six basic concepts of individual differences, a whole person, motivated behaviour, desire for involvement, perception, and value of the person (ethical treatment).

**Individual Differences:** People have much in common (they become excited by an achievement, or they are grieved by the loss of a loved one), but each person in the world is also individually different (and we expect that all who follow will be different) Each one is different from all others, probably in millions of ways, just as each of their finger prints is different, as far as we know. And these differences are usually substantial rather than meaningless. Think, for example, of a person’s billion brain cells and the billions of possible combinations of connections and bits of experience that are stored inside. All people are different. This is a fact supported by science.

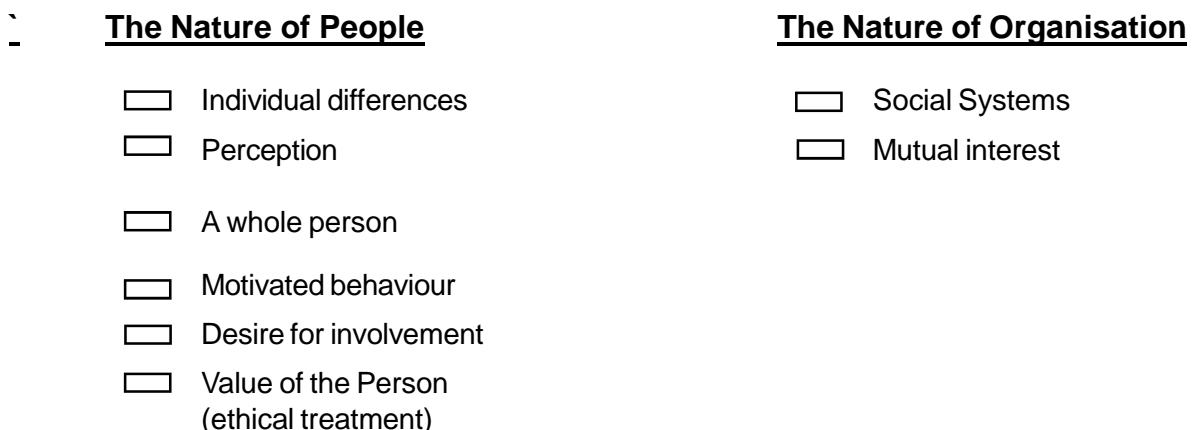
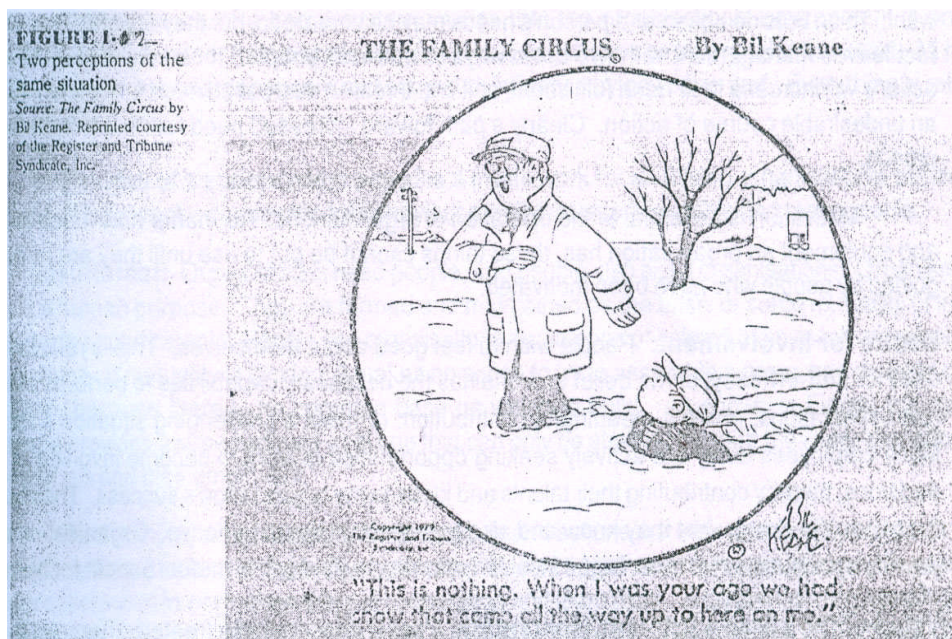


Figure 1.1 : Fundamental Concepts of Organisational behaviour

**Individual differences:** The idea of individual differences comes originally from psychology. From the day of birth, each person is unique, and individual experiences after birth tend to make people even more different. Individual differences mean that management can get the greatest motivation among people by treating them differently. If it were not for individual differences, some standard, across-the-board way of dealing with employees could be adopted, and minimum Judgement would be required thereafter. Individual differences require that a manager's approach to employees be individual, not statistical. This belief that each person is different from all others is typically called the law of individual differences.

**Perception:** People look at the world and see things differently. As shown in the cartoon in I - 2.



Two people may view the depth of the snow in two different ways. Their view of their objective environment is filtered by perception, which is the unique way in which each person sees, organises, and interprets things. People use an organised framework that they built out of a lifetime of experiences and accumulated values. This is another way in which people insist on acting like human beings rather than rational machines.

Employees see their work worlds differently for a variety of reasons. They may differ in their personalities, needs, demographic factors, and past experiences, or they may find themselves in different physical settings, time periods, or social surroundings. Whatever the reasons, they tend to act on the basis of their perceptions. Essentially, each person seems to be saying, "I react not to an objective world, but to a world Judged in terms of my own beliefs, values and expectations". This leads to the process of Selective Perception, in which people tend to play attention to those features of their work environment which are consistent with or which reinforce their own expectation. Selective perceptions can not only cause misinterpretations of single events at work, but also lead to future rigidity in the search for new experiences. Managers must learn to expect perceptual differences among their employees, accept people as emotional beings, and manage them in individual ways.

**A whole person:** Although some organisations may wish they could employ only a person's skill or brain, they actually employ a whole person, rather than certain characteristics. Different human traits may be separately studied, but in the final analysis they are all part of one system making-up a whole person. Skill does not exist apart from background or knowledge. Home life is not totally separable from work life, and emotional conditions are not separate from physical conditions. People function as total human beings. If the whole person can be improved, then benefits will extend beyond the firm into the larger society in which each employee lives.

**Motivated Behaviour:** From Psychology we learn that normal behaviour has certain causes. These may relate to a person's needs and/or the consequences that result from acts. In the case of needs, people are motivated not by what we think they ought to have but by what they themselves want. To an outside observer a person's needs may be unrealistic, but they are still controlling. This fact leaves management with two basic ways to motivate people. It can show them how certain actions will increase their need fulfillment, or it can threaten decreased need fulfillment if they follow an undesirable course of action. Clearly a path toward increased need fulfillment is the better approach.

Motivation is essential to the operation of organisations. No matter how much technology and equipment an organisation has, these things cannot be put to use until they are released and guided by people who have been motivated.

**Desire for involvement:** People wish to feel good about themselves. This is reflected in their drive for **self-efficacy**, or the belief that one has the necessary capabilities to perform a task, fulfill role expectations, make a meaningful contribution, or meet a challenging situation successfully. Many employees today are actively seeking opportunities at work to become involved in relevant decisions, thereby contributing their talents and ideas to the organisation's success. They hunger for the chance to share what they know and also to learn from the experience. Organisations need to provide opportunities for meaningful involvement, which will result in mutual benefit for both parties.

**Value of the person (Ethical Treatment):** People deserve to be treated differently than other factors of production (land, capital, technology) because they are of a higher order in the universe. Because of this distinction, they want to be treated with respect and dignity, and increasingly they demand it from their employers. They refuse to accept the old idea that they are simple economic tools. They want to be valued for their skills and abilities and to be provided with opportunities to develop themselves.

This demand for respect and an opportunity for development suggests strongly that organisations must treat employees in an **ethical** fashion. More and more firms are recognising this need and are responding with a variety of programs to ensure a higher standard of ethical performance. Companies have established codes of ethics, publicised statements of ethical values, rewarded employees for notable ethical behaviour, and set up internal procedures to handle misconduct. They have begun to recognise that since organisational behaviour always involves people, ethical philosophy is involved in one way or another in each action they take. Human decisions cannot, and should not, be made apart from ethical values.

## The Nature of Organisations:

With regard to organisations, the two key concepts are that they are social systems and that they are formed on the basis of mutual interest.

**Social Systems:** From sociology we learn that organisations are social systems; consequently, activities therein are governed social laws as well as Psychological laws. Just as people have psychological needs, they also have social roles and status. Their behaviour is influenced by their group as well as by their individual drives. In fact, two types of social systems exist side by side in organisations. One is the formal (official) social system, and the other is the informal social system.

The existence of a social system implies that the organisational environment is one of dynamic change, rather than a static set of relations as pictured on an organisation chart. All parts of the systems are interdependent and subject to influence by any other part. Everything is related to everything else.

The idea of a social system provides a frame work for analysing organisational behaviour issues. It helps make organisational behaviour problems understandable and manageable.

**Mutual Interest:** Organisations need people, and people also need organisations. Organisations have a human purpose. They are formed and maintained on the basis of some mutuality of interest among their participants. People see organisations as a means of helping them reach organisational objectives. If mutuality is lacking, it makes no sense to try to assemble a group and develop cooperation, because there is no common base on which to build. As shown in Figure 1.3. mutual interest provides a superordinate goal one that can only be attained through the integrated efforts of individuals and their employers.

Furthermore, when the organisation's goals and actions are ethical, mutuality creates a triple reward system in which individual, organisational, and social objectives are all met. People find more satisfaction in work when there is cooperation and team work. They are learning, growing, and contributing. The organisation is also more successful, because it operates more effectively. Quality is better, service is improved, and costs are reduced. Perhaps the greatest beneficiary of the triple reward system is society itself, because it has better products and services, more capable citizens, and an overall climate of cooperation and progress. There is a three-party win-win-win result in which there need not be any losers.

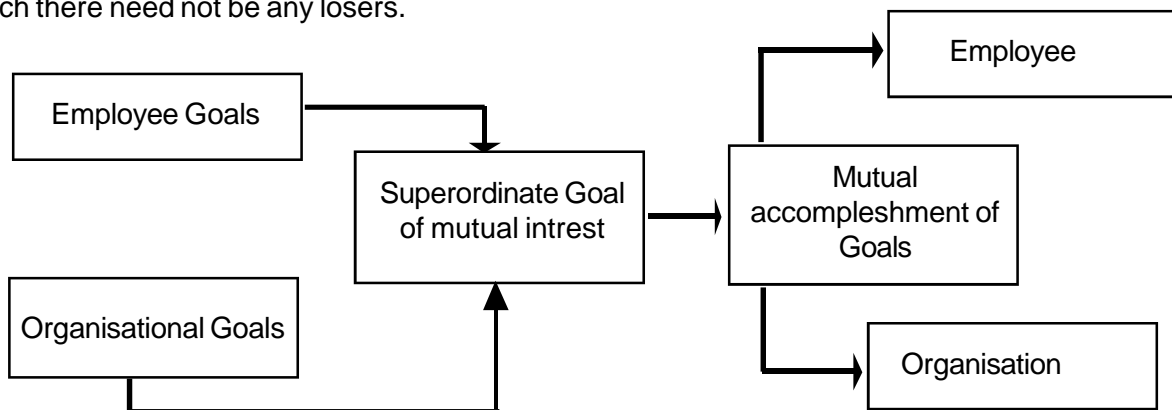


Figure 1.3. Mutual interest provides a superordinate goal for employees and the organisation

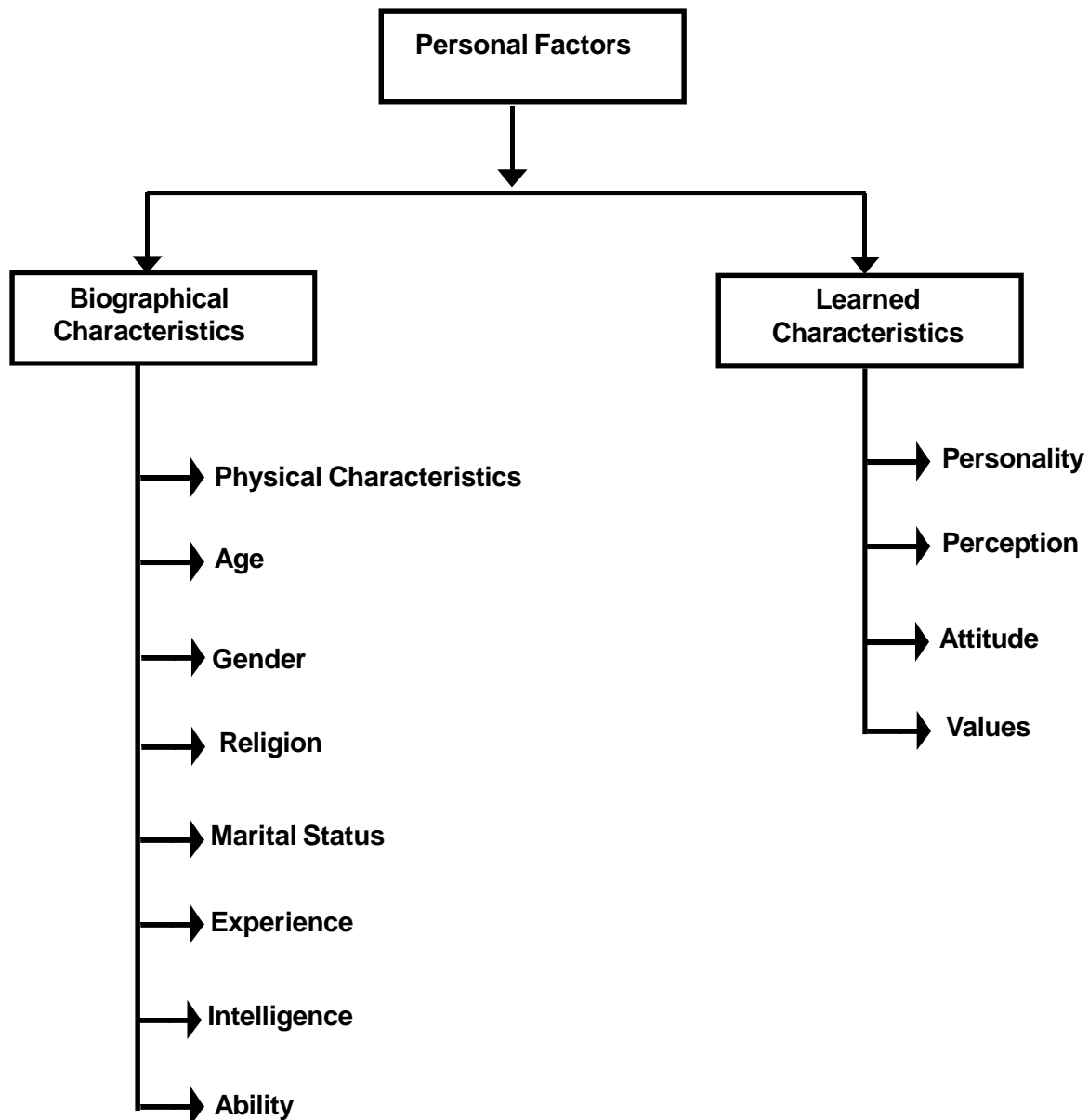


## 2.3 Personal Factors:

The personal factors which influence the individual behaviour can be classified into two categories, viz.

### A. Biographic Characteristics:

All the human beings have certain characteristics which are genetic in nature and are inherited. These are the qualities which the human beings are born with. There are the characteristics which cannot be changed, at the most, these can be refined to some extent. If the managers know about the inherited qualities and limitations of the persons, they can use their organisational behaviour techniques more effectively. All these characteristics are explain in detail as follows:



### 1. Physical Characteristics:

Some of these characteristics are related to height, skin, complexion, Vision, shape and size of nose, weight etc. All these have an impact on the performance of the individuals. It is sometimes said that the eyes betray the character of a person. Similarly certain ideas about the behaviour can be formed on the basis of whether the person is fat, tall or slim. Tall and slim people are expected to dress well and behave in a sophisticated manner and fat people are supposed to be of a jolly nature. Whether there is a correlation between body structure and behaviour or not has not been scientifically proven. Even if there is a correlation between these two, it is very difficult to understand which is the independent variable and which is dependent variable.

**2. Age:** Age is considered to be an inherited characteristic because it is determined by the date of birth. The relationship between age and job performance is an issue of increasing performance. Psychologically, younger people are expected to be more energetic, innovative, adventurous, ambitious and risk taking. Whereas old people are supposed to be conservative, set in their own ways and less adoptable. Though there is no clear cut demarcation between young age and old age but according to Lehman the peak of creative ability is among people between the ages 30 and 40.

**3. Gender:** Being a male or female is genetic in nature and it is considered to be an inherited feature. Whether women perform as well as in jobs as men do, is an issue which has initiated lot of debates, misconceptions and opinions. The traditional view was that man is tougher than woman or women are highly emotional than men. But these are some stereotyped baseless assumptions. Research has proved that there are few if any, important differences, between man and women that will affect their job performance.

**4. Religion:** Though there are no scientific studies to provide it and we cannot generalise it, but religion and religion based cultures play an important role in determining some aspects of individual behaviour, especially those aspects which concern morals, ethics and a code of conduct. The religion and culture also determine attitudes towards work and towards financial incentives.

**5. Marital Status:** There are not enough studies to draw any conclusion as to whether there is any relationship between marital status and job performance. Research has consistently indicated that as marriage imposes increased responsibilities, to have a study job becomes more valuable and important. Married employees have fewer absences, less turnover and more job satisfaction as compared to unmarried workers. But no research has so far identified the causes for this.

**6. Experience:** The next biographical characteristic is tenure of experience. The impact of seniority on job performance is an issue which is subject to a lot of misconceptions and speculations. Work experience is considered to be a good indicator of employee productivity. Research indicates that there is a positive relationship between seniority and job performance. Moreover studies also indicate a negative relationship between seniority and absenteeism. Employee turnover is also considered to be negatively related to seniority.

**7. Intelligence:** Generally, it is considered that intelligence is an inherited quality. Some people are born intelligent or in other words intelligent parents produce intelligent children. But practical experience has shown that sometimes very intelligent parents have less intelligent children. Moreover, intelligence can be enhanced with efforts, hard work, proper environment and motivation.

**8. Ability:** Ability refers to the capacity or capability of an individual to perform the various tasks in a job. Ability is the criterion used to determine what a person can do. Ability of an individual can be of two types:

**(i) Intellectual ability:** If the individual is expected to perform mental activities, he must have a particular level of intellectual ability. Some important dimensions used to ascertain intellectual ability are number aptitude, comprehension, perceptual speed and test of reasoning. For some important jobs or assignment; a person has to clear some admission test.

**(ii) Physical ability:** Physical abilities include a person's stamina, manual dexterity, leg strength and the like. If the performance of a particular job requires some specific physical abilities, it is duty of the management to identify the employees having those abilities. This is accomplished by either careful selection of people or by a combination of selection and training.

## **B. Learned Characteristics:**

Learning is defined as, "a relatively permanent change in behaviour resulting from interactions with the environment".

A person is born with biographical characteristics which are different to change or modify. Therefore, the managers lay much stress on studying, learning and predicting the learned characteristics. Some of these learned characteristics are as follows:

**1. Personality:** By personality we don't mean the physical appearance of a person. Psychologists are not concerned with a smart person, with a smiling face and a charming personality. They consider personality as a dynamic concept describing the growth and development of a person's whole psychological system. Rather than looking at parts of the person, personality looks at some aggregate whole that is greater than the sum of the parts. According to Tedeschi and Lindskold, people who are open minded seem to work out better in bargaining agreements than people who are narrow minded. Similarly people who are extroverts and outgoing are more likely to be successful as managers than those who are introverts.

**2. Perception:** Perception is the process by which information enters our minds and is interpreted in order to give some sensible meaning to the world around us.

**3. Attitude:** Attitude expresses an individual's positive or negative feeling about some object.

**4. Values :** Values are global beliefs that guide actions and judgements across a variety of situations. Values carry an individual's ideas as to what is right, good or desirable.

## **2.5 Environmental Factors:**

The external environment is known to have a considerable impact on a person's behaviour. A brief description of the external factors follows:

**1. Economic Factors:** The behaviour of an individual is affected to a large extent by the economic environment. A few economic factors which directly or indirectly affect the individual behaviour are as explained below:

The employment opportunities available to individuals, the wages payable to them, the general economic environment and the technological development effect the individual behaviour to a large extent, either directly or indirectly.

**2. Socio-Cultural Factors:** The social environment of an individual includes his relationship with family members, friends, colleagues, supervisors and general, is also a part of his social environment values are important cultural factors having impact on the individual behaviour.

**3. Political Factors:** Political environment of the country will affect the individual behaviour not directly, but through several other factors. In a political stable country there will be a steady level of employment (both in quantity and quality) and high level of capital investment. Whereas companies are reluctant to invest large sums of money in a politically instable country.

The political ideology of a country affects the individual behaviour through the relative freedom available to its citizens.

**4. Legal Environment:** Rules and Laws are formalised and written standards of behaviour. Both rules and laws are strictly enforced by the legal system. Laws relate to all the members of the society e.g. Murder is a crime which is illegal and punishable by law and applies to all the people within the system. Observing the laws voluntarily allows for predictability of individual behaviour.

## 2.5 Organisational Factors:

Individual behaviour is influenced by a wide variety of organisational systems and resources. These organisational factors are as explained below:

**1. Physical Facilities:** The physical environment at a work place is the arrangement of people and things so that it has a positive influence on people. Some of the factors which influence individual behaviour are noise level, heat, light, ventilation, cleanliness, nature of job, office furnishing number of people working at a given place etc.

**2. Organisation Structure and Design:** These are concerned with the way in which different departments in the organisation are set up. What is the reporting system? How are the lines of communication established among different levels in the organisation.

**3. Leadership:** The system of leadership is established by the management to provide direction, assistance, advice and coaching to individuals. The human behaviour is influenced to a large extent by the behaviour of the superiors or leaders. Behaviour of the leaders are more important than their qualities.

**4. Reward System:** The behaviour and performance of the individuals is also influenced by the reward system established by the organisation to compensate their employees.

## 2.6 Types of Man (People):

In dealing with human beings, either understanding or influencing their behaviour, management makes some assumptions about them consciously or unconsciously. Managerial effectiveness in dealing with people will depend on the degree to which its assumptions fit the actual situation. Historically, the assumptions about people in the organisations have largely reflected

philosophical positions on the nature of man and have served as the justification for the particular organisation. Therefore, it is a must that we should also refer to the models of individual behaviour. A number of models of man have been given in terms of his basic nature, his behaviour etc. A brief description of a few models is presented below:

**A. Rational Economic Man:** From the organisation perspective, managers had, for a long time, viewed their employees as rational beings who are primarily motivated by money. They took the “Economic Man” and “Rational Man” approach to understand and predict the human behaviour. This model is based on classical organisation theory. The Scientific Management Movement was based on the belief that by rationally explaining the one best way to do things and offering incentives to workers in the form of piece rates and bonuses, organisational output can be increased. Psychologists have also studied this model for predicting human behaviour. For example, McGregor’s assumptions of Theory X reflect this model. The basic assumptions of the concept of “Rational Economic Man” are as follows:

- (i) People are motivated primarily by economic incentives. They will do things which get them the greatest economic gain.
- (ii) As the organisation controls the economic incentives, human beings are essentially passive agents, who are manipulated, motivated and controlled by the organisation.
- (iii) The feelings of the people are essentially irrational and must be controlled to achieve rationality and self interest.
- (iv) Organisations can and must be designed in such a way so as to neutralise and control people’s feelings and therefore their unpredictable traits.

In this model, people are induced to produce more by providing them with economic incentives. In this case, there is no organisation - employees conflict because both are satisfying their needs simultaneously. Management is getting more production and people are getting more money.

### **Drawbacks:**

- (i) As this model is based on the classical organisation theory, it suffers from the shortcomings inherent in that theory and do not suit the present day organisation.
- (ii) The economic incentives can work till the man is not reasonably satisfied by the end of money.

Though, the need of money is inexhaustible and the man will never have enough, but after a certain stage, only money will not be sufficient for him. He will have some Psychological needs also, which cannot be fulfilled by the organisation in this case.

Therefore, it can be stated that whole assumption of Rational Economic man are not sufficient in understanding and predicting human behaviour.

## **2. Social Man:**

With the passage of time, the advocates of Human Relations school recognised that there is

a lot more to human behaviour than just being economic and rational. Advocates of this school considered the worker as a social man. They recognised that man is a part of the social group, he is influenced by the social forces and seeks satisfaction of the needs which are related to the maintenance of his social relationships.

Eltan Mayo conceived the concept of the social man when he carried out Hawthorne studies during 1927-32. From the reports of Hawthorne experiments the following assumptions about human beings can be drawn:

- (i) Human beings are basically motivated by social needs and all their efforts are directed towards getting this satisfaction by maintaining relationships with others.
- (ii) A human being is more responsive to the pressures and sanctions of his social group than to the incentives and controls of the management. The reason is that the values social relationship higher than his economic motives which are directly under the control of management.
- (iii) Informal leaders play an important role in setting and enforcing the group norms.
- (iv) The amount of work to be done by a worker is not determined by his physical capacity or by the management but by the social norms.
- (v) General people do not act or react as individuals but as members of a group.
- (vi) Management should change and organise work in such a way that it provides more belongingness not only in terms of interpersonal and group relationships, but also man's relationship with his job.

The type of managerial strategy that is to be applied in the case of social man is quite different as compared to the strategy to be applied in case of Economic - Rational man. The total system of social man is directed towards people. The following changes were required in the managerial strategy.

- (i) The manager should not concentrate only on the output achieved by the people but he should also focus his attention on people themselves.
- (ii) Another required change was to analyse and motivate human behaviour in terms of groups rather than an individual basis.
- (iii) Another change which was required was in the behaviour of the manager instead of being the controller of behaviour, he was supposed to act as the supporter of workers.

Thus the social man approach was also considered somewhat simplistic.

### **3. Organisational Man:**

Organisational Man is an extension of social man. The concept of organisation man was introduced by William Whyte. He believed that it is very important for a person to be loyal to the organisation and cooperative with the fellow workers. Any person who believes in this value system and acts in this way is an organisation man. The basis of this concept is that every individual should

sacrifice his individuality for the sake of the group and organisation. This idea was initially suggested by Henry Fayol, when he suggested that individual interest should be subordinated to the general interest. Whyte had explained three major propositions.

- (i) The group is the sources of creativity. The individual by himself is isolated and meaningless; only when he collaborate with others does he create. Individual helps to produce a whole that is greater than the sum of its parts.
- (ii) Belongingness is the ultimate need of the individual. There should be no conflicts between man and society because what is normally considered conflicts is merely misunderstanding and breakdown in communication.
- (iii) The science achieves the goal of belongingness. By applying the methods of science, the abstacles to consensus can be eliminated and an equilibrium can be created where society's needs and the needs of the individual are one and the same.

People will be willing to sacrifice their interests for the organisation only if they are positive that the organisation would take care of them.

#### **4. The Self Actuating Man:**

The concept of self actuating man is a further extention of social man and the organisation man models. The earlier models do not allow his to satisfy his self actuating needs. Following are the main assumptions about the self actuating man.

- (i) Man moves from immaturity to maturity in self-actualising himself. In this process, there will be various changes in his behaviour.
- (ii) Man is primarily self-motivated and self controlled. Therefore only incentives and control imposed externally will not threaten him and result in less mature adjustment.

These assumptions are generally based upon McGregor's theory 'Y' Argyris's immaturity, maturity theory. To satisfy a self actuating man what is required is all the managerial actions meant to satisfy the social man with some additional features.

#### **5. Complex Man:**

Complex man presents the real picture of human behaviour. All the previous models make very simplistic assumptions about people and their behaviour.

Researches have proved that these assumptions are not correct as explained below:

- (i) The earlier models assume that man will always behave according to certain set patterns. But research has indicated that there are many complex variables, which determine the human behaviour.
- (ii) The behaviour of man can be understood and predicted in the given conditions, depending upon the assumptions made. But research has indicated that even if cause - effect relationship is established between the variables and behaviour, it is not easy to

understand and predict the individual behaviour because of the individual differences. It is not necessary that every one will behave accordingly.

Most behaviours in the organisation can be understood by taking assumptions of complex man. Following are a few assumptions about complex man:

- (i) People are capable of learning new motives through their organisational experiences.
- (ii) People can respond to many different kinds of management strategies.
- (iii) People's motives in different organisations or different sub parts of the same organisation may be different.

Though this model is quite complex, it indicates the real situation and lays emphasis on the fact that human behaviour is not as simple as assumed in the previous models.

## 2.7 Summary:

Fundamental concepts of organisational behaviour relate to the nature of people (individual differences, a whole person, motivated behaviour, desire for involvement, perception, value of person, and types of people) and to the nature of organisations (Social system and mutual interest). Managerial action should be oriented holistically to attain superordinate goals of interest to employees, the organisation and society. This can best be done by the understanding and use of human resources, contingency, productivity, and systems approaches.

## 2.8 Technical Terms:

1. Horizontal Communication : Communication that flows across functions in an organisation
2. Expectancy : The perceived likelihood that a particular act will be followed by a particular outcome.
3. Culture : Explicit and implicit patterns of and for behaviour acquired and transmitted by symbols.
4. Humanistic Personality Theories : Theories that place emphasis on the growth and self-actualisation of people.
5. Job Design : The process by which managers decide individual job tasks and authority.
6. Skills : Task - related competencies.

## 2.9 Self - Assessment Questions : (Essay Type)

1. What are the major factors that determine individual behaviour?
2. Discuss different models of man. How are they useful for the study of organisational behaviour.
3. Give a detailed account of various models of man. Which of the model is superior, you feel? Why?



4. Discuss the nature of people at work. How do you get good performance from the people?
5. Discuss various personal factors which influence individual behaviour.

### **2.10 Reference Books:**

1. Amrik Singh Sudan & N. Kumar, *Management Process and Organisational Behaviour*, Anmol Publication Pvt. Ltd., New Delhi - 2003.
2. L.M. Prasad, *Organisational Behaviour*, Sultan Chand & Sons, New Delhi-1996.
3. John. W. Newstrom/Keith Davis, *Organisational Behaviour*, Tata McGraw Hill Publishing Co, Ltd., New Delhi - 1995.
4. Shashi K. Gupta & Rosy Joshi, *Organisational Behaviour*, Kalyani Publishers, New Delhi, 2004.

- **Dr. D. Nageswara Rao**

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## **LESSON - 3**

# **Mc GREGOR'S THEORY - ITS IMPLICATIONS**

### **3.0 Objective:**

Although it is recognised that work-motivation theories are generally categorised into content and process approaches, equity and attribution theories have emerged in recent years and command most of the research attention. An understanding of X for Y theoretical developments is now necessary to the study of work motion in organizational behaviour.

After going through this lesson you should be able to:

- \* Theories of Motivation
- \* Significance of Mc Gregor's Theory
- \* Purpose of 'X' Theory
- \* Purpose of 'Y' Theory
- \* Applicability of X and Y Theories.
- \* Comparision of the Theories X & Y Theories
- \* Implications of Theories X and Y
- \* Z Theory Significance

### **Structure:**

- 3.1 Introduction**
- 3.2 Theories of Motivation**
- 3.3 Mc Gregor's Theory**
- 3.4 'X' Theory**
- 3.5 'Y' Theory**
- 3.6 Applicability of Theory X & Theory Y**
- 3.7 Comparision of the Theories X and Y**
- 3.8 Implications of Theories X and Y**
- 3.9 'Z' Theory significance**
- 3.10 Summary**
- 3.11 Technical Terms**
- 3.12 Self-Assessment Questions**
- 3.13 Reference Books**

### **3.1 Introduction:**

The managements action of motivation human beings in the organisation, according to Mc Gregor, involves certain assumptions generalisations and hypotheses relating to human behaviour and human nature. These assumptions may be neither consciously crystallied nor overly stated;

however, these serve the purpose of predicting human behaviour may differ considerably because of the complexity of factors influencing this behaviour. Mc Gregor has characterised these assumptions in two opposite points, Theory X and Theory Y.

### 3.2 Theories of Motivation:

Motivation is important because in most cases people do not contribute towards the realisation of organisational goals as much as they can. Managers, therefore, try to find out the reasons that impede people from increasing their productivity. They accordingly prepare the plans for motivating their employees. There are several approaches to the study of motivation, which are discussed below:

#### (A). Be Strong Approach:

Traditionally management has resorted to be strong. This form of motivation in industry emphasizes authority and economic rewards. This rewards strategy consists of forcing people to work by threatening to punish or dismiss them or to cut their rewards, if they do not work. This approach paid off fairly well in the early days of industrial revolution. It is because needs for food, clothing and shelter were paramount.

#### (B). Be Good or Paternalistic Approach:

This approach is a substitute for 'be strong' applied by many managements. The essence of this approach is conferring of various rewards on the organisation members in hope of increasing the productivity due to gratitude or loyalty to the organisation. High wages job security, subsidised education, recreation programmes, fair supervision and good working conditions are the instruments used for gaining the loyalty of the employees and thus promoting the efficiency. Increasing efforts are sought as a reciprocal basis; management tries to make available to the subordinates the things they want and as a result expects the subordinates to display enthusiasm and loyalty.

Be good approach or paternalism may fail to achieve its purpose. Paternalism may create resentment rather than gratitude because some people do not like to feel dependent on others. They prefer to decide for themselves what they want.

#### (C). Effort Reward Approach:

The third strategy tries to establish a relationship between efforts and rewards. The origin of this approach can be found in the Scientific Management of F.W. Taylor. Rewards in this approach are considered to be a function of efforts put into reach the standard set by the management. Individual wage incentives and promoting individuals on the basis of accomplishment are the manifestation of this approach. This approach assumes that people work in an organisation with the only incentive of earning money; it forgets the necessity of providing on the job satisfaction to the employees. Moreover, this approach can be applied only where performance and results can be directly and qualitatively measured.

All the above mentioned approaches to motivation are based on the assumption of human nature included by Douglas Mc Gregor in his theories 'X' and 'Y'.

### 3.3 Mc Gregor Theory:

Douglas McGregor introduced these two theories i.e. Theory X and Theory Y, based on two

distinct views of human beings. He proposed, at opposite extremes, two pairs of assumptions about human beings which he thought were implied by the actions of the managers. Theory 'X' deals with one extreme, based on one set of assumptions and Theory 'Y' deals with another extreme based on another set of assumptions. These theories are not based on any research, but according to Mc Gregor, these are intuitive deductions.

### 3.4 Theory 'X':

This theory is based on the traditional approach to human behaviour. The assumptions generally, held by the managers in this theory are:

1. The average human beings inherently dislike work and will try to avoid it, whenever possible.
2. As the employees are lazy, they must be controlled, concerned, threatened with punishment to achieve goals, to which they are indifferent.
3. Average employees will try to avoid responsibility and seek formal directions whenever possible, because they have relatively little ambition.
4. Most workers place security above all other factors associated with work. These assumptions about human nature are negative in their approach. Managers who advocate these views feel that extreme control is most appropriate for dealing with irresponsible and immature employees. This is an autocratic style of leadership based on the traditional theory of workers have to be persuaded and pushed into performance.

### 3.5 Theory 'Y':

This approach assumes that management by direction and control is a questionable method for motivating such people whose physiological and social needs have been satisfied and whose social esteem and self actualisation needs are becoming more important. For such people, Theory 'Y', seems to be applicable, which is the contrast of Theory X. This theory makes the following assumptions about people:

1. The average human being does not inherently dislike work. He can view work as natural or enjoyable as rest or play.
2. Employees will exercise self direction and self control in the attainment of the objectives to which they are committed.
3. Given proper working conditions, average person can learn to accept and even to seek responsibility.
4. Commitment to objectives is a function of the rewards associated with their achievement.
5. All the people are capable of making innovative creative decisions and the decision making is not the sole province of the people in management positions.

This theory has assumed a new approach in management. It emphasises on co-operation between management and employees. The individual and organisational goals do not conflict in this approach. This theory places greater emphasis on satisfaction of high level needs of the employees.

McGregor himself holds that the assumptions of theory are more valid than theory X. Thus, delegation of authority, job enlargement, management by objectives and participative management techniques are great motivators for the employees.

### 3.6 Applicability of Theory 'X' and Theory 'Y':

Theory X and the Theory Y represent two extremes. No person can belong to these two extreme situations. Each person possesses the traits of Theory X and Theory Y, through the degrees may be different under different situations. Though, no generalisations can be made, still it appears that theory X is more applicable to unskilled and uneducated lower class workers who work for the satisfaction of their Physiological needs only. Theory Y appears to be applicable to the educated, skilled and professional employees who understand their responsibilities and do not need any direction and control. However, there can be exceptions. A lower level employee may be more responsible and mature than a well qualified high level employee. Still these theories are very important tools in understanding the behaviour of human being and in designing the motivational schemes. The management should use a combination of both the theories to motivate different employees.

### 3.7 Comparison of Theories X & Y:

Both theories have certain assumptions about human nature. In fact, they are reverse sides of a coin, one representing head and the other representing tail. Thus, these assumptions seem to be mutually exclusive. The difference between two sets of assumptions can be visualised as follows:

- (i) Theory 'X' assumes human beings to be inherently distasteful towards work. Theory 'Y' assumes that for human beings work is as natural as play.
- (ii) Theory 'X' emphasises that people do not have ambitions and try to avoid responsibilities in jobs. The assumptions under theory Y are just the reverse.
- (iii) According to theory X, most people have little capacity for creativity while according to theory Y, the capacity for creativity is widely distributed in the population.
- (iv) In theory X, motivating factors are the lower needs, In theory Y, higher order needs are more important for motivation, though unsatisfied lower needs are also important.
- (v) In theory 'X' people lack self-motivation and require to be externally controlled and closely supervised to get maximum output from them. In theory Y, people are self directed and creative and prefer self control.
- (vi) Theory X emphasises scalar chain system and centralisation of authority in the organisation while theory Y emphasises decentralisation and greater participation in the decision making process.
- (vii) Theory X emphasises autocratic leadership. Theory Y emphasises democratic and supportive leadership styles.

### 3.8 Implications of Theories X and Y:

Mc Gregor's assumptions in terms of theory X and theory Y are based on Maslow's need

hierarchy model. In the beginning, when the concept of 'economic man' was accepted, some writers emphasised only on the satisfaction of physiological and safety needs. These were the basic constituents of the motivation model. However, because of changes in the value systems and social systems, higher - order needs were emphasised for human beings and these needs mostly replaced lower- order needs as constituents of motivation model. Similarly, assumptions under theory X are being replaced by assumptions under theory Y. This is being reflected in the managerial styles and techniques. Today we emphasise management by objectives, management by integration and self control, supportive management, decentralisation, job enrichment etc. These techniques are applicable in the organisations where self motivated, self controlled, mature, and responsible people work. McGregor believes that recent researchers in the behavioural sciences have shown that the assumptions of what he calls Theory Y may be more valid than the precepts of theory X.

### 3.9 Theory 'Z':

Theory Z describes the major postulates of Japanese management practices and how these practices can be adopted to the environment of united states and other countries. It can be made clear that the letter 'Z' does not stand for anything; it is merely the last letter of the alphabet. It is just to denote the state of affairs in organisation and human behaviour as has been done in the case of theories X and Y. Further, Theory X is not a theory; it is a label interchangeable with type Z. The redundant expression 'Theory Z' was adopted not for analytical or descriptive purposes but, perhaps, for promotional purposes.

### 3.10 Summary:

The Hawthorne studies triggered a long series of studies. These threads were woven into a theoretical garment by Prof. Mc Gregor. Mc Gregor is credited as being the initiator of one of the most widely used and highly popular classification schemes for both the acceptable and unacceptable styles of today. This classification scheme was named, for want of better phraseology. Theory X and Theory 'Y', reflective of what he considered as two perspectives of administrative action. Actually theory X and theory Y are attitudes or predispositions toward people. Theory X is negative, traditional and autocratic style, while the theory Y is positive, participatory and democratic. Thus, these labels described contrasting set of assumptions about human nature. Further, Mc Gregor believes that recent researchers in the behavioural sciences have shown that the assumptions of what he calls Theory Y may be more valid than the precepts of theory X.

### 3.11 Technical Terms:

- 1. Goal oriented:** The focus of attention and decision making among the members of a subunit.
- 2. Job analysis :** The process of defining and studying a job in terms of behaviour and specifying education and training needed to perform the job.
- 3. Leadership :** An attempt to use noncoercive types of influence to motivate individuals to accomplish some goal.
- 4. Motivation :** A concept that describe the forces acting on or within an employee that invitate and direct behaviour.
- 5. Scalar Chain :** The graded chain of authority created through the delegation process.

### 3.12 Self-Assessment Questions (Eassy type):

1. Briefly explain the theory X and theory Y and its implications?
2. "Actually theory X and theory Y are attitudes or predispositions towards people they describe the contrasting set of assumptions about human nature" - Discuss.
3. Explain Mc Gregor's Theory X and Theory Y. How is theory Y an improvement over the traditional view that you can motivate employees by paying them more money?

### 3.13 Reference Books:

1. Amrik Singh Sudan & N. Kumar, *Management Process and Organisational Behaviours*; Anmol Publications Pvt. Ltd., New Delhi, 2003.
2. John W. Newstrom/Keith Davis, *Organisational Behaviour*, TATA Mc Graw Hill Publishing Co, Ltd., New Delhi - 1995.
3. L.M. Prasad, *Organisational Behaviour*, Sultan Chand & Sons ; New Delhi : 1996.
4. Shashi K. Gupta & Rosy Joshi, *Organisational Behaviour*, Kalyani Publishers, New Delhi :2004.

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## **Lesson - 4**

# **PERSONALITY-CONCEPT AND DETERMINANTS**

### **4.0 Objective:**

Personality is a concept that we use continuously in our day to day routine, when dealing with people. We talk about people as having a good personality or a bad personality or arrogant and aggressive personality. Sometimes we refer to disagreements among people as being due to personality conflicts. Personality can be reflected in a person's temperament and is a key factor influencing individual behaviour in organisations.

After going through this lesson you should be able to :

- \* Meaning and definitions of personality.
- \* Determinants of personality
- \* Personality Traits

### **Contents:**

- 4.1 Introduction**
- 4.2 Meaning and Definitions**
- 4.3 Development of Personality**
- 4.4 Determinants of Personality**
  - 4.4 I Biological Factors**
  - 4.4 II Family and Social Factors**
  - 4.4 III Cultural Factors**
  - 4.4 IV Situational Factors**
- 4.5 Summary**
- 4.6 Technical Terms**
- 4.7 Self Assessment Questions**
- 4.8 Reference Books**

### **4.1 Introduction:**

For the study of human behaviour, we have to understand the individual differences. The individual differences are due to both Physiological and Psychological factors. Analysis of Psychological traits is the first step in understanding human behaviour, because Physiological factors may be one of the variables affecting Psychological factor.

Personality is one of the major Psychological factors affecting the human behaviour. Personality is a very commonly used word. This word is generally used whenever we talk about a person's job prospects, achievements, marriage and other similar occasions. Here we are considering the concept of personality in a very narrow sense as it implies a person's smartness,



cham, dress, sense, popularity, physical attractiveness, way of speaking etc. But to understand and predict the individual behaviour in an organisation, this narrow view of the term personality is not enough, we will have to look at the aggregate whole, that is greater than the sum of parts.

## 4.2 The Meaning and Definitions of Personality:

The term 'personality' has been derived from the Latin term 'persona' which means to 'speak through'. The Latin word denotes the masks worn by actors in ancient Greece and Rome. Therefore a very common meaning of the term personality is the role which the person (actor) plays to the public. Personality is a very frequently used word but still there is no consensus about its meaning. There is a great deal of controversy about the meaning of the word personality. A few definitions of personality are as given as:

According to Floyd L. Ruch, "Personality includes external appearance and behaviour, inner awareness of self as a permanent organising force and the particular pattern of organisation of measurable traits, both inner and outer".

According to Gordon Allport "Personality is the dynamic organisation within the individual of those psychological systems that determine his unique adjustment to his environment".

According to Fred Luthans, "Personality means how a person affects others and how he understands and views himself as well as the pattern of inner and outer measurable traits and the person-situation interaction.

In Psychology, personality is interpreted in different ways by different theorists. For example, 'Carl Rogers' views personality in terms of self, an organised, permanent, subjectively perceived entity which is at the heart of all our experiences. 'Freud' describes the structure of personality as composed of three elements the id, ego and super ego. In addition the social learning aspects of personality are also emphasised by some theorists.

Taking all the aspects together, personality represents the sum total of several attributes which manifest themselves in an individual, the ability of the individual to organise and integrate all the qualities so as to give meaning to life, and the uniqueness of the situation which influence behaviour of an individual.

Bonner provides six propositions to classify the nature of personality within the context of change and development:

- (i) Human behaviour is composed of Acts
- (ii) Personality visualised as a whole actualises itself in a particular environment
- (iii) It is distinguished by self consistency
- (iv) It forms a time - integrating structure
- (v) It is a goal directed behaviour and
- (vi) It is a process of becoming

From the above, it becomes very clear that personality is a very diverse Psychological concept.

### 4.3 The Development of Personality and Socialisation:

Study and research on, the development of personality has traditionally been an important area for understanding human behaviour. Modern developmental Psychology does not get into the argument of heredity versus environment or of maturation (Changes that result from heredity and Physical development) versus learning. The human being consists of both Physiological and Psychological interacting parts. Therefore, heredity, environment, maturation, and learning all contribute to the human personality.

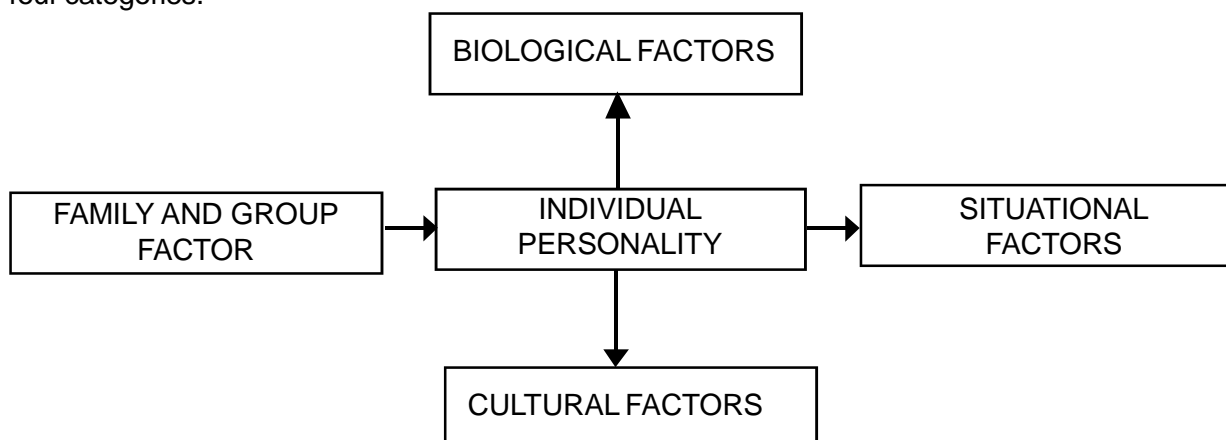
The study of personality has attempted to identify specific Physiological and Psychological stages that occur in the development of human personality. This “stage” approach has been theoretical in nature. There are many well-known stage theories of personality development. However, as with most aspects of personality there is little agreement about the exact stages. In fact, a growing number of today's Psychologists contend that there are no identifiable stages. Their argument is that personality development consists of a continuous process and the sequence is based solely upon the learning opportunities available. The opposing view supports stages in personality development.

### 4.4. Determinants of Personality:

Now that we have understood the meaning of personality, the next question is what determinants go into the development of personality? Was the individual born with that personality or was it developed afterwards as a result of his interaction with his environment?? Generally the consensus is that heredity and environment jointly affect the individual's personality development. The factors affecting personality development are illustrated in the following:

- (i) Biological factors
- (ii) Family and Social factors
- (iii) Cultural factors, and
- (iv) Situational factors

The above factors classified by the Scott and Mitchell, these factors are interrelated and inter-dependent. However, the purpose of analysis the determinants can be classified into above four categories.



**Fig:1: Determinants of Personality**

Out of the various factors of personality determinants, only biological factors have one sided impact while other factors have interactive impact as the individual himself can also have some impact on these factors.

#### 4.4. I. Biological Factors:

**(a) Heredity:** Heredity refers to those factors that were determined at conception. Physical stature, facial attractiveness, gender, temperament, muscle composition and reflexes, energy level, and biological rhythms are characteristics that are generally considered to be either completely or substantially influenced by who your parents were: that is, by their biological, physiological, and inherent psychological makeup. The heredity approach argues that the ultimate explanation of an individual's personality is the molecular structure of the genes, located in the chromosomes.

Three different streams of research lend some credibility to the argument that heredity plays an important part in determining an individual's personality. The first looks at the genetic underpinnings of human behaviour and temperament among young children. The second addresses the study of Twins who were separated at birth. The third examines the consistency in job satisfaction over time and across situations.

Recent studies of young children lend strong support to the power of heredity. Evidence demonstrates that traits such as shyness, fear and distress are more likely caused by inherited genetic characteristics. This finding suggests that some personality traits may be built into the same genetic code that affects factors such as height and hair color.

**B. Brain:** Another biological factor that influences personality is the role of brain of an individual. Through some promising inroads are made by researchers, the Psychologists are unable to prove empirically the contribution of human brain in influencing personality preliminary results from the electrical stimulation of the brain (E.S.B.) research gives indication that better understanding of human personality and behaviour might come from the study of the brain.

**C) Physical features:** Perhaps the most understanding factor that contributes to personality i.e. the physical stature of an individual. An individual's external appearance is proved to be having tremendous effect on his personality. For instance, the fact that a person is short or tall, fat or skinny, handsome or ugly, black or whitish will undoubtedly influence the person's effect on others and in turn, will affect the self concept. According to Paul H. Mussen " - a child's physical characteristics may be related to his approach to the social environment, to the expectancies of others, and to their reactions to him. These in turn may have impacts on personality development. "Similarly, a rapidly maturing boy or girl. Psychologists contend that the different rates of maturation will also influence the individual's personality.

#### 4.4 II. Family and Social Factors:

The development of the individual proceeds under the influence of many socialising forces and agencies, from nuclear family to more distant or global groupings. Family and social groups have most significant impact on personality development. These, groups have their impact through socialisation and identification processes.

**a) Socialisation Process:**

The contribution of family and social group in combination with the culture is known as socialisation. In the words of Mussen "Socialisation is the process by which an individual infant acquires, from the enormously wide range of behavioural potentials that are open to him at birth, those behaviour patterns that are customary and acceptable according to the standards of his family and social group. It initially starts with the contact with mother and later on the other members of the family (father, sisters, close - relatives) and the social group plays influential role in shaping an individual's personality.

**b) Identification Process:** Identification process occurs when a person tries to identify himself with some person whom he feels ideal in the family. Generally a child in the family tries to behave like his father or mother. The identification process can be examined from three different perspectives. First, identification can be viewed the similarity of behaviour (including feelings and attitudes) between child and model. Second, identification can be looked as the child's motives or desires to be like the model. Third, it can be viewed as the process through which the child actually takes on the attributes of the model. Apart from the socialisation and identification processes, the personality of an individual is influenced by the home environment. There is a substantial empirical evidence to indicate that the overall environment at home is created by parents is critical to personality development.

Family background a part, social class also influences a person's perception, perception of self and others, and perception of work, authority and money etc. Socialisation and identification process is influenced by home environment, family members, and social groups.

**4.4 (iii) Cultural Factors:**

Culture is traditionally considered as the major determinant an individual's personality. The culture largely determines what person is and what a person will learn. The culture within a person is brought up, is very important determinant of behaviour of a person. Culture is the "Complex of these beliefs, values, and techniques for dealing with the environment which are shared among contemporaries and transmitted by one generation to the next. According to Mussen "Each culture expects, and trains, its members to behave in the ways that are acceptable to the group. In spite of the importance of the culture on personality, researchers were unable to establish linear relationship between these two concepts 'personality' and culture.

**4.4 (iv) Situational Factors:**

A third factor, the situation, influences the effects of heredity and environment on personality. An individual's personality, although generally stable and consistent, does change in different situations. The different demands of different situations call forth different aspects of one's personality. We should not, therefore, look at personality patterns in isolation.

It seems only logical to suppose that situations will influence an individual's personality, but a neat classification scheme that would tell us the impact of various types of situations has so far eluded us. "Apparently we are not yet close to developing a system for clarifying situations so that they might be systematically studied. "However, we do know that certain situations are more relevant than others in influencing personality.

Human personality is also influenced by situational factors. The effect of environment is quite strong. Knowledge, skill and language are obviously acquired and represent important modifications of behaviour. Learned modifications in behaviour are not passed on to children, they must be acquired by them through their own personal experience, through interaction with the environment. In one research by Milgram it was found that situation plays a vital role in human personality. According to Milgram "Situation exerts an important pressure on the individual. It exercises constraints and may provide push. In certain circumstances it is not so much the kind of person a man is, as the kind of situation in which he is placed, that determines his actions. Milgram certainly does not completely rule out the importance of the developmental aspects of personality. He rather demonstrated that the situation may potentially have a very big impact on the behavioural expression of personality.

#### 4.5 Summary:

Personality factors are extremely important in organisational setting. While perception, learning and motivation deal with some specific aspects of human behaviour. Personality takes the whole man concept because it affects the various psychological processes. It is better to consider the individual aspects of a person's make-up as bricks and personality as the whole house built of bricks, but held together with cement.

The study of determinants of personality forms an empirical approach to personality development. Various determinants of personality have been categorised in several ways. According to Scott and Mitchell these determinants are classified into four categories viz., 1) Biological factors, 2) Family and Social factors, 3) Cultural factors and 4) Situational factors.

#### 4.6 Technical Terms:

1. Determinants : Fixed in scope or nature
2. Psychology
3. Personality : A stable set of characteristics and tendencies that determine commonalities and differences in the behaviour of people.
4. Biological : Science of life.
5. Culture : State of Manners
6. Situation : Place or Position

#### 4.8 Self-Assessment Questions:

1. How does personality develop? Explain with examples.
2. Define personality. Discuss the variables which contribute to the development of personality.
3. Define personality? What are its major determinants?
4. What is personality? Does heredity affect the development of personality?
5. How do culture and family determine the development of personality?

#### 4.9 Reference Books:

1. Amrik Singh Sudan & N. Kumar, *Management Process and Organisational Behaviour*, Ammol Publications Pvt. Ltd., New Delhi - 2003.
2. Shashi K. Gupta & Rosy Joshi. *Organisational Behaviour*, Kalyani Publishers, New Delhi - 2004.

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## LESSON - 5

# THEORIES OF PERSONALITY

### 5.0 Objective:

Many personality theorists, not only from the field of Psychology but even from other fields dealing with human behaviour also, have carried on researches to find answers to the questions; what is personality? What does personality constitute? How is behaviour governed by personality?

The above answers should be found after going through this lesson. However, you should be able to:

- \* Psycho-Analytical Theory
- \* Erikson Stages
- \* Chris Argyris Immaturity Theory
- \* Traits Theory
- \* Self Theory

### Contents:

- 5.1 Introduction
- 5.2 Freudian Stages or Psycho-Analytical Theory
- 5.3 Erikson Stages
- 5.4 Chris Argyris's Immaturity - Maturity Theory
- 5.5 Traits Theory
- 5.6 Self Theory
- 5.7 Summary
- 5.8 Technical Terms
- 5.9 Self-Assessment Questions
- 5.10 Reference Books

### 5.1 Introduction:

After understanding the determinants of human personality, the next step is to identify specific physiological, and Psychological stages that occur in the development of human personality. This stage-approach has been theoretical in nature. Many Psychologists have contributed to the stage approach. The prominent among them include **Freud, Erikson, Alfred Alder, Carl Juny Levinson**. These stages and the theories on which these are based are explained in detail in this lesson.

### 5.2 Freudian Stages or Psycho-Analytical Theory:

Sigmund Freud's Psychoanalytical theory of personality has been based primarily on his concept of unconscious nature of personality. It is based on the notion that man is motivated more by unseen forces than by conscious and rational thoughts. Freud noted that his patient's behaviour could not always be consciously explained. It was a clinical finding which led him to conclude that

the major force which motivates a human being is his unconscious framework. This framework includes three conflicting psychoanalytic concepts the Id, the ego and the super ego.

Their brief description is as follows:

**(i) The ID:** Id is the foundation of the unconscious behaviour and is the base of libido drives. In simple words, Id is the sources of psychic energy and seeks immediate satisfaction of biological or instinctual needs. These needs include sexual pleasure and other biological pleasure. Id has animalistic instincts of aggression, power and domination. It demands immediate pleasure at whatever cost. As an individual matures he learns to control and Id, but even then it remains a driving force throughout life and an important source of thinking and behaviour.

**(ii) The EGO :** The Ego is associated with the realities of life. Just as the Id is the unconscious part of human personality, Ego is the conscious and logical part because it is concerned about the realities of external environment. The ego of a person keeps the Id in check whenever it demands immediate pleasure. With its logic and intellect, ego controls the Id so that the pleasures unconsciously demanded by the human beings are granted at an appropriate time and place and in an appropriate manner.

**(iii) The Super Ego:** The super ego is the higher level force to restrain the Id and is described as the conscious of a person. The super ego represents the norms of the individual, his family and the society and is an ethical constraint on the behaviour. The conscious of a person is continuously telling him what is right and what is wrong. A person may not be aware of the working of the super ego, because conscious is developed by the cultural values inculcated in a person by the norms of society.

All these three elements are inter related. In order to create a normal personality, there must be a proper balance in the relationship among these forces. For example, if the super ego is overdeveloped, a man will become very impractical and irrational. He will feel guilty over trivial matters. Such a person cannot exist in the modern life. On the other hand, an underdeveloped super ego would let the Id go loose, which would make a man highly immoral or with very few morals. Then there will not be much difference between the man and the animals. Therefore, there must be a proper balance between these three forces.

The Psychoanalytical approach to personality structure analysis has made some impact on organisational behaviour. For example, some behaviour of the employees which is unconscious in nature can be brought out with the help of psychoanalytical analysis. Such behaviour may include daydreaming, alcoholism, absenteeism, forgetfulness etc. For the development of the organisation, some techniques to improve the inter-personal communication skills can be developed with the help of Psychoanalytical analysis.

On the other hand, this theory is based upon theoretical concept. It does not give a total picture of behaviour which is emerging from the personality. Therefore, this theory is not very relevant from the behavioural science point of view.

### **Carl Jung's Psycho - Analytical Concept:**

The Psycho-analytical theory was taken a step further by Carl Jung. While Freud laid stress

on the idea that human life is driven by personal unconscious motivators, Jung proposed that there is a collective unconsciousness that exists in a personality which is deeper and includes the cumulative experiences of all the past generations. This theory may be a farout one, but it is a reality that some personality traits cannot be explained rationally.

### 5.3. Erikson Stages:

Freud's theory emphasised the sexual and biological factors in developing the personality. But Erikson criticised this heavy emphasis because he was of the view that more importance should be given to social factors. He describes eight developmental stages as we grew from childhood to adulthood and the trauma of resolving certain critical conflicts we face at each of these stages. The eight developmental stages, the problems encountered at each stage and the impact of these stages on organisation behaviour are discussed below.

**Stage 1: Infancy/Trust Vs. Mistrust:** During the first year of life, a child has a great need for dependency. Feeling of Trust Vs. Mistrust are developed in this state and these feelings depend upon the behaviour of the parents. If the parents care for the infant in a very affectionate way, the child learns to trust other people. Lack of love and affection on the part of the parents results in mistrust this stage makes a serious impact on a child that influence his behaviour throughout his life.

In the early stages of organisational life when a person knows very little about the job and is dependent on others for guidance, he develops the feelings of trust or mistrust towards others in the organisation depending upon how the other people respond to his needs and help him to find his place in the system.

#### **Stage 2: Early Childhood Autonomy Vs. Shame and Doubt:**

In the second and third years of life a child begins to assert independence and experiences a great need to operate on his own. If the child is allowed to control those aspects of life that the child is capable of controlling, a sense of autonomy will develop. If the encounters constant disapproval by parents or elders a sense of self doubt and shame is likely to develop,

Likewise, in the organisation life, a person wants to operate independently after the initial training. If he is allowed to do so, a sense of autonomy will develop. But if he is criticised and disapproved by the others for making mistakes; he will tend to have self doubts about his competency and experience a sense of shame for not doing the things right.

#### **Stage 3: Play Age/Initiative Vs. Guilt:**

When a child is four and five years old he tries to discover how much he can do. If the parents and other members of the family encourage the child to experiment and to achieve reasonable goals, he will develop a sense of initiative. But if on the other hand, he is blocked at every stage and made to feel incapable, he will develop a sense of guilt and lack of self confidence.

In the same way organisational members try to use their creative and acquired talents as they settle down in their jobs. But if things go wrong, other people make him feel guilty that he has wasted the resources of the organisation. But if the things go according to his planning, he will develop a sense of initiative.



**Stage 4: School Age/Industry Vs. Inferiority:**

From ages 6 to 12, as a child grows up but before reaching the stage of puberty, he learns many new skills and develops social abilities. If the child experiences real progress at a rate compatible with his abilities he or she will develop a sense of industry. If the situation is the reverse of it, he will develop a sense of inferiority.

Likewise, in our organisational life, we try to work hard to make a position for ourselves. If we are not successful in our efforts, we will develop a sense of inferiority and low esteem otherwise we will develop a sense of industry.

**Stage 5: Adolescence/Identity Vs. Role Diffusion:**

As a child reaches puberty and almost to the end of his adolescence (Teenage Years) he experiences conflict due to the socially imposed requirements that he should become an independent and effective adult. In this period he has to gain a sense of identity rather than to become confused about who he is. The autonomy, initiative and enterprise developed in the earlier stages are very important in helping the teenager to successfully resolve this crisis and prepare for adulthood.

In the organisational setup also every employee has to make contributions to the institution and establish himself as a high performing member. If he does it, he is identified in the eyes of the management but if fails to establish himself he becomes just another employee in the eyes the management whose identity is diffused.

**State 6: Early Adulthood/Intimacy Vs. Isolation:**

During Young adulthood or the adults during the twenties, need is felt to develop intimate relations with others. The sense of identity developed during the teenage years allows the Young adult to begin developing deep and lasting relationships. However, if he feels it awkward to develop such relationships, he will feel isolated.

In the organisational life also, people may desire to develop close contracts with others who are significant and important in the system. Those who can do it, have a sense of intimacy. For those others who find it difficult to do it, experience a sense of isolation in the system.

**Stage 7: Adulthood/Generativity Vs. Stagnation:**

This is the stage of middle adulthood. If a person becomes absorbed in his own career advancement and maintenance and he does not care for the development and growth of his children, which is a socially imposed demand on him, he will have a feeling of stagnation or self absorption in his life. On the other hand, a person who sees the world as bigger than himself and fulfills his social obligations, will be generative and have a feeling of generativity.

Likewise in the organisation, as a person reaches his mid career, there is an expectation and need to mentor others in the system and help them to develop and grow in the organisation. If a person does not do this effectively, he senses a feeling of stagnation in the system.

### Stage 8: Mature Adulthood/Ego Integrity Vs. Despair:

In this stage, a person is developed as a highly mature person. He has gained a sense of wisdom, and perspective that can really guide the younger generations. This stage lasts from middle adulthood to death.

In this stage conflict is experienced by individuals as their social and biological roles get diminished due to the ageing process and they experience a sense of uselessness. If they resolve the issue, they can experience happiness by looking at their consolidated life long achievement. If they fail to do so, they will have a sense of despair.

Likewise in the organisational life, a person can have a feeling of ego integrity after retirement by looking at his stock of accomplishments or he can leave the organisation with a sense of purposelessness and despair.

All the stages are inter linked. If one conflict is not resolved in one stage, it will be carried forward to the subsequent developmental stage. Managers can play a very important role in identifying the unresolved conflicts and try to help the employees in dealing with them.

### 5.4 Chris Argyris's Immaturity - Maturity Theory:

In a departure from the strict stage approach well known organisational behaviour theorist Chris Argyris has identified specific dimensions of the human personality as it develops. Argyris proposes that a human personality rather than going through precise stages, progresses along a continuum from immaturity as an infant to maturity as an adult. However, at any age, people can have their degree of development plotted according to the seven dimensions as shown in the following table:

**The Argyris Immaturity - Maturity Continuum**

Immaturity Characteristics	Maturity Characteristics
Passivity	Activity
Dependence	Independence
Few ways of behaving	Diverse behaviour
Shallow Interests	Deep interests
Short - time perspective	Long-time perspective
Subordinate position	Super ordinate position
Lack of self awareness	Self awareness and control.

Argyris has very carefully pointed out that this model not imply that all persons reach or strike for all dimensions on the mature end of the continuum. He has further explained that:

(i) The seven dimensions represent only one aspect of the total personality. Much also depends upon the individual's perception, self concept and adaptation and adjustment.

(ii) The seven dimensions continually change in degree from the infant to the adult end of the continuum.

(iii) The model, being only a construct, cannot produce specific behaviour. However, it does provide a method of describing and measuring the growth of any individual in the culture.

(iv) The seven dimensions are based upon latent characteristics of the personality. Which may be quite different from the observable behaviour.

In contrast to the theories of Freud and Erikson, Argyris's Immaturity-maturity model of personality is specifically directed to the study and analysis of organisational behaviour. Argyris assumes that the personalities of organisational employees can be generally described by the mature end of the continuum. This being the case, in order to obtain full expression of employee's personalities the formal organisation should allow for activity rather than passivity, independence rather than short time perspective, occupation of a position higher than that of peers and expression of deep important abilities. Argyris argues that very often the exact opposite occurs. The mature organisational participant becomes frustrated and anxious and is in conflict with the modern formal organisation.

In other words, Argyris sees a basic incongruity between the needs of the mature personality and the nature of the formal organisations.

Argyris's assumption that all organisational men are mature does not always hold good in practice. Moreover, the mature people continue with the organisational in spite of all aberration in their personality.

## 5.5. Traits Theory:

Freudian and other theories have emphasised the qualitative aspects of personality. The trait theory is quantitative and refers to measurement of Psychological characteristics called traits. The trait theory proposes that "an individual may be described in terms of a constellation of traits such as affiliation, achievement, anxiety, aggression and dependency". A trait is, thus, any distinguishing relatively enduring way in which one individual differs from another. The traits and the amount of each trait that each person has is assumed to be fairly stable and the differences in personality and behaviour between two individuals is assumed to be a result of differences in the amount of each trait that each person has. The traits theory raises a few fundamental questions:

- (i) What are the traits which comprise human personality?
- (ii) How are these traits to be measured to ascertain the personality composition and in turn the behaviour pattern of that individual in an organisation?

D.W. Fiske conducted an empirical study of 128 men. Twenty individual traits were used to get their ratings. A factor analysis of such ratings provided five general or basic traits. They are (i) social adaptability, (ii) emotional control, (iii) conformity, (iv) inquiring intellect and (v) confident self expression. These traits exercise considerable influence on individual and in turn organisational behaviour.

Apart from Fiske's empirical work on identifying general traits of individual personality there are other contributors to traits theory whose contributions are accepted as classics. These contributors are Gordon Allport and Raymond Cattell.

Trait theory makes more sense than other theories as it provides continuity to human

personality. The trait theorists have provided personality tests and, factor - analysis techniques to behavioural sciences. In spite of these facts. It is description rather than analytical to present a comprehensive theory of personality.

## 5.6 Self Theory:

If we stop thinking about other people's behaviour, we become conscious of our own person, our feelings, our attitudes and perhaps of feeling or responsibility of our actions in relation to oneself and others. This phenomenon has led to "**Self Theory**". Self, according to Clifford T. Morgan has two distinct sets of meanings.

(i) People's attitude about themselves, their traits and abilities, the impact they could make on others, their plus and minus points. This includes what may be stated as self concept or self image. Self concept or self image relates definitely to one's attitudes, feelings, perceptions and evaluation of self.

(ii) The other relates to psychological processes through which an individual thinks, remembers, perceives, manages and plans.

In the light of the above description, self has been described in two ways (i) self as object and (ii) self as a process.

The most important contribution in self theory comes from Carl Rogers. He has defined the self or self concept as an organised, consistent, conceptual gestalt composed of perceptions of 'I' or 'Me'. The relationship 'I' or 'Me' with others and to various aspects of life has been analysed by Rogers. There are four factors of self concept.

**(i) Self Image:** Self image is the way one sees one self. Every person has certain beliefs about who or what he is, taken together, these beliefs are a person's self image or identity.

**(ii) Ideal Self:** The ideal self denotes the way one would like to be. Thus, self image is the reality whereas ideal self is the perception. There may be a gap between these two images because self image indicates the ideal position as perceived by him.

**(iii) Looking Glass Self:** Looking glass self is the perception of other's perception. It is the way one thinks people perceive about him and the way people actually see him.

**(iv) Real Self:** The real self is what one really is. The first three aspects of self concept are the perceptions and they may be same or different, as the real self.

In analysing organisational behaviour, self concept plays a very significant role. A person perceives a situation depending upon his self concept which has a direct influence on his behaviour. This implies that a person with a different self concept needs different types of managerial practices.

## 5.7 Summary:

Many personality theorists, not only from the field of Psychology but even from other fields dealing with human behaviour also, have carried on researches to find answers to the questions;

what is personality? What does personality constitute? How is behaviour governed by personality? The various theorists, however, could not give the answers on which consensus could be reached; rather these have resulted into a number of theories of personality. Just as everyone has his own definition of personality, practically everyone has his own theory of personality. Thus, grouping the various theories and labelling the various categories becomes a difficult task. Each theorist cannot really be grouped with another, even though he may have operated from similar positions. However, the most logical grouping of personality theories are into psychoanalytic, socio-psychological, trait, and self theories.

### 5.8 Technical Terms:

1. Psychodynamic Personality Theories: Freudian approach which discusses the id, superego and ego. Special emphasis is placed on unconscious determinants of behaviour.
2. Stimulus : A cue that encourages some type of response.
3. Trait Personality Theories : Theories based on the premise that predispositions direct the behaviour of an individual in a consistent plan.
4. Self-Efficacy : The belief that one can perform adequately in a situation.
5. Maturation : In experimental studies.

### 5.9 Self-Assessment Questions:

1. Discuss briefly the various theories of personality. Which of them is convincing to you and why?
2. Explain the concept of personality. Examine Sigmund Freud's Psycho-Analytical Theory of Personality.
3. What are Erikson's stages of personality development? How do they compare with Freudian stages?
4. Write in detail Chris Argyris's Immaturity-Maturity theory?
5. Explain the personality traits that shape the personality of individuals?

### 5.10 Reference Books:

1. Amrik Singh Sudan and N. Kumar, *Management Process and Organisational Behaviour*, Anmol Publications Pvt. Ltd., New Delhi; 2003.
2. Shashi K. Gupta and Rosy Joshi, *Organisational Behaviour*, Kalyani Publishers, New Delhi-2004.

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## **LESSON - 6**

# **ATTITUDES**

### **6.0 Objective:**

Attitude is a bent of mind, predisposition of certain actions. It is a process by which the individuals learn as a result of experience with physical neural state, verbal opinion, ideologies and above all integrated philosophy of life.

After going through this lesson, you should be able to:

- \* Definitions of Attitudes
- \* Nature and Sources of Attitudes
- \* Components, Types and Functions of Attitudes
- \* Attitudes and Job Satisfaction
- \* Theories of Attitudes
- \* Changing Attitudes

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- 6.2 Definitions**
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## 6.1 Introduction:

Attitude is a very complex cognitive process just like the personality of an individual. The difference between these is that personality is usually thought of as the whole person, whereas attitude may make up the personality. It is a very important variable in human behaviour, because it constitutes an important psychological attribute of individuals which shapes their behaviour. The importance of attitudes in understanding psychological phenomenon was given formal introduction early in the history of social psychology. From the time of its entry into the subject of psychology till now, interest in attitudes has been strongly growing. However, over the years attitudes have been studied with differing methods and the emphasis has also been different.

Attitudes are evaluate statements. These are frequently used in describing people, objects and events and explaining the people's behaviour. These reflect how one feels about something or some body. When I say, "I like Ravi", I am expressing my attitude about Ravi. Thus, we can say that attitude is a bent of mind, predisposition of certain actions.

## 6.2 Definitions:

In a very precise way, "an attitude can be defined as a persistent tendency to feel and behave in a particular way toward some object.

- \* According to **Bernord**, "Social attitudes are individual attitudes directed towards social objects and individual attitudes strongly inter-conditioned by collective or groups contracts".
- \* According to **G.W. Allport**, "Attitude is a mental and neutral state of readiness, organised through experience, exerting a directive or dynamic influence upon the individual's response to all object and situations with which it is related".
- \* According to **Katz** and **Scotland**, "Attitude is a tendency or predisposition to evaluate an object or symbol of that object in a certain way".

## 6.3 Nature of Attitudes:

From the above definitions of attitudes we can bring about the following salient features which contribute to the meaning of attitudes.

1. Attitudes refer to feelings and beliefs of individuals or groups of individuals. For example "He has a poor attitude", "I like her attitude".
2. The feeling's and beliefs are directed towards other people, objects or ideas. When a person says, "I like my job". It shows that he has a positive attitude towards his job.
3. Attitudes often result in and affect the behaviour if there are no external interventions.
4. Attitudes constitute a psychology phenomenon which can not be directly observed. However, an attitude can be observed indirectly by observing its consequences. For example, if a person is very regular in his job, we may infer that he likes his job very much.
5. All people, irrespective of their status and intelligence hold attitudes.

## 6.4 Source of Attitudes:

Attitudes, like values, are acquired from parents, teachers and peer group members. We are born with certain genetic predispositions. Then, in our early years, we begin modeling our attitudes after those we admire, respect, or maybe even fear. We observe the way family and friends behave, and we shape our attitudes and behaviour to align with theirs. People also imitate the attitudes of popular individuals and those they admire and respect. If the “right thing” is to favour eating at McDonald’s, you are likely to hold that attitude.

In contrast to values, your attitudes are less stable. Advertising messages, for example, attempt to alter your attitude toward a certain product or service: If the people at Ford can get you to hold a favourable feeling towards their cars, that attitude may lead to a desirable behaviour (for them) - You purchase of a Ford Product.

In organisations, attitudes are important because they affect job behaviour. If workers believe, for example, that supervisors, auditors, bosses, and time-and-motion engineers are all in conspiracy to make employees work harder for the same or less money, then it makes sense to try to understand how these attitudes were formed, their relationship to actual job behaviour, and how they might be changed.

## 6.5 Components of Attitudes:

Attitudes can be broken down into three basic components, emotional, informational and behavioural. These three components are described below:

### 1. Informational or Cognitive Component:

The informational component consists of beliefs, values, ideas and other information a person has about the object. It makes no difference whether or not this information is empirically correct or real. For example, a person seeking a job may learn from his own sources and other employees working in the company that in a particular company the promotion chances are very favourable.

### 2. Emotional or Affective Component:

The informational component sets the stage for more critical part of an attitude, its affective component. The emotional component involve the person’s feeling or affect-positive, neutral or negative-about an object. This component can be explained by this statement; “I like this job because the future prospects in this company are very good.

### 3. Behavioural Component:

The behavioural component consists of the tendency of a person to behave in a particular manner towards an object. For example, the concerned individual in the above case may decide to take up the job because of good future prospects.

## 6.6 Types of Attitudes:

A person can have thousands of attitudes, but behaviour science focuses our attention on a very limited number of job related attitudes. These attitudes are generally evolutions which



employees hold about their work environment. These attitudes may be favourable or unfavourable, positive or negative. Most of the research in organisational behaviour has been concerned with the following work related attitudes:

**1. Job satisfaction:** The term job satisfaction refers to an individual's general attitude towards his or her job. A person with a high level of job satisfaction holds positive attitudes towards the job, while a person who is dissatisfied with his or her job holds negative attitudes about the job. When people speak of employee attitudes, more often than not they mean job satisfaction. In fact, the two are frequently used interchangeably. Because of the high importance in Behaviour Science researchers have given to job satisfaction.

**2. Job involvement:** The term job involvement is a more recent addition to the B.S. literature while there is not complete agreement over what the term means, a workable definition states that job involvement measures the degree to which a person identifies psychologically with his or her job and considers his or her perceived performance level important to self-worth. Employees with a high level of job involvement strongly identify with and really care about the kind of work they do.

High levels of job involvement have been found to be related to fewer absences and lower resignation rates. However, it seems to more consistently predict turnover than absenteeism, accounting for as much as 16 percent of the variance in the former.

**3. Organisational Commitment:** The third job attitude we shall discuss is organisational commitment, which is defined as a state in which an employee identifies with a particular organisation and wishes to maintain membership in the organisation. So, high job involvement means identifying with one's specific job while high organisational commitment means identifying with one's employing organisation.

As with job involvement, the research evidence demonstrates negative relationships between organisational commitment and both absenteeism and turnover. In fact, studies demonstrate that an individual's level of organisational commitment is a better indicator of turnover than the far more frequently used job satisfaction predictor, explaining as much as 34 percent of the variance. Organisational commitment is probably a better predictor because it is a more global and enduring response to the organisation as a whole than is job satisfaction.

## 6.7 Functions of Attitudes:

In studying organisational behaviour, it is very important to understand the functions of attitudes: According to D. Katz, attitudes serve four important functions:

**1. The adjustment function:** Attitudes often help people adjust to their work environment. When employees are well treated they are likely to develop a positive attitude towards the management and the organisation, otherwise they are likely to develop a negative attitude towards the management and organisation. These attitudes help employees adjust to their environment and are a basis for future behaviour.

**2. The ego Defensive Function:** Along with the adjustment function, attitudes also help them defend their self images. People often form and maintain certain attitudes to protect their own self

images. For example, workers may feel threatened by the employment or advancement of minority or female workers in their organisation. These threatened workers may develop prejudices against the new workers. They may develop an attitude that such newcomers are less qualified and they might mistreat these workers. This attitude helps the workers protect the ego and is known as an ego defensive attitude.

**3. The Value Expressive Function:** Attitudes provide people with a basis for expressing their values. Our value expressive attitudes are closely related to our self concept. A person whose value system is centralised on freedom, will have a positive attitude towards decentralisation of authority in the organisation, flexible work schedules etc. Another person who is very ambitious will have a positive attitude towards a job which will offer bright future prospects and chances of promotion. A manager who believes strongly in work ethics will tend to voice attitudes towards specific individual or work practices as a means of reflecting this value.

**4. The Knowledge Function:** Attitudes are often substituted for knowledge. Attitudes help supply standards and frames of reference that allow people to organise and explain the world around them. Regardless of how accurate a person's view of reality is, attitudes towards people, events and objects help the individual make sense out of what is going on. Stereotyping is an example. In the absence of knowledge about a person, we may use a stereotyped attitude for judging the person.

Why should managers know about these attitude functions? Such a knowledge can help the managers in two ways firstly, he will understand and predict how a certain person is likely to behave. Secondly, it can help the management in changing the attitudes of another person. They can do this by changing the conditions that sustain the attitude.

## 6.8 Attitudes and Job Satisfaction:

Locke gives a comprehensive definition of job satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience". Job satisfaction is a result of an employee's perception of how well their job provides those things that are viewed as important. It is generally recognised in the organisational behaviour field that job satisfaction is the most important and frequently studied attitude.

### Influences ON Job Satisfaction

**I. The work itself:** The content of the work itself is a major source of satisfaction. For example, research related to the job characteristics approach to job design, shows that feedback from the job itself and autonomy are two of the major job-related motivational factors. Some of the most important ingredients of a satisfying job uncovered by surveys include interesting and challenging work, work that is not boring, and a job that provides status.

**II. Pay:** Wages and salaries are recognised to be a significant but cognitively complex and multi-dimensional factor in job satisfaction.

**III. Promotions:** Promotional opportunities seem to have a varying effect on job satisfaction. This is because promotions take a number of different forms and have a variety of accompanying rewards. For example, individuals who are promoted on the basis of seniority often experience job satisfaction but not as much as those who are promoted on the basis of performance.

**IV. Supervision:** Supervision is another moderately important source of job satisfaction. For now, however, it can be said that there seem to be two dimensions of supervisory style that affect job satisfaction. One is employee-centeredness, which is measured by the degree to which a supervisor takes a personal interest in the employee's welfare. The other dimension is participation or influence, as illustrated by managers who allow their people to participate in decisions that affect their own jobs. In most cases, this approach leads to higher job satisfaction.

**V. Work Group:** The nature of the work group or team will have an effect on job satisfaction. Friendly, cooperative co-workers or team members are a modest source of job satisfaction to individual employees. The work group, especially a "Tight" team, serves as a source of support, comfort, advice and assistance to the individual workers. A "good" work group or effective team makes the job more enjoyable.

**VI. Working conditions:** Working conditions have a modest effect on job satisfaction. If the working conditions are good (clean, attractive surroundings), the personnel will find it easier to carry out their jobs. If the working conditions are poor (not, noisy surroundings), personnel will find it more difficult to get things done. Thus, if surroundings are good the workers are work with job satisfaction, it not vice-versa.

### Outcomes of Job Satisfaction

Society as a whole as well as from our individual employee's standpoint, job satisfaction in and of itself is a desirable outcome. However, from a pragmatic managerial and organisational effectiveness perspective, it is important to know how, if at all, satisfaction relates to outcome variable.

## 6.9 Measurement of Attitudes:

No doubt that the attitudes of people tend to be relatively stable but can always be modified at least to some extent. Certain difference in employee's attitudes is inevitable and that is responsible for effectiveness of individuals within an organisation. There are certain ways by which it is possible for supervisor and manager to get some linking of attitudes of individuals such as interpreting the chance, remarks of individuals, the behaviour of individuals in the work groups, etc. A sensitive supervisor can always get a feeling with respect to the general reaction of his work group even though he cannot pinpoint such reactions specifically. The other way to find attitude change is the analysis of certain factors such as turnover rate, absenteeism and production level. Various methods have been developed for doing this, some of these consisting of questionnaires which are filled out by the employees. There are two general types of questionnaires in common usage, one is attitude scale and other 'opinion survey':

**A. Attitude Scale:** The different statements in scales measuring the same attitude helps in checking results by a repeat test in order to be sure of conclusion reached and to measure the effectiveness of systematic company effort to improve employee morale.

**B. Opinion Surveys:** The usual practice in opinion questionnaire is that of obtaining a single response to each question in either 'yes' or 'no'. In particular, the employees may be asked to check each item is one of the three boxes; satisfied, neutral or dissatisfied and also check each item as being of great importance.

**Interviews:** Still another method of obtaining information about personnel reactions is the use of interviews. In some cases interviews are carried out to find out personnel reactions and are used with present employees either all employees or a sample.

## 6.10 Theories of Attitude Formation:

A number of theories have been formulated to explain the attitude formation and change. These theories are organised into major groupings according to the nature of the psychological processes postulated to understand attitude formation and change. These theories are broadly classified into three categories.

1. **Cognitive - Consistency Theories**
2. **Functional Theories**
3. **Social Judgement Theories**

Though there is a frequent discontinuity between various groupings because related approaches have focused on different sets of phenomena but still such classification is valid from practical point of view.

### 1. Cognitive Consistency Theories:

Research has generally concluded that people seek consistency among their attitudes and between their attitude and their behaviour. This means that people seek to recancel divergent attitudes and align their attitudes and behaviour so that they appear rational and consistent.

The cognitive consistency theories are concerned with inconsistencies that arise between related beliefs, bits of knowledge and evaluation about an object or an issue. Though various consistency theories differ in several respects, all of them have a common object that is reducing the inconsistency and returning the individual to the equilibrium state. There are four important theories under this grouping.

**A. Balance Theory:** The basic model of balance theory has been provided by Heider. The theory is concerned with consistency in the judgement of people and/or issue that are linked by some form of relationship. There are three elements in the attitude formation: the person, other person, and impersonal entity.

**B. Congruity Theory:** C.E. Orgood and P.H. Tannenbaum have proposed the congruity theory of attitude which is similar to the balance theory. This theory focuses on the changes in the evaluation of a source and a concept, that are linked by an associative or dissociative assertion. Congruity exists when a source and concept that are positively associated have exactly the same evaluations and when a source and concept that are negatively associated have exactly the opposite evaluations attached to them. Congruity is a stable state and incongruity is an unstable one. As a result, incongruity leads to a change of attitude. This theory states that how much change should be there in the attitudes towards the source and the concept so that incongruity is resolved.

**C. Affective Cognitive Consistency Theory:** M.J. Rosenberg has suggested the affective cognitive consistency theory which is concerned with the consistency between a person's overall attitude or effect towards an object or issue and his beliefs about its relationship to his more general values. This theory is concerned mainly with what happens within the individual when an attitude

changes. It assumes that the relationship between the affective and cognitive components of the attitude change when an attitude is altered.

**D. Cognitive Dissonance Theory:** Leon Festinger, in the late 1950's proposed the theory of cognitive dissonance. Dissonance means an inconsistency. It refers to any incompatibility that an individual might perceive between two or more of his attitudes or between his behaviour and attitudes.

## 2. Functional Theory:

The functional theory considers how attitudes and efforts are related to the motivational structure of the individual. This theory focuses on two things:

- (i) The meaning of the influence situation in terms of both the kinds of motives that it arouses and
- (ii) The individual's method of coping and achieving his goals.

An understanding of the functions served by attitudes is important for attitude change procedures since a particular method may produce change in individuals whose attitudes serve one particular function, but may produce no change in individuals for whom the attitudes serve a different function.

The most prominent person who visualised functional theory is Katz, and he suggested four functions of attitudes three processes of attitude formation and change (i) compliance, (ii) Identification and (iii) Internalisation. This theory is directed towards the types of social relationships that occur in social influence situations.

(i) Compliance occurs when an attitude is formed or changed in order to gain a favourable impression from other person or group.

(ii) Identification occurs when a person forms or changes his attitude because this adoption helps him establish or maintain a positive self defining relationship with the influencing agent.

(iii) Internalisation involves adopting an attitude because it is congruent with one's overall value system.

This approach makes an important contribution towards an understanding of the conditions that influence the maintenance and stability of attitude change.

## 3. Social Judgement Theory:

The social judgement theory was originally formulated by Sheriff and Hoveland. This theory attempts to explain how existing attitudes produce distortions of attitudes related objects and how these judgements mediate attitude change.

Thus, a person's initial attitude towards an issue, serves as an anchor for the judgement of attitude related stimuli. The person's initial attitude on an issues provides a point of reference against which he evaluates other opinions.

These views can be considered in terms of attitudinal continuum and can be considered as

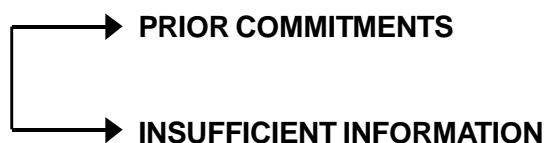
comprised of latitudes. The latitude of acceptance, which is the range of opinions the individual finds acceptable, encompasses the opinion that the best characterises his own stand. The attitudes of rejection, which is the range of opinions the individual finds objectionable, encompasses the opinion he finds most objectionable. The attitude of non-commitment is the range of opinions that the person finds neither acceptable nor unacceptable.

## 6.11 Changing Attitudes:

Attitudes of employees are not always rigid, these can be changed. Sometimes, it is the best interests of the organisation to try to do so. For example, if the employees have got a negative attitude towards their job or towards the management and organisation, he is dissatisfied, he feels that he is not taken care of by the management, management would like to change this attitude, because happy work force is the major strength of the organisation. But some times, attitudes change is very difficult to accomplish because of certain barriers. Therefore, the job of the management is to identify these barriers and then examine the ways of overcoming them and effectively changing the attitudes. All these points are explained in detail as follows:

### 6.11. A. Barriers to Changing Attitudes:

There are two basic barriers which can prevent people from changing their attitudes:



**1. Prior Commitments:** One barrier to change of attitude is prior commitments. This occurs when people feel a commitment to a particular course of action and are unwilling to change. Theory and research have also supported escalation of commitment which means, tendency of the decision makers to persist with failing course of action.

**2. Insufficient Information:** A second barrier is the result of insufficient information. Sometimes people do not see any reason as to why they should change their attitudes. The boss may not like the negative attitudes of the subordinate, but the subordinate may be quite pleased with his own behaviour. Till the boss shows him that his negative attitude will hinder his career progress and his salary increase, he will continue to have the negative feelings. This is particularly true when the attitude is a result of poor treatment by the management. The worker will use the negative attitude to serve an adjustment function "I can't respect a manager who treats us the way he does".

### 6.11. B. Ways of overcoming the Barriers and Changing the Attitudes:

A few important ways in which the barriers can be overcome and the attitudes can be changed are as explained below:

**1. Providing New Information:** One of the ways of changing the attitudes is by providing new information. Sometimes, this information will change a person's beliefs and in this process his attitudes. This is specifically true when the reason for the negative attitude is insufficient or misleading information.

**2. Use of Fear:** A second way of changing the attitudes is through the use of fear. Research has found out that fear can cause some people to change their attitude. However, the degree of fear is very important for the final outcome.

**3. Resolving Discrepancies:** Another way of changing the attitudes is by resolving discrepancies between attitudes and behaviour.

**4. Influence of Friends or Peer:** Change of attitude can come about through persuasion of friends or peers. Credibility of the others, especially the peers, is important to effect change. Peers with high credibility shall exercise significant influence as compared to those peers who have low credibility.

**5. The Co-operative approach:** Another way in which attitude change takes place is by co-opting, which means taking people who are dissatisfied with a situation and setting them involved in improving things.

## 6.12 Types of Change:

The changes in attitude can be classified into the following two types:

**1. Congruent Change:** Congruent change in attitude means that the change is a movement in the same direction but the intensity of feeling is reduced. For example, if a person dislikes his boss very much, this negative attitude may persist, but the degree of dislike will be reduced.

**2. Incongruent Change:** Incongruent change involves change at direction itself from negative to positive or vice versa towards the person. For example, if in the above example, that person starts liking his boss, this is a change from negative to positive attitude.

## 6.13 Summary:

Employee attitudes are important to monitor, understand and manage. They develop as the consequences of the feelings of equity or inequity in the reward system, as well as from supervisory treatment. Managers are particularly concerned with three types of attitudes - job satisfaction - job involvement, and organisational commitment. Bringing about the desirable change in human values, the attitude and personality is the biggest challenge before the management expert of today. The organisation also plays a very important role in changing the behaviour of an individual. Behaviour is the product of nature of the individual and situation of the individual. Perception, attitude and defensive mechanism are the basis of behaviour.

Higher job involvement leads to dedicated, productive workers. High performance and equitable rewards encourage high satisfaction through a performance - satisfaction - effort loop. Higher job satisfaction usually is associated with lower turnover and fewer absence. Committed employees are also more likely to embrace company values and beliefs. Moreover, the theories of attitude formation help us to understand the direction of attitudinal influences.

### 6.14 Technical Terms:

Attitudes : Mental states of readiness formed arousal.

Career : The sequence of work related experiences and activities over the span of a person's life that create certain attitudes and behaviours in the individual.

Depth : The degree of influence or discretion that an individual possesses to choose how a job will be performed.

### 6.15 Self-Assessment Questions: (Essay Type):

1. What do you understand by the concept of attitudes? How do attitudes differ from opinions?
2. Explain the features of attitudes. What are its components? How is an attitude formed.
3. Attitudes serve four important functions for individuals? What are these four functions?
4. Explain the sources of attitudes. How can attitudes be measured?
5. Explain the various theories of attitude formation and change.
6. What types of barriers prevent people from changing their attitudes? How can attitudes be changed?

### 6.16 Reference Books:

1. Amrik Singh Sudan & N. Kumar, *Management Process and Organisational Behaviour*, Anmol Publications Pvt. Ltd. New Delhi - 2003.
2. John W. Newstrom and Keith Davis, *Organisational Behaviour*, TATA McGraw Hill Publishing Company Ltd., New Delhi-1995
3. K.K.Ahuja, *Personnel Management*, Kalyani Publishers, New Delhi - 2004.
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## LESSON - 7

# VALUES

### 7.0 Objective:

Our values and value system are primarily the determinants of who and what we are as individuals. Therefore values are a very powerful but silent force affecting human behaviour.

After going through this lesson, you should be able to:

- \* Definition and meaning of values.
- \* Sources of values
- \* Values and motivation
- \* Importance and types of values
- \* Values, Loyalty and ethical behaviour
- \* Frame work for assessing cultures.

### Contents:

- 7.1 Introduction
- 7.2 Meaning and Definition of Values
- 7.3 Sources of Values
- 7.4 Values and Motivation
- 7.5 Importance of Values
- 7.6 Types of Values - Instrumental Values
- 7.7 Values Across Cultures
- 7.8 Values, Loyalty and Ethical Behaviour
- 7.9 A framework for Assessing Cultures
- 7.10 Summary
- 7.11 Technical Terms
- 7.12 Self-Assessment Questions
- 7.13 Reference Books

### 7.1 Introduction:

Values are very important to the study of the organisational behaviour, because values have an important influence on the attitudes, perceptions, needs and motives of the people at work. Values are the basis of human personality and are a very powerful but silent force affecting human behaviour. Values are so much embedded in the personalities of the people that they can be inferred from people's behaviour and their attitudes. Effective managers have to understand the values underlying the behaviour of the employees because only then they will realise why the people behave in strange and different ways sometimes.

## 7.2 Meaning and Definitions of Values:

A value system is viewed as a relatively permanent perceptual frame work which influences the nature of an individual's behaviour. The values are the attributes possessed by an individual and thought desirable. Values are similar to attitudes but are more permanent and well built in nature.

A value may be defined as a "concept of the desirable, an internalised criterion or standard of evaluation a person possesses. Such concepts and standards are relatively few and determine or guide an individual's evaluations of the many objects encountered in every day life".

According to Milton Rokeach, a noted Psychologist "values are global beliefs that guide actions and Judgements across a variety of situations". Values represent basic convictions that a specific mode of conduct (or end state of existence) is personality or socially preferable to an opposite mode of conduct (or end state of existence).

### 7.2. A Characteristics of Values :

Values are generally, tinged with moral flavour and they contain, a judgement elements, involving an individual's idea as to what is right, good, desirable. The characteristics of values are:

- i. Values provide standards of competence and morality.
- ii. Values are fewer in number than attitudes.
- iii. Values transcend specific objects, situations or persons.
- iv. Values are relatively permanent and resistant to change.
- v. Values are most central to the core of a person.
- vi. When we rank an individuals values in terms of their intensity. We obtain the value system of that person.

### 7.3 Sources of Values:

Culture is a source of values. It contains as well as reinforces them. In Indian Culture, Peace, Cooperation, harmony, equity, democracy and allied societal values are considered desirable. Explicitly, such values are not fixed but they change very slowly. Recently, for example, people in India (like elsewhere) have started questioning their cherished values: "Bigger the better".

People learn to inculcate values from their parents, teachers, friends, media (television, radio, newspapers) and all those whom they respect and thus, attempt to copy them. In the early days, youngsters are influenced by their parents and thus, they emulate their parents values. When they group-up, they are exposed to varied value systems and accordingly, may change some of their earlier values. Notwithstanding basic values remain relatively stable and enduring. Even if people question such values, they remain the same or further reinforced.

### 7.4 Values and Motivation:

As Arnold and Feldman point out, values can determine motivation in at least two ways, first, they exert impact on the general activities which an individual may find appealing. Second, they also

exert impact on individuals motivation to accomplish specific outcomes such as money, promotion and prestige.

The values which individuals assign to varied organisational outcomes may strongly influence their motivation. Thus, the individuals who assign a high value to monetary rewards and promotional opportunities, are likely to be highly motivated in situations where they believe that those outcomes are determined by effective performance. On the other hand, if they assign a high value to opportunities for friendship and pleasant working conditions, they are not likely to be so much motivated by monetary rewards and promotional opportunities. This implies that managers must take into account individual differences in values while attempting to motivate their employees.

### 7.5. Importance of Values:

Values are important to the study of organisational behaviour because of the following points signifying their importance.

- i. Values lay the foundations for the understanding of attitudes and motivation.
- ii. Personal value system influences the perception of individuals.
- iii. Value system influences the manager's perception of the different situation.
- iv. Personal value system influences the way in which a manager views the other individuals and the groups of individuals in the organisation.
- v. Value system also influences a manager's decisions and his solutions to the various problems.
- vi. The challenge and reexamination of established work values constitute important corner stones of the current management revolution all over the world. Hence, an understanding of the values becomes a necessity.

### 7.6 Types of Values:

An extensive research conducted by the noted Psychologist Milton Rokeach, identifies two basic types of values.

**1. Terminal Values:** A terminal value is an ultimate goal in a desired status or outcome. These lead to the ends to be achieved. The examples of terminal values are:

1. Comfortable life
2. Sense of accomplishment
3. Family Security
4. Mature love
5. Self respect

6. — Wisdom
7. — Exciting life
8. — Freedom
9. — Social recognition
10. — True friendship
11. — A world of peace
12. — A world of beauty
13. — Equality
14. — Happiness
15. — Inner Harmony
16. — National Security
17. — Pleasure
18. — Salvation

**Instrumental Values:** These values related to means for achieving desired ends. It is a tool for acquiring a terminal value. The instrumental values given in this study are:

1. — Ambitious
2. — Broad minded
3. — Capable
4. — Cheerful
5. — Clean
6. — Courageous
7. — Forgiving
8. — Helpful

9.	—	Honest
10	—	Imaginative
11	—	Independent
12	—	Intellectual
13	—	Logical
14	—	Loving
15	—	Obedient
16	—	Polite
17	—	Responsible
18	—	Self controlled

The combination of terminal and instrumental values an individual has, create an enduring cluster of values which is his value system. Thus, according to this survey, our values and value system are primarily the determinants of who and what we are as individuals.

G.W. Allport, P.E. Vernon and G. Lindsey have categorised values into six major types as follows:

**1. Theoretical:** Interest in the discovery of truth through reasoning and systematic thinking. The ideal theoretical man values the discovery of truth.

**2. Economic:** Interest in usefulness and practicality, including the accumulation of wealth. The ideal economic man values what is useful and concerned with practical affairs.

**3. Aesthetic :** Interest in beauty, form and artistic harmony. The ideal aesthetic man values artistic and aesthetic experiences in life, though he himself may not be creative.

**4. Social:** Interest in people and human relationships. The ideal social man places great values on affiliation and love. He tends to be kind and sympathetic to other individuals.

**5. Political:** Interest in gaining power and influencing other people. The ideal political man places great value on power.

**6. Religious:** Interest in unity and understanding the cosmos as a whole. The highest value for the ideal religious man may be called unit.

Different people give different importance to the above mentioned six values. Every individual gives ranking to the values from one to six. This is very important for understanding the behaviour of the people.

## 7.7 Values across culture:

We described the new global village and said “Managers have to become capable of working with people from different cultures”. Because, values differ across cultures, an understanding of these differences should be helpful in explaining and predicting behaviour of employees from different countries. A comparison of American and Japanese cultures can help illustrate this point.

American children are taught early the values of individuality and uniqueness. In contrast, Japanese children are in doctrine acted to be “team players”, to work within the group, and to conform. A significant part of an American student’s education is to learn to think, analyse, and question. Their Japanese counter parts are rewarded for recounting facts. These different socialisation practices reflect different cultures and, not suprisingly, result in different types of employees. The average US worker is more competitive and self-focused than the Japanese worker, predictions of employee behaviour, based on US workers, are likely to be off-target when they are applied to a population of employees - such as the Japanese - who prefer and perform better in standardized takes, as part of a work team, with group based decisions and rewards.

## 7.8. Values, Loyalty, and Ethical Behaviour:

Did a decline in business ethics set in sometime in the late 1970,s? The issue is debatable. Nevertheless, a lot of people think so. If there has been a decline in ethical standards. Perhaps we should look to our four-stage model of work cohort values for a possible explanation. After all, managers consistently report that the actions of their basses is the most important factor influencing ethical behaviour in their organisations. Given this fact, the values of those in middle and upper management should have a significant bearing on the entire ethical climate within an organisation.

Beginning in the mid-to-late 1970s individuals with existential values began to rise into the upper levels of management. They were soon followed by pragmatic type. By late 1980s, a large portion of middle - and top-management positions in business organisations were held by people.

The loyalty of existentials and pragmatics is to self and careers respectively. Their focus is inward and their primary conar is with “looking out for number one”. Such self-centered values would be consistent with a decline in ethical standards. Would this help explain the alleged decline in business ethics begining in the late 1970s?

The potential good news in this analysis is that recent entrants to the work force, and tomorrow’s managers, appear to be less self-centered. Since their loyalty is to relationships, they are more likely to consider the ethical implications of their actions on others around them. The result? We might look forward to an uplifting of ethical standards in business over the next decade or two merely as a result of changing values within the managerial ranks.

## 7.9 A Frame work for Assessing Cultures:

One of the most widely referenced approaches for analysing variations among cultures has been done by Greet 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:

**(i) Power distance:** The degree to which people in a country accept that power in institutions and organisations is distributed unequally. Ranges from relatively equal (low power distance) to extremely unequal (high power distance).

**(ii) 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.

**(iii) 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.

**(iv) Uncertainty avoidance:** The degree to which people in a country prefer structured over unstructured situation. In countries that score high on uncertainty avoidance, people have an increased level of anxiety, which manifests itself in greater nervousness, stress and aggressiveness.

**(v) 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 emphasises respect for tradition and fulfilling social obligations.

For instance, not surprisingly, most Asian countries are more collectivist than individualistic on the other hand, united states ranked highest among all countries surveyed on individualism.

## 7.10 Summary:

Values are a very powerful but silent force affecting human behaviour. 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 end-state of existence”.

Culture is a source of values, are important to the study of organisational behaviour because they lay the foundation for the understanding of attitudes and motivation and because they influence our perceptions.

According to Allport, Vernon and Lindzey identified six types of values.

Effective managers have to understand the values underlying the behaviour of the employees, because only then they will realise why the people behave in strange and different ways sometimes.

## 7.11 Technical Terms:

1. Values : Moral principles, standards that one considers important

2. Salvation : Saving from disaster
3. Intellectual : Having a strong intellect.

### **7.12 Self-Assessment Questions: (Essay type):**

1. What do you understand by Values? What are the main characteristics of Values.
2. Discuss the different types of Values.
3. Explain the different source of Values?
4. Why are Values important to the study of organisational behaviour?
5. What are Values? How do they differ from attitudes?

### **7.13 Reference Books:**

1. Amrik Singh Sudan and N. Kumar : *Management Process and Organisational Behaviour*, Anmol Publications Pvt. Ltd., New Delhi - 2003.
2. Shashi K. Gupta and Rosy Joshi: *Organisational Behaviour*, Kalyani Publishers, New Delhi, 2004.

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## LESSON - 8

# PERCEPTION - PROCESS

## 8.0 Objective:

This lesson is devoted to a detailed discussion of the nature process and significance of perception in the study of organisational behaviour.

## Contents:

- 8.1 Introduction
- 8.2 Definition
- 8.3 Perception and Sensation
- 8.4 Perceptual Process
  - 8.4.1 Receiving Stimuli
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## 8.1 Introduction:

People often see the same situation differently. For example when there is an accident in the factory, the supervisor may treat it as the carelessness of workers while the workers may treat it as the high handedness of management and lack of adequate security measures. Thus the situations remaining the same, causes have been assigned differently by different group of persons. In order to understand why people see the same situation differently, one has to understand perception and its different aspects.

In its simple sense perception is understood as the act of seeing what is there to be seen. But what is seen is influenced by the perceiver, the object and the environment. The meaning of perception will be complete when all the three aspects are stressed.

## 8.2 Definition:

Perception is the process of selecting, organizing and interpreting the events happened in environment.

Perception includes all those processes by which an individual receives information about his environment; seeing, hearing, feeling, tasting and smelling. The study of these perceptual processes shows that their functioning is affected by three classes of variables. 1. The object, 2. The environment in which perception occurs, 3. The individual doing the perceiving.

### 8.3 Perception and Sensation:

There is usually a great deal of misunderstanding about perception and sensation. Both the words have taken with the same meaning though there is a clear distinction between the two.

Sensation means the response of a physical sensory organ such as vision, hearing, touch, smell and taste, that means sensation deals with very primary behaviour that is largely determined by physiological functioning.

Perception is something more than sensation. In its simple sense perception is the act of seeing what is there to be seen. But what is seen is influenced by the perceiver, the object and the environment. The meaning of perception will be complete when will the three aspects are stressed. Perception is determined by both Physiological and Psychological characteristics of the organism. However, sensation only activates the organs of the body and is not affected by such psychological factors as learning and motives. For example : By means of our eye we see an object, but it is not our eye but we see the object. That means activation of eyes to see an object is sensation and the influence what is being seen is perception. The latter is important for managerial action.

### 8.4 Perceptual Process:

Perception is a process consisting of several sub-processes viz; receiving, selecting, organising, Interpreting, checking and reacting to stimuli. These processes are influenced by perceiver and the situation. The presence of stimuli is the first process of perception. This may be in the form of people, objects, events, information, conversation etc. The presence of stimulus though necessary for perception, is not actual process of perception. However, the perception process can not start in the absence of stimuli.

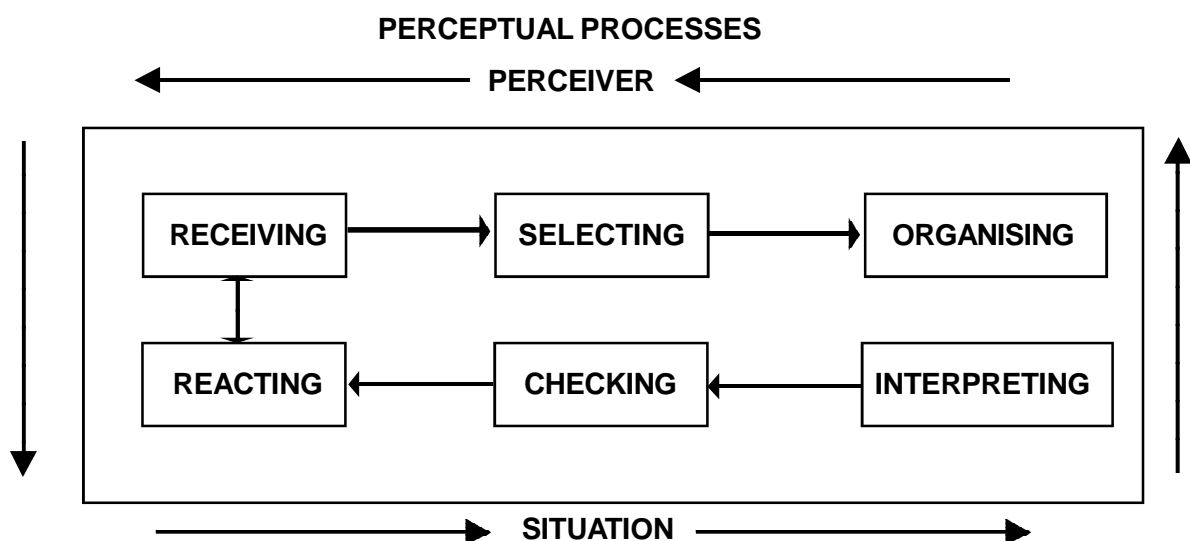


Fig.8.1. Perceptual Processes

### **8.4.1 Receiving Stimuli:**

The actual perception process starts with the receipt of the stimuli or data from various sources. Stimuli are received by us through the organs. Reception of stimuli is a physiological aspect of perception process. At the same time stimuli need not be external to us, they may be inside. Light waves, sound waves, mechanical energy, chemical energy, which one can smell and taste are examples of outside stimuli. Inside stimuli include energy generated by muscles and various glands which release hormones into the body.

### **8.4.2 Selecting Stimuli:**

After receiving the stimuli, some important and relevant ones are selected for further processing and the other are screened out. Two sets of factors govern the selection of stimuli; External and Internal.

External factors related to stimuli where as internal factors related to the perceiver.

#### **8.4.2.1 External factors influencing selection:**

The external factors influencing selection are nature, location, intensity, size, contrast, repetition, motion, novelty and familiarity.

##### **8.4.2.1.a. Nature:**

By nature we mean, Whether the object is visual or auditory. It is well known that pictures attract attention more rapidly than words, and a picture with human beings attracts attention more than a picture of inanimate objects, a rhyming auditory passage attracts attention more readily than a narrative passage.

##### **8.4.2.1.b. Location:**

The object in front of the eyes attract attention. For example: In visual stimulus, the object printed in the centre of a page attract attention. When this location is not possible, a position in the upper portion of a page is more favourable than one in the lower portions. The left hand side receives more attention than the right hand side.

##### **8.4.2.1.c. Intensity:**

Stimuli of higher intensity are perceived more than the objects with low intensity. A loud noise, bright light will be noticed more than a soft sound or dim light.

##### **8.4.2.1.d. Size:**

Generally objects of large size attract more attention than the smaller ones. For example; Advertisement of full page spread attracts more attention than a few lines in the classified section.

**8.4.2.1.e. Contrast:**

The contrast principle states that external stimuli which stand out against the background will receive more attention.

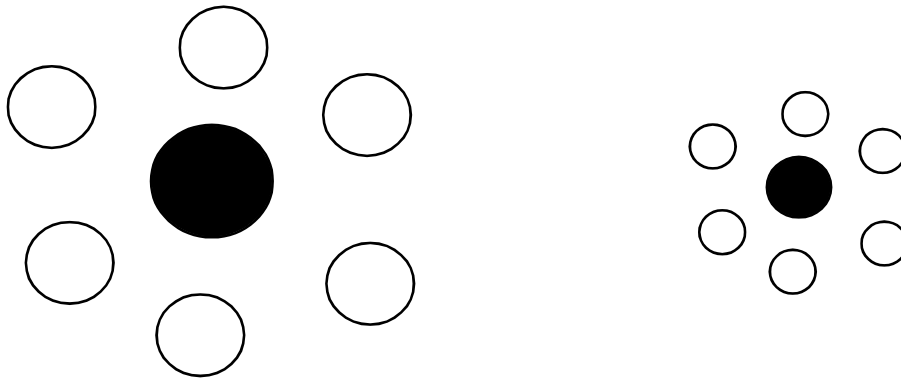


Fig. 8.2. illustrates the perceptual principle. The black circle on the right appears larger than the one on the left because of the background circles. In fact both black circles are of the same size. In a similar manner, plant safety signs which have black lettering on an yellow background or white lettering on a red background are attention drawers.

**8.2.1.f. Movement:**

The principle of motion states that a moving object receives more attention than an object that is standing still. In a work environment the attention of a work man will be focussed more on a conveyor belt than on painting on walls. Advertisers capitalise on this principle by creating signs which incorporate moving parts.

**8.2.1.g. Repetition:**

The repetition principle states that a repeated external stimulus is more attention drawing than a single one. This principle explains of supervisors directions to workers over and over again for even simple tasks.

**8.4.2.1.h. Novelty and Familiarity:**

The novelty and familiarity principle states that either a novel or a familiar external situation can draw attention. New objects in a familiar settings or familiar objectives in a new settings will draw the attention of the perceiver. Job rotation is an example of this principle, changing workers jobs from time to time will tend to increase the attention they give to the task.

**8.4.2.2. Internal Factors Influencing Selection:**

Important internal factors for selection of stimuli are learning, Psychological needs, age differences, interests, ambivalence and paranoid perception. These factors of the perceiver influence his interest or indifference in the objects being received for perception. Normally, he will select the objects which interest him and will avoid that for which he is indifferent.

**8.4.2.2.a. Learning:**

Learning has considerable influence on perception. It creates expectancy in people. People tend to perceive what they want to perceive.

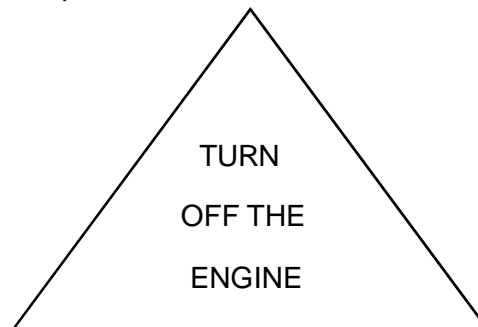


Fig. 8.3

Because of prior learning the sentence in the Fig. 8.3. will be read by the reader as “Turn off the Engine”. It takes a few seconds for the reader to realise that there is an extra “the” in the sentence. This illustration shows that learning creates expectancy in an individual and expectancy makes him see what he wants to see.

**8.4.2.2. b. Psychological Needs:**

Needs play a significant role in selecting stimuli, unreal things after look real because of deprived needs. A thirsty person in a desert, for instance, gets the illusion of water seeing sand from distance. An extremely hungry man think that food is the sole important thing in life. Any thing else will be treated as unimportant. Freedom, love, community, feeling respect, philosophy may all be waved a side as useless, since they fail to fill the stomach.

**8.4.2.2.c. Age Difference:**

Older senior executives complain about the inability of the new young to take tough decisions and paying attention to details and paper work. The young managers in turn complain about the “old guards” resisting change and using paper and rules as ends in themselves. Different perceptions of old and young executives are due to their age differences.

**8.4.2.2.d. Interest:**

Perception is unconsciously influenced by the interests of the perceiver. An architect will notice many details of buildings that he passes only once. Someone else may pass the same buildings every day for years without observing such details.

**8.4.2.2.e. Ambivalence:**

Another factor in perceptual selection is ambivalence or mixed feelings about a situation. For instance an young man may be ambivalent about his fiancées virtues and shortcomings.

**8.4.2.2.f. Paranoid Perception:**

When the person’s perception is so selective he can find little. Common ground for

communication with others he is likely to be paranoid. It is the characteristic of the emotionally disturbed person that his perceptual field differs from that of most other persons. His self concept is poor and he is very insecure, as a result of which he behaves in an inflexible manner.

### **8.4.3. The Organising Process:**

After, the data have been selected, these are organised in some form in order to make sense out of them. Such organisation of stimuli, may take the form of figure - ground, grouping, simplification and closure.

#### **8.4.3.1 Figure ground:**

People tend to organise information on what is known as the figure-ground principle. The figure - ground principle states that the relationship of a target to this back ground influence perception. However, there is a central theme perceived as a distinct entity and, its surroundings. For instance, as you are reading thing page, you do not focus on the white of the page but rather on the black letters printed on it.

We can see figure - ground relationships through senses other than vision. For example, we may hear the song of a bird against a background of outdoor noises.

#### **8.4.3.2. Grouping:**

The principle of grouping first defined gestalt psychologists include similarity, proximity, closure and simplification.

##### **8.4.3.2.a. Similarity:**

The principle of similarity explains that the objects of similar shape, size or colour tend to be grouped together.

##### **8.4.3.2.b. Proximity:**

The principle of proximity underlines that will stimuli which have been grouped together are like to be perceived as having same characteristics. For example all the persons coming from the same place may be perceived as having same characteristics because of grouping on the basis of proximity.

##### **8.4.3.2.c. Closure:**

The principle of closure states that when people faced with incomplete information, key fill up the gaps themselves to make the information meaningful. This may be done on the basis of past experience, past data. For example, in many advertisements, alphabets are written by putting electric bulbs indicating the shape of the concerned alphabets. But if they broken, even in such causes, people tend to fill up the gap among different bulbs to get meaning out of these.

##### **8.4.3.2.d. Simplification:**

The principle of simplification says that whenever people are overloaded with information,

they try to simplify it to make it more meaningful and understandable. In the process of simplification, the perceiver substracts less salient information and concentrates on important one. Simplification makes the things more understandable because the perceiver has been able to reduce the complexity by eliminating some of the thinks which are less important.

#### **8.4.4. Perceptual Constancy:**

Constancy gives a person a sense of stability in a changing world. In the absence of it the world would be very disorganised for the individuals. There are several aspects of object constancy.

##### **8.4.4.a. Shape Constancy:**

It exemplified whenever an object appears to maintain its shape despite marked changes in the retinal image. For example, we see the top of a glass bottle as "Circular" whether we view it from the side or from the top.

##### **8.4.4.b. Size Constancy:**

It refers to the fact that as an object is moved farther away we tend to see it as more or less invariant in size.

##### **8.4.4.c. Colour Constancy:**

It implies that familiar objects are perceived to be of the same colour in varied conditions. The owner of a red car sees it as red whether looking at it in bright sunlight, in dim lighting or under yellow street light.

#### **8.4.5 Interpretation Process:**

After the data have been received and organised the perceiver have to interpret it to get meaning of the information. People interpret the meaning of what they have selectively perceived and organised in terms of their own assumptions of people, things and situations. Several factors contribute towards the interpretation of data. We will discuss those things in the next lesson.

#### **8.4.6 Checking Process:**

After data have been received and interpreted, the perceiver tends to check whether his interpretations are right or wrong. One way of checking is for the person himself to indulge in introspection. He will put a series of questions to himself and the answers will confirm whether his perception about an individual or object are correct or not. Another way is to check the correctness of the interpretation with others.

#### **8.4.7 Reacting Process:**

The last phase of the perceptual process is that of acting in relation to what has been perceived. The action depends on whether the perception is favourable or unfavourable. The action is positive when the perception is favourable. It is negative when the perception is unfavourable. A worker responds favourably to the motivational intentions of a manager provided his understanding about his boss is favourable. The response is negative when his perception of the manager's behaviour is unfavourable.

## 8.5 Summary:

Perception is the process of selecting organising and interpreting the events happened in environment. Perception is different from sensation. The presence of stimuli is necessary in the process of perception. The perception process cannot start in the absence of stimuli. Two sets of factors govern the selection of stimuli: External and Internal. After the data have been selected it should be organised in some form in order to make sense out of them. After the data have been received and organised the perceiver have to interpret it to get meaning of the information.

## 8.6 Self-Assessment Questions:

1. Define perception. Explain the steps in the perceptual process?
2. Give some examples of external factors that affect perceptual selectivity?
3. Explain how perceptual constancy works?
4. What is perception? Explain the importance and factors affecting perception?

## 8.7 Reference Books:

1. Organisational Behaviour, Human Behaviour at Work - John W. Newstrom/Keith Devis.
2. Organisational Behaviour - Archana Tyagi
3. Management Process and Organisational Behaviour - Amrik Singh Sudan, N. Kumar.
4. Organisational Behaviour - K. Aswatappa.
5. Organisational Behaviour - L.M. Prasad.

- Dr. Ch. Suravinda



## Lesson - 9

# **BARRIERS OR BLOCKS TO PERCEPTUAL ACCURACY**

### **9.0. OBJECTIVE :**

This lesson is intended to discuss the barriers or blocks to perceptual accuracy and how to manage them in the organisation.

### **Structure :**

- 9.1 Introduction
- 9.2 Barriers to Perceptual Accuracy.
- 9.3 Honing Perceptual Skills.
- 9.4 Summary
- 9.5 Self-Assessment Questions
- 9.6 Reference Books

### **9.1. INTRODUCTION :**

Human beings, as complex as they are cannot be absolutely about their judgements regarding their environment. There are a number of factors which influence our judgements about other people and situations. Since the success of our efforts and decisions is contingent upon the accuracy of the information, as well as the accuracy of impressions, it is necessary to know what the barriers to perceptual accuracy are, so that these can be considered in our judgements or can be eliminated, if possible. In this lesson we are going to discuss some of the barriers to perceptual accuracy.

### **9.2. BARRIERS TO PERCEPTUAL ACCURACY :**

The Barriers to perceptual accuracy can be summarised as follows.

#### **9.2.1. Perceptual set :**

Previously held beliefs about objects influence an individuals perception of similar objects. For example manager may have developed a belief that workers are lazy and want to gain whatever possible from the organisation without giving of their best to it.

#### **9.2.2. Stereotyping :**

It is perhaps one of the most common barriers in accurately perceiving others. Stereotyping is the tendency for a person's perceptions of another to be influenced by the social group to which the other belongs. For example Indians are fatalistic, workers every where are anti-management, politicians are self serving and judges are wise. Stereotypes furnish us with a short cut to predicting behaviour while it is agreed that stereotyped behaviours often incorrect.

Stereotyping is particularly critical when meeting new people, since so little about them is known to us and we tend to characterise them according to certain categories on the basis of age, sex, occupation, religion and ethnic background.

From organisational point of view, some of the more established Stereotypes are :

### **2.2.a. Sex role Stereotypes :**

Both men and women have been Stereotyped into separately perceived categories. Men have been considered as tough with leadership ability, self confidence, competitiveness, ambitiousness and analytical ability, while women are Stereotyped as emotional, impulsive and submissive. Studies conducted by Bartol and Butterfield found that in inter-personal relations, female managers were rated as more effective and in task accomplishments male managers were rated as more effective.

### **2.2.b. Age stereotypes :**

Age is another stereotype which presents problems in the organisational environment. Such capabilities as physical, psychological and intellectual are sometimes presumed on the basis of the age of the person, studies conducted by Rosen and Jerdee found that some business students have clear stereotypes of older employees. The older employees are thought to be

- More resistant to organisational change
- Less creative.
- Less likely to take calculated risks.
- More conservative in nature.
- Lower in physical capacity.
- Less interested in learning new techniques.
- Less capable of learning new technologies.

Not all impressions about older people have a negative connotation. On the positive side, they are considered more experienced for consulting positions. They also tend to be perceived as more honest, dependable and trust worthy. These stereotype impressions affect business decisions regarding hiring, promotions and career development training programs.

### **2.2.c. Halo effect :**

The halo effect refers to the tendency of perceiving people in term of good and bad, and assigning all good qualities to one who is liked and all bad qualities to another who is disliked. In organisations, the halo effect is important in understanding an individuals behaviour particularly when judgement and evaluation must be made.

The halo effect is also likely to be related to our own self image. A manager who is always at work on time would view his subordinates who are habitually punctual more favourable than those who are not. This one trait of punctuality can influence a supervisor's rating of the employee's productivity and quality of his product more favourably, even if the actual performance is not up to the mark.

In our social interaction, we sometimes change our impressions about our long term friends on the basis of single act of our disliking. Many marriages have ended in divorce on the basis of a single unlikable trait of the partner.

**2.2.d. Expectancy :**

Expectancy is a tendency to perceive people, objects or events on the basis of what we expected them to be in the first place. It is sometimes referred to as "Pygmalion effect. Pygmalion was a Mythical Greek Sculptor who made a statue of a girl that he wanted and made her come to life so that what came out was what he expected. This aspect is also known as "Self-fulfilling Prophecy". For example, If you have become a member of an important committee and you have been told that the committee is a high-level committee with a membership of intellectuals, you would meet the committee members with certain perceptions and would try to find in the membership what you expect to find based upon these perceptions. On the other hand, If you were told that the committee was set up under pressure for political reasons, you would have different perceptions about the membership of the committee. Now, even if the behaviour of the members was similar, it would be interpreted according to your own preconceived perceptions.

**2.2.e. Perceptual Defence :**

According to the principle of perceptual defence an individual is likely to put a defence when confirmed with conflicting unacceptable or threatening stimuli. It plays an useful role in understanding union management and supervisor - subordinate relationships. Perceptual defence is the mental process by which we tend to protect ourselves from such objects, situations or stimuli that are emotionally disturbing or perceptually threatening. We tend to ignore such disturbing part of our environment that does not require confrontation. For example, people who live near rail-road tracks may not even hear the trains because they tend to become unaware or tend to ignore such happenings. Thus, through our perceptual defenses, we tend to distort or ignore information or stimuli that is culturally unacceptable or is in conflict with our established beliefs.

**2.2.f. Implicit personality theory :**

In judging and making inferences about others, an individual's perceptions are influenced by his belief that certain human traits are associated with one another. For example : The trait honesty is associated with hardworking. All industrious people are perceived to be honest.

**2.2.g. Self Concept :**

The way a person views the world depends a great deal on the concept or image he has about himself. People's own characteristics affect the characteristics which they are likely to see in others. They select only that aspects which they find match with their characteristics. For example; one who is dishonest may be suspicious of others and may perceive dishonest intentions in others where they do not exist.

**2.2.h. Attribution :**

Attribution refers to the process by which the individual assigns causes to the behaviour he conceives. For example : A Nurse who drops a tray of medicine will be excused if the incident is perceived as caused by a slippery floor; chastised if it is viewed as caused by her clumsiness and fired if it is viewed as a deliberate act.

Factors such as status, intentions and consequences influences the attribution process. High status persons are perceived to be more responsible for their actions than low status persons. Intentions also influences attribution. If a high status worker works overtime on any day, it is perceived that he has done it in the interest of the organisation. If a poor worker does the same, the action is understood as being for money. Consequences of the individuals action also influence the perceiver's attribution. The worse the consequences, the more likely the individual is to be viewed as responsible for the act.

### **9.3. HONING PERCEPTUAL SKILLS :**

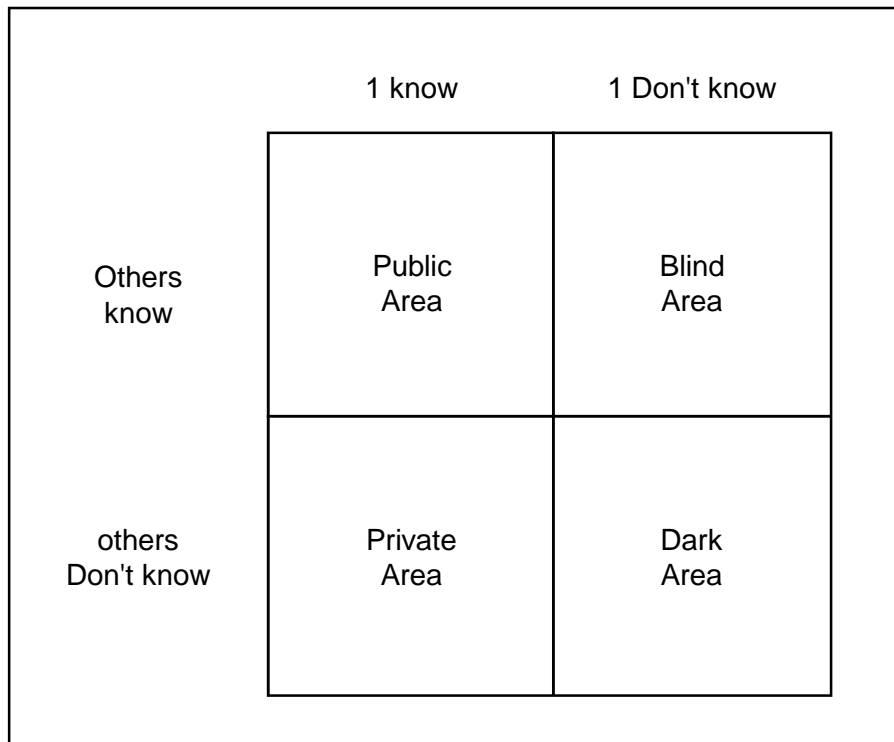
Perceptual Skills can be enhanced by 1. Knowing and perceiving oneself accurately. 2. Being empathic. 3. having positive attitudes, 4. enhancing one's self-concept, 5. Making a conscious effort to avoid the possible common biases in perception 6. communicating with employees to erase incorrect perceptions and 7. avoiding attributions. We will discuss all these aspects one after the other.

#### **9.3.1 Knowing and perceiving oneself Accurately :**

##### **Removing Blind Spots :**

As discussed earlier, one of the ways in which we can perceive others and situations accurately is by knowing, perceiving and understanding ourselves accurately. The best way of achieving this objective is to obtain information on how others perceive us from as many sources as possible - superiors, peers, subordinates and other colleagues. In this context the Johari window which is explained below comes in handy as a model for enhancing self-understanding.

**The Johari Window :** Joe Luft and Harry Inghan developed the Johari Window (Johari representing the combination of their first names). As shown in fig. 9.1 they indicate that there are four parts in all of us - the public area, the blind area, the private or secret area, and the unknown or dark area. These are also referred to as the "open self", "the blind self", "the hidden self" and the "undiscovered self". As can be seen from the figure, there are parts of us which are known to ourselves and there are other parts of us that we do not know. Likewise there are some aspects and characteristics about us that others know and there are certain other aspects that others do not know about us. Thus, we can compartmentalize ourselves in a 2 x 2 matrix. What is known to us and to others is the public area.



**Fig. 9.1 The Johari Window**

For instance, I might know that I am a very competent person, and others might also recognise that I am. Thus, this piece of information about me is public knowledge i.e., all who come in contact with me know it. However, I may not be aware of the fact that I am extremely task oriented and my employees don't like it. In other words, others know and perceive me as a task master and perhaps dislike me because of this. Not knowing, this is my blind area. That is, I am blind to the fact that I come across to others in a negative way. On the other hand, I may know something about myself which nobody else is aware of and I would like to keep it undisclosed, a secret. For instance, something that happened to me in my childhood could be an event that I may not want to share with anybody else. This is my private area or my hidden self. Finally, there may be aspects of me which I am unaware of and others do not know either. This undiscovered self is my dark area. Since this is an unknown, dark, impenetrable area, there is nothing much that can be done about it.

However, it is possible for me to become more aware of myself and remove my blind spots by obtaining feedback from several others on how I am perceived by them as a superior, colleague, subordinate, friend etc. By removing my blinders, I then give myself a chance to see how I am really perceived by others instead of perceiving myself as I would ideally like to be. Thus, by enlarging the public area or open self and narrowing the blind area through feedback. I will be able to understand myself better. This in turn, will help me to perceive and understand others better, limiting my own personal biases in perception.

**9.3.2 Being Empathic :**

Empathy means being able to see a situation as it is experienced by others. The truly effective manager will be able to rise above his or her own personal impressions and comprehend problems

from others perspectives. This can occur only when the manager can be sensitive to the needs of others and perceive situations from their point of view as well, before making final decisions.

### **9.3.3. Having positive Attitudes :**

We have seen the interrelationships among attitudes, perceptions and values. Unless managers can take a positive attitude to whatever situation they find themselves in and see things from a positive angle, their perceptions are likely to be distorted. By being aware of personal biases, and making a concerted effort to be as unbiased as possible, managers can consciously try to get rid of any negative feelings they may have of others. This will help them to put things in their proper perspective and thus enhance their perceptual skills.

### **9.3.4 Enhancing self-concept :**

Self concept or a good self-image is, at least partly, a function of how successfully we accomplish things we attempt to do. Enhancing self-concept is necessary and the best way of doing this is to ensure a fit between our level of competencies and the jobs that we perform. If we are over qualified for the jobs we do, we should find a better position in the same or another organisation, and if we are not qualified enough to do our job, we should try to enhance our skills through on-and-off the job training. When our self-concept is enhanced and we have acquired a positive self-regard, we are apt to respect others more and perceive them more accurately.

### **9.3.5. Consciously Avoiding common biases in perceptions :**

We have discussed several types of biases that occur in the perceptual process, we can guard against such biases as stereotyping, halo and projection. By consciously raising our level of awareness as we interact with situations on a daily basis, we can considerably minimise our perceptual biases.

### **9.3.6. Communicating with employees to Erase incorrect perceptions :**

Even though managers may watch out for their own perceptual errors, it is a fact that employees at the workplace act in accordance with their own perceptions. Effective managers not only have to remember that employees tend to misperceive situations but they should also be able to effectively communicate to employees the happenings in the work setting such that any misperceptions are dispelled.

### **9.3.7. Avoiding Attributions :**

Inappropriate attributions are frequently made by all of us when we try to make sense of what is happening in our environment. If X, who is always obliging, suddenly tends to be rebellious, it is very convenient for the boss to think that he is being "set up" by the union. Infact, X may not even be a member of the union. Imagine the consequences of such an attribution not only for X but the union leader who works in the same department as well. Because of such dysfunctional consequences, managers should try to avoid making attributions and obtain an accurate an assessment of the situation as possible.

Understanding of not only perceptual process but also dealing with perceptual biases are very important aspects of a manager's job.

**9.4 SUMMARY :**

Subjective emotions, judgemental attitudes and distortion of facts are common in perceiving any situation. We tried to identify ways in which we can minimise perceptual biases. The managers have to accurately perceive the environment and they have to sharpen their perceptual skills.

**9.5 SELF-ASSESSMENT QUESTIONS :**

1. What are the most common perceptual errors that you make ? How do you think you can rectify them ?
2. What are the common barriers to perceptual accuracy ?
3. Discuss the measures for improving perceptual skills.

**9.6 REFERENCE BOOKS :**

1. Organisational Behaviour Text and Cases – Uma Sekaran.
2. Organisational Behaviour – K. Aswathappa.
3. Organisational Behaviour – L.M. Prasad
4. Management Process and Organisational Behaviour – Amrik Singh Sudan, N. Kumar

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## Lesson - 10

# LEARNING

### 10.0. OBJECTIVE :

Learning is another important Psychological process. This chapter devoted to a detailed discussion of the nature, theory and principles of learning.

### Structure :

- 10.1 Introduction
- 10.2 Definition
- 10.3 Components of Learning Process
- 10.4 Learning Theories
- 10.5 Classical Conditioning
- 10.6 Operant Conditioning
- 10.7 Cognitive Theory of Learning
- 10.8 Social Learning Theory
- 10.9 Factors affecting Learning
- 10.10 Summary
- 10.11 Self-Assessment Questions
- 10.12 Reference Books

### 10.1. INTRODUCTION :

Simply told, "learning is understood as the modification of behaviour through practice, training or experience".

### 10.2. DEFINITION :

Learning may be defined as a relatively permanent change in the behaviour that occurs as a result of prior experience.

Based on the above definition we can conclude that there are four important points in learning. One should understand them for clear understanding of the term learning. Learning is not confined to one's schooling. Learning occurs throughout one's life.

1. Learning involves a change in behaviour though this change is not necessarily an improvement over previous behaviour. Learning generally has the connotation of improved behaviour, but bad habits, prejudices, stereotypes and work restrictions are also learned.
2. All changes not reflect learning. To constitute learning, change should be relatively permanent. Temporary changes may be only reflective and fail to represent any learning. For example behavioural changes caused by fatigue or drugs.
3. The behavioural change must be based on some form of practice or experience. Thus any behavioural change because of Physical maturation is not learning. For instance, the ability to work which is based on physical maturation would not be considered as

learning.

4. The practice or experience must be reinforced in order for learning to occur. If reinforcement does not accompany the practice or experience, the behaviour will eventually disappear.

### **10.3. COMPONENTS OF LEARNING PROCESS :**

To understand the learning process, it is important to understand the role of various components of learning. Those components can be listed as follows.

#### **10.3.1. Drive :**

Learning frequently occurs in the presence of drive, without drive, learning does not take place because drive arouses an individual and keeps him ready to respond to a stimuli thus it is the basis of motivation. Drives are basically of two types. Primary or Physiological drives and secondary or Psychological drives. These two categories of drives often interact. Individuals operate under many drives at the same time. To predict, behaviour, it is necessary to establish which drives are stimulating the most.

#### **10.3.2. Cue Stimuli :**

It explains how an individual perceive any object existed in the environment. It is common to speak cue and stimuli inter changeably. The idea here is to discover the conditions under which a stimulus will increase the probability to happening a specific response. There may be two types of stimuli so far as their results in terms of response are concerned : generalisation and discrimination.

##### **10.3.2.a. Generalisation :**

The principle of generalisation has important implications for human learning. It makes possible stability in man's actions across the time. Because of generalisation, a person does not have to completely relearn each of the new tasks or objects which constantly confront him. The individual can borrow from past learning experiences to adjust more smoothly to new learning situations. However, there are certain negative implications of generalisation for learning. A person may make false conclusion because of generalisation. For example stereotyping or halo effect in perception occurs because of generalisation.

##### **10.3.2.b. Discrimination :**

Discrimination is opposite of generalisation. This is a process whereby an organism learns to emit a response to a stimulus but avoids making the same response to a similar but somewhat different stimulus. Discrimination has wide applications in organisational behaviour. For example, a supervisor can discriminate between two equally high producing workers, one with low quality and other with high quality. The supervisor discriminates between the two workers and positively responds only to the quality conscious worker. As there is no positive response, the low quality producing worker may extinct his learning.

### 10.3.3. Responses :

The stimulus results in responses. Responses may be in the physical form or may be in terms of attitudes, however, learning Psychologists attempt measurement of learning in behavioural terms, that is, responses must be operationally defined and preferably physically observable.

### 10.3.4. Reinforcement :

Reinforcement is a fundamental condition of learning without reinforcement, no measurable modification of behaviour takes place. The term reinforcement is very closely related to the Psychological process of motivation. The reinforcement principle have been discussed in the next lesson.

### 10.3.5. Retention :

The stability of learned behaviour overtime is defined as retention and the converse is forgetting. Some of the learning is retained over a period of time, while other may be forgotten.

## 10.4. LEARNING THEORIES :

Learning as discussed above, is the acquisition of new behaviour. People acquire new behaviour frequently. However, experts do not agree on what is the process through which new behaviour is acquired. This has resulted into the development of many theories of learning. They are classical conditioning, operant conditioning, cognitive and social learning. Conditioning is based on the principle of learning viz association.

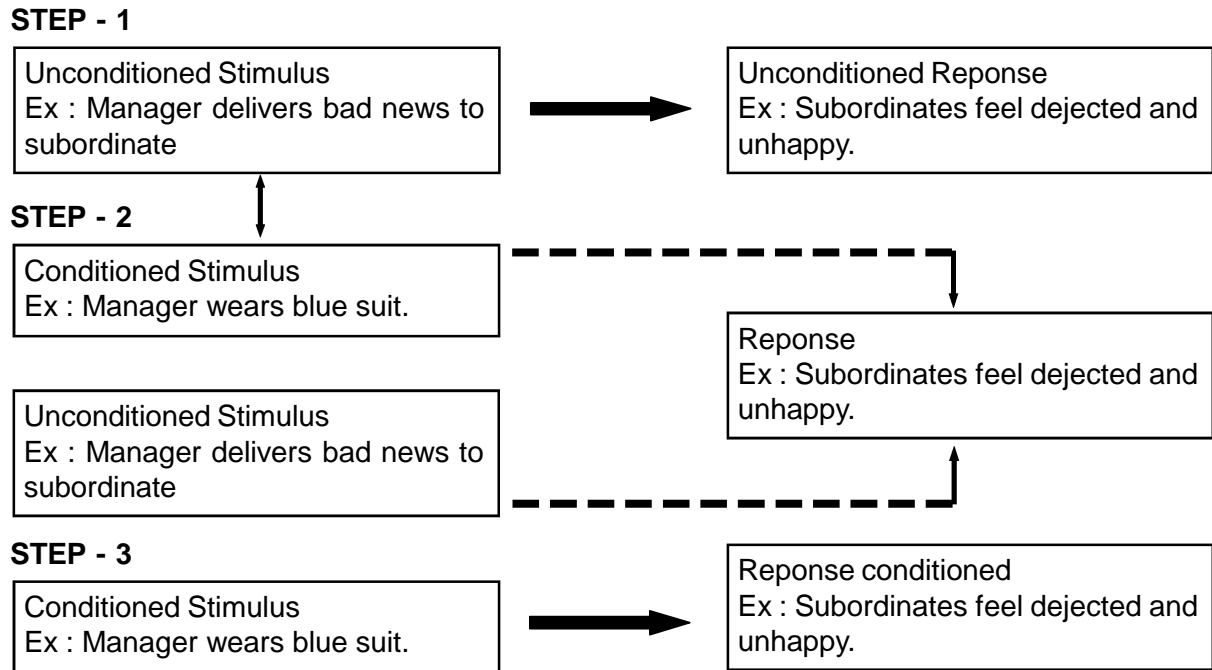
## 10.5. CLASSICAL CONDITIONING :

Classical conditioning states that behaviour is learned by repetitive association between a stimulus and a response. The work of the famous Russian Physiologist, Ivan Pavlov, who won the Noble Prize for his early experiments on the subject, demonstrated the classical conditioning process.

**Pavlov** conducted an experiment on a dog and tried to relate the dog's salivation and the ringing of a bell. A simple surgical procedure allowed him to measure accurately the amount of saliva secreted by the dog. When Pavlov presented the dog with a piece of meat, the dog exhibited a noticeable increase in salivation. When he withheld the presentation of meat and merely rang a bell, the dog has no salivation. 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 should of the bell, even if no food was offered. In effect the dog has learn to respond to the bell. He next paired a black square with the bell. After a number of trails with this pairing, the dogs salivated to the black square alone. The original conditioned stimulus, bell, had become a reinforcing unconditioned stimulus for the new conditioned stimulus, black square. This was called second-order conditioning.

From the brief description given above, certain key concepts of classical conditioning can now be introduced. Salivation is response to food is a natural, unlearned response-in short, a reflex. This response was called the conditioned reflex. The food because it elicited the unconditioned reflect automatically was called the unconditioned stimulus. Pavlov's repeated presentation of the bell followed

by food led the dog to salivate in response to the bell alone. This salivation was designed as conditioned reflex, which emphasised that arousal of the reflex was dependent upon a stimulus, other than the natural one. Similarly, Pavlov referred to the bell, previously a neutral stimulus, as the conditional stimulus.



**Fig. 10.1 : Classical Conditioning**

In an organisational setting we can see classical conditioning operating. For example, at one manufacturing plant, everytime the top executives from the head office would make a visit, the plant management would clean the administrative offices and wash the windows. This went on for years. Eventually, employees would turn on their best behaviour and look train and proper whenever the windows were cleaned even in those occasions when the cleaning was not paired with the visit from the top boss. People had learnt to associate the cleaning of the windows with the visit from the head office.

Despite the theoretical possibility of the wide spread applicability of classical conditioning most modern theorists agree that it represents only a very small part of total human learning skinner in particular felt that classical conditioning explains only respondent behaviours. He felt that more complex human behaviours cannot be explained by classical conditioning alone. He felt that most human behaviour affects on the environment. The latter type of behaviour is learnt throught operant conditioning.

## 10.6. OPERANT CONDITIONING :

A somewhat more complex learning form is that of operant or instrumental conditioning. Operant is defined as behaviour that produces effects. Operant conditioning suggests that people exhibit responses that are rewarded and will not exhibit responses, that are either not rewarded or punished. Operant conditioning implies that behaviour is voluntary and it is determined, maintained and controlled by its consequences. This principle states that learning new behaviour involves the relationships between three elements. 1. Stimulus situation, 2. Behavioural response to the situation and 3. Consequences of the response to the person. A simple example of the operant behaviour is the application of brake by a vehicle driver to avoid accident. Here, the possibility of accident without application of brake is stimulus situation, application of brake is the behaviour and avoidance of accident is the consequence of behaviour. Through this process human beings learn what behaviours will be rewarding and they engage in those behaviours.

The differences between classical and operant conditioning can be summarised as follows.

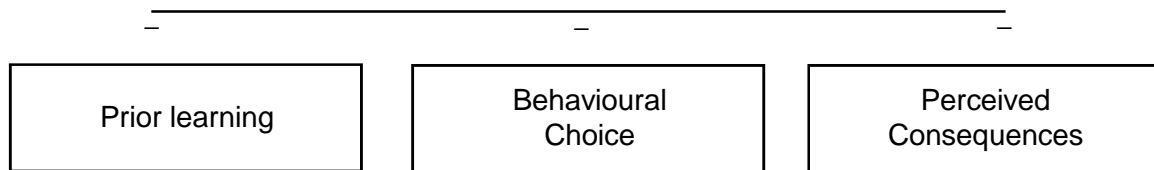
<u>Classical Conditioning</u>	<u>Operant Conditioning</u>
1. Behaviour is the result of stimulus either of first order or higher order.	1. In a particular stimulus situation many possible behaviours can result.
2. There may be direct relationship between stimulus and response	2. No such relationship is necessary in operant conditioning.
3. Under this a change in the stimulus will elicit a particular response.	3. In this case one particular response out of many possible ones occurs in a given stimulus situation.
4. In this case, stimulus does not elicit response but serves as a cue for a person to exhibit the response.	4. The emitting of response depends upon the outcome of the response so emitted.
5. Reinforcement is not received by choice.	5. Person is instrumental in securing reinforcement by operating on the environment.
6. In this case, the stimulus serves as a reward winner.	6. Here response is instrumental in receiving the reward.

Classical conditioning can be expressed as stimulus - Response while operant conditioning can be expressed as Response - stimulus. Example of classical may be the, being greeted by others (S) feels happy (R), Work hard (R) gets promotion (S) is the example of operant conditioning.

Operant conditioning has much greater impact on human learning than classical conditioning. Most behaviours in organisations are learned, controlled and altered by consequences. Management can use the operant conditioning process successfully to control and influence the behaviour of employees by manipulating the reward system.

## 10.7. COGNITIVE THEORY OF LEARNING :

Cognition refers to an individual's thoughts, knowledge, interpretations, understandings, or ideas about himself and his environment, cognitive theorists argue that the learner forms a cognitive structure in memory, which preserves and organises information about the various events that occur in a learning situation. Cognitive theory is very much relevant to today's conditions. Many motivation theorists centre around the concept of cognition. Expectations, attributions and locus of control and goal setting are all cognitive concepts and represent the purposefulness of organisational behaviour.



**Fig. 10.2. Learning as a Cognitive Process**

## **10.8. SOCIAL LEARNING THEORY :**

The social learning theory stresses upon the ability of an individual to learn by observing models – parents, teachers motion pictures bosses and others. The influence of the model is central to the social learning viewpoint. Four processes have been found to determine the influence that a model will have on an individual.

### **10.8.1. Attentional Process :**

People only learn from a model when they recognise and pay attention to its critical features. The models that are attractive, repeatedly available or we see as similar to us can influence people.

### **10.8.2. Retention Processes :**

A models influence will depend on how well the individual remembers the models action, even after the model is no longer readily available.

### **10.8.3. Motor Reproduction Processes :**

After a person has seen a new behaviour by observing the model, the watching must be converted by doing. This process then demonstrates that the individual can perform the modelled activities.

### **10.8.4. Reinforcement Processes :**

Individuals will be motivated to exhibit the modelled behaviour if positive incentives or rewards are provided.

## **10.9. FACTORS AFFECTING LEARNING :**

Since learning is an acquired process, it is quite natural that several factors may affect the process. Understanding of these factors is important for management because it can organise its Learning Programmes through training for improving the behaviour of employees at the work place. The major factors affecting learning are as follows.

### **10.9.1. Motivation :**

Learner's motivation is one of the major conditions for learning. Motivation is something that moves a person to action, and continues him in the course of action already initiated. This course of action includes learning too. A positive behaviour developed through learning results into rewards while a negative behaviour results into punishment. Thus, the degree of the learner's motivation is

positively associated with his learning.

### **10.9.2. Mental Set :**

Mental set refers to the preparation for an action. A person's mental set activates him to do the act, and due to his level of activation, he gets inclined to perform the act without mental set learning cannot go smoothly.

### **10.9.3. Nature of Learning Materials :**

Nature of learning materials affects learning by providing the clue for understanding. There are a number of features of the learning materials which affect learning. If the learning material is of easy nature, it is learned quickly whereas difficult material takes time to understand. Similarly familiarity with learning materials affect learning. Share and meaningfulness of learning materials also affect learning. If these features are positive, learning takes place at faster rate.

### **10.9.4. Practice :**

Practice is very basic external condition of learning and affects all types of learning. The more a person practices, more he absorbs learning contents. Most of the skills like typing, swimming etc. are learned based on this principle.

### **10.9.5. Environment :**

Environment in which learning process occurs affects learning. Environment, here, refers to the situational set up for learning. Environmental factors can either strengthen or weaken the person's ability to achieve and learn. Environment with high pressure and high rate of change increases the likelihood of stress and has negative impact on learning. Environment with features of support, cohesion, and affiliation has positive impact on learning.

## **10.10. SUMMARY :**

Learning is a relatively permanent change in behaviour or potential behaviour that results from direct or indirect experience. Learning is a cognitive process involving experiences and choices about behaviour.

## **10.11. SELF-ASSESSMENT QUESTIONS :**

1. Describe what is Learning ? Explain major theories of Learning.
2. What are the Basic Principles of Learning ? Explain.
3. What is Learning ? What are components or elements of Learning Process ?
4. Describe the factors which affect the Learning.

## **10.12. REFERENCE BOOKS :**

1. Management Process and Organisational Behaviour – Amrik Singh Sudan, N. Kumar.

2. Organisational Behaviour – L.M. Prasad
3. Organisational Behaviour – Aswathappa
4. Organisational Behaviour – Archana Tyagi

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## Lesson 11

# REINFORCEMENT– ADMINISTRATION OF REINFORCEMENT

### 11.0. OBJECTIVE:

The Consequences of behaviour are called “reinforcement”. A manager may be able to use various kinds of reinforcement to affect employee behaviour. This lesson is intended to stress need and types of reinforcement; how to use them depends on the situation.

### STRUCTURE:

- 11.1 Introduction
- 11.2 Positive and Negative Reinforcement
- 11.3 Extrinsic and Intrinsic Reinforcement
- 11.4 Primary and Secondary Reinforcement
- 11.5 Administering Reinforcement
- 11.6 Administering Negative Reinforcement
- 11.7 OB Mod
- 11.8 Summary
- 11.9 Self Assessment Questions
- 11.10 Reference Books

### 11.1 INTRODUCTION:

Reinforcement is the single most important principle of learning. Reinforcement may be understood as anything that both increases the strength of response and tends to induce repetitions of the behaviour that preceded the reinforcement behavioral response is conditioned by reinforcement. Reinforcement may be classified in many ways: Positive and negative, extrinsic and intrinsic, primary and secondary.

### 11.2 POSITIVE AND NEGATIVE REINFORCEMENT:

A positive reinforcement is a stimulus which strengthens the probability of a response. For example, if an employee does something well and is complimented for it by the boss, the probability that the employee shall repeat the behaviour will strengthen.

In negative reinforcement the individual exhibits the desired behaviour to avoid something unpleasant, for example an employee did something to avoid a reprimand from his boss. If an employee has the habit of coming late to work, he may learn that this increases the probability of reprimand, the employee may begin coming on time to avoid the criticism. Thus, the effect of negative reinforcement is avoidance learning.

Here one has to understand that negative reinforcement and punishment are different. In fact the two have opposite effect on behaviour. Negative reinforcement strengthens and increases behaviour while punishment weakens and decreases behaviour. Punishment, in the meanwhile is causing an unpleasant condition in an attempt to eliminate an undesirable behaviour.

### 11.3 EXTRINSIC AND INTRINSIC REINFORCEMENT:

Positive reinforcement is sometimes further broken into extrinsic or intrinsic rewards. An extrinsic reinforcer has no direct relationship with the behaviour itself. It is artificial and often arbitrary, such as, payment of money to the employees for new ideas. Intrinsic rewards, on the other hand are natural consequence of behaviour. They create a Psychologically expected relationship to the behaviour itself, such as acquisition of new skill, work performance to the capacity, assuming more responsibility etc. extrinsic and intrinsic reinforcers are closely related with motivation process. They are more applicable to learning areas, such as training and to more complex areas such as employee attitude.

### 11.4 PRIMARY AND SECONDARY REINFORCEMENT:

Positive reinforcement may also be classified as primary or unconditioned and secondary or conditioned. A primary reinforcer is innately satisfying to the person and directly reduces his primary motivational drive. Such reinforcers are independent of past experience. As such unconditioned stimulus is an unlearned reward for the person. Examples of primary reinforcers are food, sex etc., which satisfy physiological needs. Such rewards are used in simple learning situations. Secondary reinforcement on the other hand, depends on the individual and his past reinforcement history. Thus these are primarily learned ones. Examples of such reinforcers are praise, recognition, advancement etc.

Regardless of whether the positive reinforcer is primary or secondary in nature, once it has been determined that the consequence has reward values to the employees, it can be used to increase their performance.

### 11.5 ADMINISTERING REINFORCEMENT:

Reinforcement is necessary for learning. A manager must administer it in such a way that it has its maximum effects. If reinforcement is administered properly, it will increase the strength of desired organizational behaviour. The nature of reinforcement can be summarised as follows.

1. To produce change some type of reinforcement i.e., reward or knowledge is necessary.
2. Which reward more effective for use should be identified because each reward can not get same result. Some are more effective than others.
3. The speed with which learning takes place and also how lasting its effects will be determined by the timing of reinforcement.

Following aspects must be taken into account in administering the reinforcement.

**11.5.1. Selection of Reinforcement:** The first step in the successful application of reinforcement procedure is to select reinforcement that are sufficiently powerful to maintain responsiveness while complex patterns of behaviour are being established and strengthened. Reinforcers, particularly conditioned ones depend upon individuals. thus what is rewarding to one person may not be rewarding to another. Thus managers should look for a reward system which has maximum reinforcing consequences to the group they are supervising.

**11.5.2. Contingent Designing of Reinforcement:** Reinforcers should be designed in such a way that reinforcing events are made contingent upon the desired behaviour. Rewards must result from performance, and greater the degree of performance of employee, greater should be his reward. Unless a manager discriminates between employees based on their performance, the effective-

ness of his power over the employees is nil. It is important that reward administered be equal to performance input of the employee.

**11.5.3. Reinforcement Scheduling:** The reinforcement should be designed in such a way that a reliable procedure for eliciting is established. If the behaviour that manager wishes to strengthen is already present then reinforcement application can increase and maintain the desired performance pattern at a high level. The effectiveness of reinforcement varies as a function of the schedule of its administration. Thus understanding of reinforcement administration schedule is important for managers.

For administering positive and negative reinforcements, separate principles are followed.

**5.3.a. Administering Positive Reinforcement:-** The exact pattern and timing of reinforcement have tremendous impact on the resultant behaviour. **Aldis** has prescribed two types of reinforcement schedules- continuous and partial. **Fester** and **Skinner** have described four types of reinforcement schedules which are more applicable for partial reinforcement.

**5.3.a.1 Continuous Reinforcement Schedule:-** Under this schedule every positive behaviour is followed by a reinforcer. This type of reinforcement increases positive behaviour very rapidly but when the reinforcer is withdrawn, performance decreases rapidly. It is very difficult in applying in organisational context because it is not possible to reinforce behaviour every time.

**5.3.a.2 Partial Reinforcement Schedule:-** Under partial reinforcement schedule, reinforcement does not occur after every correct behaviour. Though it leads to slower learning, it is more lasting as compared to continuous reinforcement. Partial reinforcement schedule has much wider application in organisational behaviour. Partial reinforcement may be classified further into four types.

**5.3.b.1. Fixed Ratio Schedule:-** Under its schedule, a reinforcer is administered only after certain number of responses. If the schedule is a fixed ratio, the exact number of responses is specified. Administering reward under a fixed ratio schedule tends to produce significantly higher rate of responses. An example of fixed ratio schedule is the piece rate system of wage payment.

**5.3.b.2. Fixed interval schedule:-** Under this schedule, a reinforcement is given only when the desired response occurs after the passage of a specific time since the previous reinforcement. In the beginning of any learning situation, a very short interval is required. However, as learning progresses, the interval can be stretched out. Example of such reinforcement is payment of wages according to time.

**5.3.b.3 Variable Ratio Schedule:-** Under this schedule, a reward is given only after a number of desired responses, with the number of responses changing from the occurrence of one reinforcer to the next.

**5.3.b.4. Variable Interval Schedule:-** Under this schedule, the reward is given after a randomly distributed length of time rather than after a number of responses. This schedule is an ideal method for administering praise promotion, recognition and supervisory visits. Since the reinforcement is dispensed unpredictably variable schedules generate higher rate of responses and more stable and consistent performance.

## 11.6. ADMINISTERING NEGATIVE REINFORCEMENT:

Negative reinforcement (punishment) is also used in learning, particularly to control undesired behavioural response. Punishment is a method for reducing the frequency of undesired behaviour. However the administration of punishment is very complex. So understanding of its

nature is very important. The nature of punishment was observed as follows

1. Punishment is effective in modifying behaviour if it force the person to select a desirable alternative behaviour that is then reinforced.
2. If the above does not occur, then the behaviour will be only temporarily suppressed and will reappear when the punishment is removed. Furthermore the suppressed behaviour may cause the person to become fearful and anxious
3. Punishment is much more effective if applied at the time when the undesirable behaviour is actually performed then at a later time.
4. Punishment must be administered with extreme care so that it does not become reward for undesirable behaviour. The termination of punishment is reinforcing and the termination of reinforcement is punishing.

Thus, based on above characteristics a person, while administering punishment must always provide an alternative to the behaviour which is being punished. If he does not, the undesirable behaviour will tend to reappear causing fear and anxiety in the person being punished. Moreover punishment should not be used to extinguish behaviour that has previously the punishment is the same who previously reinforced the punishment.

## 11.7 ORGANISATIONAL BEHAVIOUR MODIFICATION:

Oranisational behaviour modification (briefly called as OB Mod) is a sophisticated tool for improving the organisational effectiveness. Derived and developed from the concept of skinner's operant conditioning, this technique is used to modify or eliminate undesirable behaviour and replace it with behaviour that is more compatible with goal attainment. OB Mod can be defined as the techniques for modifying behaviour of the organisational members so that they are engaged in desirable behaviours.

### Steps in OB Mod:-

OB Mod is a tool and therefore, managers have to go through certain steps to apply it in practice. These steps are presented in Fig 11.1

OB Mod exercise begins with identification of critical behaviour relevant to organisational performance. These behaviours are measured and if there is no discrepancy between desirable behaviour and measured behaviour no further action is necessary. However, if there is a discrepancy, further steps of OB Mod are required. OB Mod goes through five steps in modifying the undesirable behaviour.

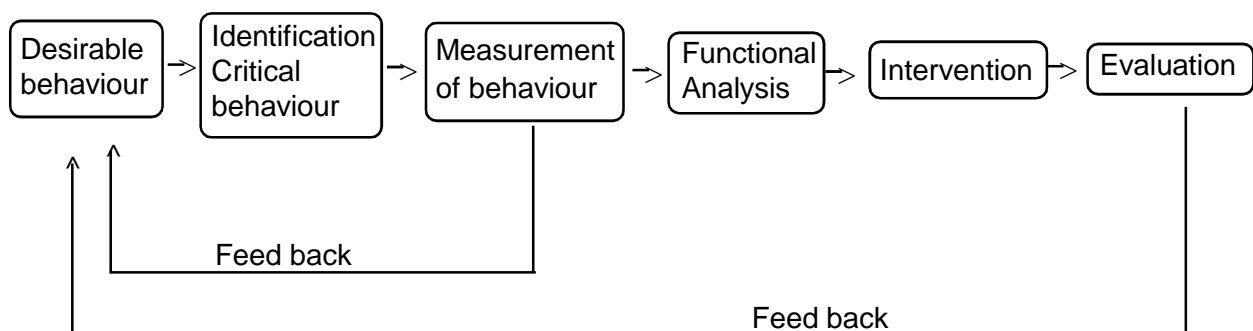


fig 11.1. Steps in OB Mod.

**1. Identification of Critical Behaviour:-** In order to apply on OB Mod it is necessary that critical behaviours which have significant impact on the performance outcome of the employees should be identified. Employees may be engaged in several behaviours in the organisation. Out of these some behaviours may be critical like absenteeism or attendance tardiness or promptness, complaints or constructive criticism and doing or not doing a particular task. Critical behaviours may be identified through the discussion with the particular employee and his immediate superior as both are closely intimated with the job behaviours.

**2. Measurement of the Behaviour:-** After the critical behaviours are identified, these are measured in terms of the rate at which these are occurring. If the rate of occurrences is within the acceptable limit no action may be required. However if it is more, it is required to be changed.

**3. Functional Analysis of Behaviour:-** Functional analysis involves a detailed examination of present behaviours of the employees to determine what consequences each of the behaviours produces, what conditions lead to their occurrences etc. It pinpoints one of the most significant practical problems of using an OB Mod approach to change critical performance behaviours.

**4. Intervention:-** Identification of critical behaviours to change and the factors that cause such behaviours will determine the development of an appropriate intervention strategy. Intervention is the action taken for changing the undesirable critical behaviours. Its main objective is to strengthen and accelerate desirable performance behaviour and weaken undesirable behaviour.

**5. Systematic Evaluation :-** The final step in OB Mod is the systematic evaluation whether the intervention strategies are working properly or not. Since the basic purpose of OB Mod is to bring change in undesirable behaviours so as to improve performance, the evaluation must be made on this line. Changed behaviours can be compared with base line behaviours and deviations can be noted. If there is positive change it suggested that the strategies are successful. However if the change is not significant, it may call for adoption of more appropriate strategies.

## 11.8 SUMMARY:

Reinforcement theory is the learning perspective most relevant for organisations. There are two types of reinforcement i.e. positive and negative reinforcement.

## 11.9. SELF - ASSESSMENT QUESTIONS:

1. Explain operant conditioning in point of view of Reinforcement.
2. Write about Schedules of Reinforcement
3. Define Reinforcement. What are Positive and Negative Reinforcement
4. Write about Administering of Reinforcement
5. Explain the steps in OB Mod

## 11.10. REFERENCE BOOKS:

1. *Management Process and Organisational Behaviour* - Amerik Singh Sudan & N.Kumar.
2. *Orgainsational Behaviour Text & Cases* - Uma Sekaran.
3. *Orgainsational Behaviour* - L.M Prasad.
4. *Organisational Behaviour* - Archana Tyagi,

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## LESSON- 12

# MOTIVATION

### 12.0. OBJECTIVE:

In order to understand the human behaviour completely, the motivational process must be analysed. This chapter analyses the various aspects of motivation.

### STRUCTURE:

- 12.1. Introduction
- 12.2. Definition
- 12.3. Characteristics
- 12.4 Importance of Motivation
- 12.5. Motivation and Behaviour
- 12.6. Defence Mechanism
- 12.7. Summary
- 12.8 Self - Assessment Questions
- 12.9. Reference Books

### 12.1. INTRODUCTION:

Motivation is one of the important factors affecting human behaviour. The level of motivation does not only affect perception and learning but it also affects the total performance of the individuals. Motivation is also affected by various psychological factors discussed earlier, such as perception learning and personality. Thus in order to understand the human behaviour, completely the motivational process must be analysed. This chapter analyses the various problems relating to motivation.

Although a few human activities occur without motivation, nearly all conscious behaviour is motivated. It requires no motivation to grow hair, but getting a haircut requires it. A manager's job is to identify employees drives and needs and to channel their behaviour towards task performance.

### 12.2. DEFINITIONS:

Motivation is the process of inducing persons to experience needs for certain desired behaviours so that organisational efficiency is achieved.

The term motivation refers to a process governing choices made by persons or lower organisms among alternative forms of voluntary activity.

"Motivation is the result of processes internal or external to the individuals that arouse enthusiasm and persistence to pursue a certain course of action".

Motivation is a process that starts with a physiological or psychological deficiency or need that activates behaviour or a drive that is aimed at a goal or incentive.

Various persons have defined motivation in their own words, however the basic contents are the same on the analysis of these definitions, we can derive the following characteristics of motivation.

## 12.3 CHARACTERISTICS:

**12.3.1 Motivation is an internal feeling:-** Motivation is a psychological phenomenon which generates within an individual. Needs are feeling in the mind of a person that he lacks a certain thing. Such feelings affect the behaviour of the person.

**12.3.2 Person in totality, not in part, is motivated:-** Each individual is a self-contained and inseparable unit and all his needs are interrelated. Feeling of needs is a continuous process, as such these create continuity in human behaviour.

**12.3.3** Motivation is the product of anticipated values from an action and the expectancy that these values will be achieved by the action. These anticipated values are the strength of a person's preference for one outcome in relation to others. Whereas the expectancy is the strength of belief that a particular act will be followed by a particular outcome. Thus

$$\text{Motivation} = \text{Values} \times \text{Expectancy.}$$

## 12.4. IMPORTANCE OF MOTIVATION:

No concept of organisational behaviour receives as much attention as motivation. The increased attention and importance of motivation can be justified with the following reasons.

1. Motivated employees are always looking better ways to do a job. When people actively seek new ways of doing things, they usually find them. It is the responsibility of managers to make employees look for better ways of doing jobs. An understanding of the nature of motivation is helpful in this context.
2. A motivated employee generally is more quality oriented. This is true whether we are talking about a top manager spending extra time on data gathering and analysis for a report, or a clerk taking extra care when filing important documents. Individuals in and out side the organisation see the enterprise as quality conscious. A clear understanding of the way motivation works helps a manager make his employees quality oriented.
3. Highly motivated workers are more productive than others. Productivity of workers becomes the question of managements ability to motivate its employees. An appreciation of the nature of motivation is highly useful for managers.
4. Every organisation requires human resources in addition to the need for financial and physical resources for its function. Three behavioural dimensions of human resources are significant to the organisation. 1. people must be attracted not only to join the organisation but also to remain in it. 2. people must perform the tasks for which they are hired and must do so in a dependable manner and. 3. people must go beyond this dependable role performance and engage in some form of creative, spontaneous and innovative behaviour at work.
5. Motivation as a concept represents a highly complex phenomenon that affects and is affected by a multitude of factors in the organisation. The understanding of the topic of motivation is essential in order to comprehend more fully the effects of variations in other reactors, such as leadership style job realisation and salary systems, as they relate to performances, satisfaction and so forth.
6. As technology increases in complexity, machines tend to become necessary. Along with this a second and equally important ingredient was the ability of an organisation to bring together thousands of employees who would work at peak capacity to apply the technology required for success. In other words, it becomes necessary for an organisation to ensure



that it has employees who are both capable of using and willing to use the advanced technology to achieve organisation objectives.

- The organisations have to view their human resources from a long – term perspective along with their financial and physical resources. To ensure a continual reservoir of well trained and highly motivated people, training job design, job rotation and so on is required.

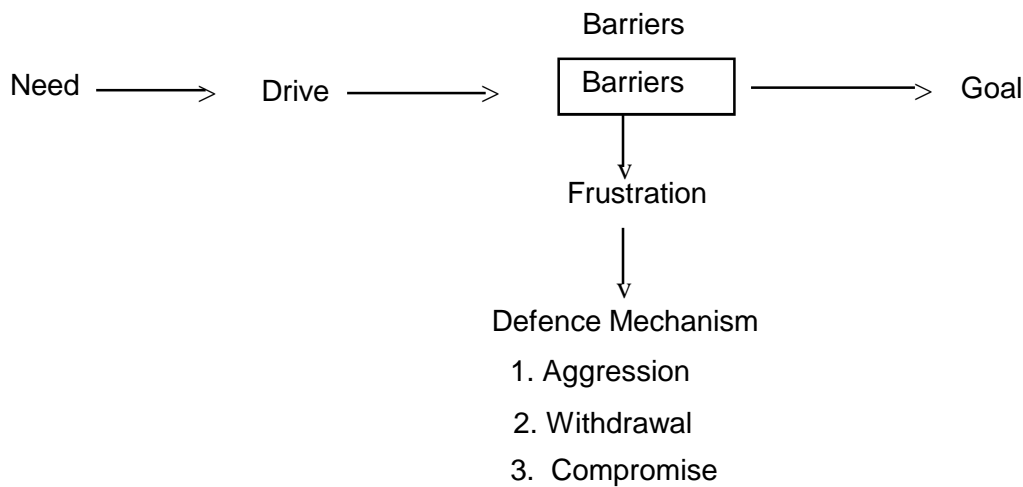
## 12.5 MOTIVATION AND BEHAVIOUR:

Motivation causes goal – directed behaviour. Feeling of a need by a person causes him to behave in such a way that he tries to satisfy himself so that he does not feel the lack of that particular thing. This can be expressed in the following figure.



**Fig 14.1: A Model of Motivation.**

A need, that is the feeling that something is required creates tension in mind and transforms itself into want depending upon environment. This tension is released when this particular need is satisfied by certain behaviour again in the environment. That is, Rewards exist to satisfy the needs. However, satisfaction of one need leads to feeling of another either of different need or the same need after lapse of certain time. Thus this process is a continuing one. However, if the need is not satisfied because of some reasons the person may feel frustration which can be defined here as the accumulation of tension because of non-fulfillment of needs. At this stage, the person will try to modify his behaviour to eliminate factors responsible for non-fulfillment of his needs, for example, putting more force for need satisfaction. However there may be numerous such factors and many of them may be beyond his control. As such he is not able to remove the frustration through need satisfaction. Since frustration is not an ideal position for the person, he will try to bring him back an alternative behaviour. The type of behaviour may not be uniform but some common forms of behaviour may be presented in the following figure.



**Fig 14.2. A Model of Frustration.**

## 12.6 DEFENCE MACHANISM:

Frustration may lead to any of the defence mechanisms used by the human organism such as Aggression, withdrawal, compromise. Defence mechanism is the way of action for overcoming frustration because of non- fulfillment of needs so that the individual can protect his self- concept. They are explained below.

**12.6.1. Aggression :-** A more common reaction to frustration is aggression – an act against someone or something. An employee being denied a promotion may become aggressive and verbally berate his superior. There are many forms of aggression, more common being displacement negativism and fixation.

**12.6.1.a. Displacement:-** The aggression may be either towards the sources causing frustration (superior) or it may be displaced to other. The displaced aggression may be either towards a person or towards an inanimate object. For example, a frustrated employee, if not able to abuse his superior causing frustration, may attack his wife or son. However if this is not possible, he may kick an inanimate object eg: door or so

**12.6.1.b. Negativism:-** Negativism is an act of active or passive resistance operating consciously or unconsciously. For example the manager who having been unsuccessful in getting out of a committee assignment, picks apart every suggestion that any one makes in the meetings.

**12.6.1.c. Fixation :-** Under fixation, frustrated individual maintains a persistent non – adjustive reaction even though all the clues indicate that the behaviour will not cope with the problems. For example, following of lengthy uneconomic procedure in doing a work.

**12.6.2. Withdrawal:-** Another way of overcoming frustration is to withdraw from the scene causing frustration anxiety or conflict either physically or psychologically. There may be many forms of withdrawal – fantasy- regression- repression and flight.

**12.6.2.a. Fantasy:-** Fantasy is an act of day- dreaming or other forms of imaginative activity which provides an escape from reality and imagined satisfaction.

**12.6.2.b. Regression :-** In regression, the individual returns to an earlier and less mature level of adjustment in the face of frustration. For example, a manager having been blocked in some

administrative pursuit busies himself with activities which are more appropriate for his subordinates.

**12.6.2.c. Repression :-** Repression is the act of completely excluding from consciousness impulses, experiences, and feelings which are psychologically disturbing because they arouse a sense of guilt or anxiety, example being a subordinate forgetting to tell his superior the circumstances of an embarrassing situation.

**12.6.2.d Flight:-** A more extreme form of withdrawal may be to leave physically the field causing frustration. For example, an employee may leave the job which is frustrating.

**12.6.3 Compromise:-** When the frustration cannot be reduced by aggression or withdrawal the individual tries to compromise with the situation a relatively satisfactory adjustment. Form of compromise may be identification, projection rationalisation and reaction formation.

**12.6.3.a. Identification :-** Identification is the process through which a person takes on the attributes of the model. Individual enhances his self esteem by patterning his own behaviour after another's frequently internalise the values and beliefs of the other, or shares the glories or suffering in the reversals of other individuals or groups.

**12.6.3.b. Projection: -** Individual projects himself from awareness of his own undesirable traits or unacceptable feeling by attributing them to others.

**12.6.3.c. Rationalisation :-** Individual tries to justify in consistent or undesirable behaviour beliefs, statements and motivations by providing acceptable explanations for them.

**12.6.3.d. Reaction formation:-** In reaction – formation, urges not acceptable to consciousness are repressed and in their stead opposite attitudes or modes of behaviour are expressed with considerable force.

The theory of defense mechanism is very helpful in understanding human behaviour in the organisation. This suggests that human beings cannot tolerate inconsistency for long and use some defense mechanism to bring the elements back in to the agreement. Though defence mechanism generally imply that there is a negative impact on the individuals performance and on the organisation as a result of frustration, there may be some cases where frustration may actually result in positive impact on individual performance and organisational goals. For example, if a person has high needs for competence and achievement with the confidence that he can do the job well may put greater pressure for the achievement of the work when he feels frustrated though his reaction to frustration may be in the traditional form. It should also be emphasised that all reactions to frustration are not bad from individuals point of view because they provide opportunity for psychological adjustment to him. Notwithstanding this the managements approach in this case should be to avoid those barriers because of which the people feel frustration in the organisation.

## 12.7. SUMMARY:

The managers have to motivate their employees to perform well and keep them interested in remaining in the organisation. The human motivation is not inherent or stable rather it is flexible and may be changed or modified by situational variables. Since human beings differ in their ability and approach they cannot be motivated to an equal extent. Some people, if motivated beyond certain extent, may feel frustration and outcome may be negative.

**12.8 SELF- ASSESSMENT QUESTIONS:**

1. What is the concept of motivation ? How does it affect behaviour?
2. What does happen when a person is not able to satisfy his needs?
3. What are the characteristics of motivation?
4. What is Defence Mechanism?
5. Write down the importance of motivation ?
6. What is the difference between motivation and behaviour?

**12.9. REFERENCE BOOKS:**

1. *Organisational Behaviour* - L.M. Prasad.
2. *Organisational Behaviour* - K. Aswathappa
3. *Organisational Behaviour* - Uma Sekaran
4. *Management Process and Organisational Behaviour* - Amrik Singh Sudan & N.Kumar.

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## LESSON 13

# THEORIES OF MOTIVATION – MASLOW'S NEED HIEARCHY

### 13.0. OBJECTIVE:

In the previous lesson, the nature of motivation was discussed. This lesson is devoted to the discussion of motivation theory proposed by **Maslow** which is famously known as **Maslow's** need Hierarchy.

### STRUCTURE:

- 13.1. Introduction
- 13.2 Maslows need Hierarchy
- 13.3 Merits of Hierarchy Theory
- 13.4 Criticims of Maslow's Theory
- 13.5 Summary
- 13.6 Self-Assessment Questions
- 13.7 Reference Books

### 13.1 INTRODUCTION:

From the very beginning, when human organisations were established people had tried to find out the answer to what motivated people maximum. Many researchers and managers in the field have given their views on the subject. They all emphasise that due to complex nature of human beings no generalisation is possible. Since various people have been engaged in finding out the answer of the question relating to what motivates people, their approaches have differed resulting into a number of theories concerning motivation. These theories may be grouped into some categories.

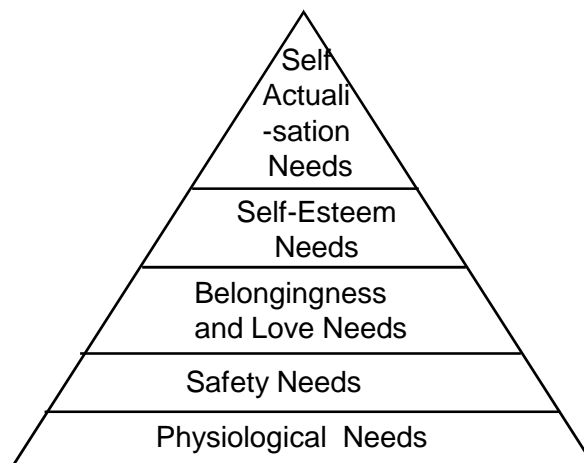
1. Theories associated with human needs – theories by **Maslow, Herzberg** and **Meclelland**
2. Theories associated with basic nature of human beings – theories by **McGregor, Urwick** and **Argyris**
3. Theories associated with expectancy of individuals- theories of **Uroom** and **Porter** and **Lawer**.

Among these theories we will discuss **Maslow's** theory and how it is useful for managerial action and what are its limitations in predicting human behaviour.

### 13.2 MASLOW'S NEED HIERARCHY:

The behaviour of an individual at a particular moment is usually determined by his strongest need. Psychologists claim that needs have a certain priority. As the more basic needs are satisfied an individual seeks to satisfy the higher needs. If his basic needs are not met, efforts to satisfy the higher needs should be postponed.

The need hierarchy of motivation propounded by **Abraham Harold Maslow** is undoubtedly the simplest and most widely discussed theory of motivation. According to him, there seems to be a hierarchy into which human needs are arranged as shown in fig 13.1.



**Fig. 13.1. Maslow's need Hierarchy**

**Maslow's** need hierarchy divides human needs into five levels as shown in fig 13.1. Each level represents a group of needs not one need for each level

The most basic level of needs comprises the primary or physiological ones. So long as they are unsatisfied they monopolise a person's consciousness and have virtually exclusive power to motivate behaviour. However when they are satisfied they cease to be motivators.

The satisfaction of primary needs does not produce contentment, instead, it causes a new series of discontents. The secondary needs now begin to acquire the power to motivate people do not stop wanting, after physiological needs are fulfilled, they begin to want, in succession, safety love, esteem and self realisation, **Maslow** also suggested that people can travel down as well as up the hierarchy. Loss of existing satisfaction of primary needs, for example, can reactivate that level and increase its relative importance. A detailed description of each level is given below.

**13.2.1 Physiological Needs:-** The physiological needs are shown at the top of the hierarchy because they tend to have the highest strength until they are reasonably satisfied. Until these needs are satisfied to the level needed for the efficient operation of the body, the majority of a person's activities will probably be at this level, and the other levels will provide him with little motivation. A famous saying "man can live on bread alone if there is no bread" suggests that human beings first try to acquire necessities for their survival.

**13.2.2. Safety needs :-** Once the physiological needs are satisfied to a reasonable level- it is not necessary that they are fully satisfied and degree of reasonableness is subjective- other levels of needs become important. In this hierarchy comes the need's for safety, that is need for being free of physical danger or self preservation. In the industrial society, safety needs may take considerable importance in the context of the dependent relationship of employees to employers. As pointed out by **Peter F. Drucker** that one's attitude towards security is an important consideration in choosing a job. Organisation can influence these security needs either positively - through

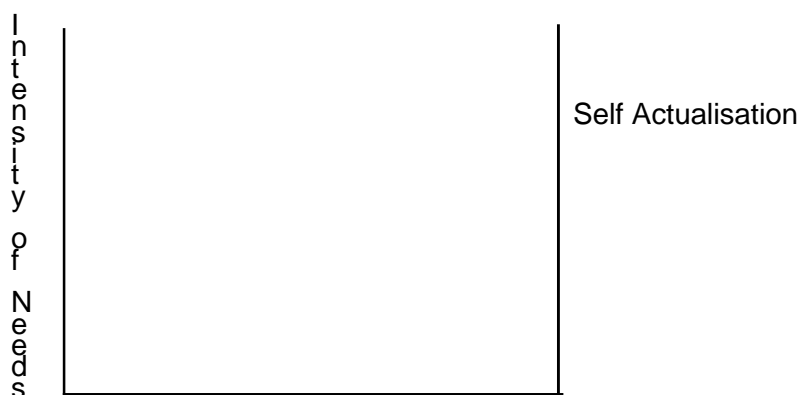
pension plan, Insurance plan etc- or negatively by arousing fears of being fired or demoted.

**13.2.3 Social needs:-** After the first two needs are satisfied, social needs become important in the need hierarchy. Since man is a social being, he has a need to belong and to be accepted by various groups. When social needs become dominant, a person will strive for meaningful relations with others. If the opportunity for association with other people is reduced, men often take vigorous action against the obstacles to social intercourse. In the organisation, workers form informal group environment. Such environments develop where the work is routine tedious or over simplified. This situation is made worse when workers are closely supervised and controlled, but have no clear channel of communication with management. In this type of environment workers depend on informal groups for support of unfulfilled social needs such as affiliation.

**13.2.4 Esteem Needs:-** The esteem needs are concerned with self respect, self – confidence, a feeling of personal worth, feeling of being unique and recognition. Satisfaction of these needs produces feelings of self confidence, prestige, power and control. The satisfaction of esteem needs is not always obtained through nature or adaptive behaviour. It is sometimes generated by disruptive and irresponsible actions. Some of the social problems have their roots in the frustration of the esteem needs.

**13.2.5 Self- actualisation needs:-** Self- actualisation is the need to maximise one’s potential , whatever it may be. This is related with the development of intrinsic capabilities which lead people to seek situations that can utilise their potential. This includes competence which implies control over environmental factors, both physical and social achievement. A man with high intensity of achievement needs will be restless unless he can find fulfillment in doing what he is fitted to do. As **Maslow** has put it “ this need might be phrased as the desire to become more and more what one is, to become every king that one is capable of becoming.”

**Maslow** suggests that the various levels are interdependent and overlapping each higher level need emerging before the lower-level need has been completely satisfied as shown in fig 13.2. Since one need does not disappear when another emerges all needs tend to be partially satisfied in each area. When the peak of a need is passed, that need ceases to be the primary motivator. The next level need then begins to dominate. Even though a need is satisfied it still influences behaviour because of interdependent and overlapping characteristics of needs.



**Fig. 13.2. Relationship of New Level**

The essence of the Maslow's need hierarchy may summarised as follows.

1. People are wanting beings whose needs can influence their behaviour. Only unsatisfied needs can influence behaviour, satisfied need do not act as motivators.
2. Since needs are many they are arranged in an order of importance from the basic to the complex.
3. The person advances to the next level of hierarchy, or from the basic to complex, only when the lower level needs is atleast minimally satisfied.
4. Further up the hierarchy the person is able to go, the more individually humaneness and psychological health he will display.

### 13.3 MERITS OF HIERARCHY THEORY:

**Maslow's** need hierarchy theory haws been highly appreciated. It is said that the theory offers some useful ideas for helping managers think about motivating their employees. As a result of their widespread familiarity with the model, the managers are more likely to identify employee needs, recognise that they may be different across employees, after satisfaction for the particular needs and realise that giving more of the same reward may have a diminishing impact on motivation.

This theory accounts for both interpersonal and intrapersonal variations in human behaviour. It suggests answers to questions like: why do some employees seen highly motivated by money while others are not? Why do some work is get involved in their work, while others neglect it? The answer may be that they occupy varying levels on **Maslow's** needs hierarchy. Rewards or incentives, therefore, will be effective when they are linked to the prepotent need.

The need hierarchy model is dynamic in that it presents motivation as a constantly changing force, man is never satisfied. Instead of resting on his laurels when one goal is reached and a need is satisfied, the individual will typically redirect his efforts and capacities towards the attainment of still higher level needs.

**Maslow's** approach to human behaviour marks to a total departure from earlier approaches called humanistic psychology, **Maslow's** approach is based on existential philosophy. According to him man is a healthy, good and creative being, capable of carving out his own destiny.

Finally the theory deserves appreciation for its simplicity, commonness, humanness and intuitiveness.

### 13.4 CRITICISM OF MASLOW'S THEORY:

**Maslow's** theory has reasonable support for the hypothesis that human needs have some hierarchical order. But this raises a basic question : Is need hierarchy rigid ? Does every person try to satisfy his needs according to this model? The hierarchy is not so rigid for all the individuals and all the times.

The need hierarchy theory has been criticised by many and the number of critics exceeds the number who support the theory. They are summarised as follows.

1. There is lack of hierarchical structure of needs as suggested by **Maslow's**, though every individual has some ordering for his need satisfaction. This is based on the assumption that man has limited resources which can use alternatively. Naturally every person has to



satisfy his needs in some order. However this order may not follow Maslow's need hierarchy. The critics argue on the following aspects.

- a. some people may be deprived of their lower order needs but may try for self-actualizing needs. The example of Mahatma Gandhi is one of the most important.
  - b. There are certain persons for whom self-esteem needs are more important than social needs.
  - c. There is considerable disordering among physiological needs, safety needs, social needs and esteem needs, particularly in organisational context. For example, many people do not care for job security but care for social need. Similarly many people may not care for social need but for self-esteem need.
  - d. For certain people many of the needs may not form part of their own need hierarchy. Thus there is not only questions for reversal of hierarchy but also discontinuity of hierarchy. For example there may be people who might be deprived of social need from their childhood. they may develop apathy towards such needs though it is just possible that they may develop high order for such need.
2. There is no direct cause-effect relationship between need and behaviour. A particular need may cause behaviour in different ways in different persons. Similarly one particular behaviour may be the result of different needs. For example if a person is thirsty, he may take water or some soft drink or some juice. Similarly people may earn money to satisfy their several types of needs not only physiological needs. Thus, need hierarchy is not as simple as it seems to be.
  3. The problem in applying the theory into practice is **Maslow** said that a person tries for his higher level need when his lower order need is reasonably satisfied. What is this reasonable level is a question of subjective matter. Thus, the level of satisfaction for particular need may differ from person to person.
  4. Some times even the person concerned may not be aware about his own needs. Then the questions is. How can a manager know the needs of others?
  5. under this model the role of individual is very important. Since individuals differ, it may not be quite possible to prescribe one standard action for solving motivational problems of all persons, rather, a contingency approach has to be applied.

### 13.5. SUMMARY :

The increasing attention paid towards motivation is justified because of several reasons. Motivated employees come out with new way of doing jobs. They are quality oriented. Several approaches to motivation are available.

Among the content theories **Maslow's** need hierarchy, **Herzberg's** two factor model and **Alderfer's** E.R.G. approach are very popular. Maslow believes that there exists a hierarchy of

needs and a person gets motivated to satisfy them in the order of hierarchy.

### **13.6 SELF-ASSESSMENT QUESTIONS:**

1. Critically examine the need Hierarchy Theory of Motivation ?
2. Write down the Merits of Hierarchy Theory ?
3. What is the Criticism on Maslow's Theory?

### **13.7 REFERENCES BOOKS:**

1. *Organisational Behaviour* - Archana Tyagi
2. *Organisational Behaviour Text and Cases* - Uma Sekaran.
3. *Management Process and Organisational Behavior* - Amrik Singh Sudan & N.Kumar.
4. *Organisational Behaviour* - L.M. Prasad.

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## LESSON - 14

# HERZBERG'S TWO FACTOR THEORY

### 14.0 OBJECTIVE:

Herzberg advanced a theory that was simple to grasp, was based on some empirical data and equally important- offered managers specific recommendations for action to improve employee motivational levels. This lesson is intended to discuss the theory proposed by Herzberg.

### STRUCTURE:

14.1 Introduction

14.2 Maintenance and Motivational Factors

14.3 Critical analysis of the Theory

14.4 Comparison of Herzberg and Maslow Models

14.5 Difference between Maslow's and Herzberg's Motivation Theories

14.6 Summary

14.7 Self-Assessment Questions

14.8 Reference Books

### 14.1 INTRODUCTION:

On the basis of research with engineers and accountants, **Frederick Herzberg** developed a two-factor model of motivation in the 1950s. He asked his subjects to think of a time when they felt especially good about their jobs and a time when they felt especially bad about their jobs. He also asked them to describe the conditions that led to those feelings. **Herzberg** found that employees named different types of conditions for good and bad feelings. That is, a feeling of achievement led to a good feeling, the lack of achievement was rarely given as cause for bad feelings. Instead, some other factor such as company policy was given as a cause of bad feelings.

According to **Herzberg**, there are ten maintenance or hygiene factors. These are company policy and administration, technical supervision, inter personal relationship with supervisors, inter-personal relationship with peers. Inter-personal relationship with subordinates, salary, job security, personal life, working conditions, and status. These are not intrinsic parts of a job but they are related to conditions under which a job is performed. They produce no growth in a worker's output; they only prevent losses in worker's performance due to work restrictions. These maintenance factors are necessary to maintain a reasonable level of satisfaction in employees. Any increase beyond this level will not provide any satisfaction to the employees, however, any cut below this level will dissatisfy them. As such, these are also called as dissatisfiers. Since any increase in these factors will not affect employee's level of satisfaction, these are of no use for motivating them.

## 14.2 MAINTENANCE AND MOTIVATIONAL FACTORS :

**Herzberg** concluded that two separate factors influenced motivation. Prior to that time people assumed that motivation and lack of motivation were merely opposites of one factor to another. **Herzberg** upset the traditional view by stating that certain job factors primarily dissatisfy employees when the conditions are absent. These potent dissatisfies are called hygiene factors, or maintenance factors, because they are necessary to maintain a reasonable level of motivation in employees.

Other job conditions operate primarily to build motivation, but their absence rarely is strongly dissatisfying. These conditions are known as motivational factors or satisfiers. For many years managers had been wondering why their fancy policies and fringe benefits were not increasing employee motivation. The idea of separate motivational and maintenance factors helped answer their question, because fringe benefits and personnel policies were primarily maintenance factors according to **Herzberg**.

**Herzberg** maintains that potency of various factors is not entirely a function of the factors themselves. It is also influenced by the personality characteristic of the individuals. From this point of view, individuals may be classified into two parts—motivation seekers and maintenance seekers. The motivation seekers generally are individuals who are primarily motivated by the ‘satisfiers’ such as advancement, achievement and other factors associated with work itself. On the other hand, the maintenance seekers tend to be more concerned with factors surrounding the job such as supervision, working conditions, pay etc.

## 4.3 CRITICAL ANALYSIS OF THE THEORY :

**Herzberg’s** model is based on the fact that most of the people are to satisfy their lower order needs considerably. As such, they are not motivated by any further addition of satisfaction of these needs. This is true which has been supported by many studies, both in India and foreign countries. **Herzberg’s** model has been applied in the industry and has given several new insights. One of these insights is job enrichment. This job enrichment applies to improvement of jobs in such a way that they have more motivators than before. This idea behind job enrichment is to keep maintenance factors constant or higher while increasing motivational factors. Job enrichment is different from job enlargement practised earlier to make job more attractive. In job enlargement the basic idea is to change the job to become more implicated and varied so that monotony goes off, while job enrichment seeks to bring more motivators to the job by attaching more responsibility, more intrinsically satisfying work conditions and more power over the environment. As we have already discussed **Herzberg’s** model has solved the problems of managers who were wondering why their fancy personnel policies failed to motivate their employees adequately.

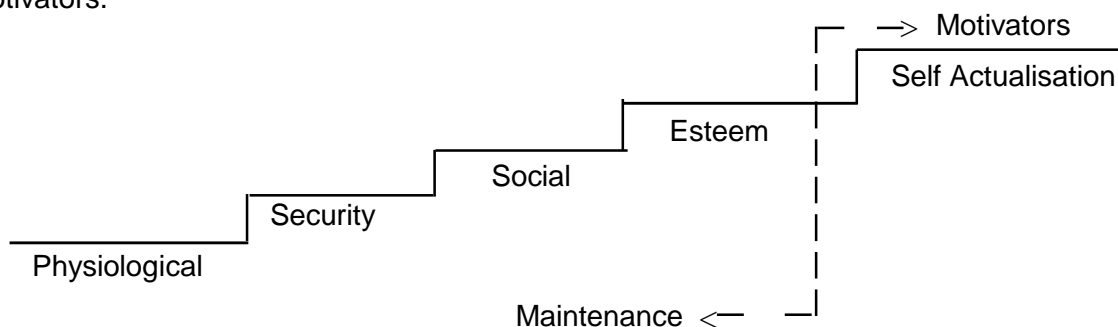
However, **Herzberg** model is not applied in all conditions. This has been amply suggested by various research studies, again both in India and in foreign countries. For example, there is considerable amount of mixing of maintenance and motivating factors. Therefore, these findings suggest that various factors relating to jobs whether intrinsic or extrinsic, may not be classified into maintenance and motivating factors. This classification can only be made on the basis of level of person’s need satisfaction and relative strength of various needs.

Besides the research studies confornting the two factors – satisfiers and dissatisfiers- many writers and thinkers on the subject have argued against the theory as follows.

1. The procedure that **Herzberg** adopted is limited by its methodology. When things are going well people claim credit for themselves. Contrarily, they blame failure on the extrinsic environment.
2. The reliability **Herzberg's** methodology is questioned. Since raters have to make interpretations it is possible that they may contaminate the findings by interpreting one response in one manner while treating another similar response differently.
3. The theory to the degree that it is valid provides an explanation of job- satisfaction. It is not really a theory of motivation.
4. No overall measure of satisfaction was utilised. In such other words a person may dislike part of his job, yet still think the job is acceptable.
5. The theory is inconsistent with previous research. The motivation hygiene theory ignores situational variables.
6. **Herzberg** assumes that there is a relationship between satisfaction and productivity. But the research methodology he used looked only at satisfaction not at productivity. To make such research relevant one must assume a high relationship between satisfaction and productivity.
7. The two factors are not actually distinct. Both motivators and hygiene contribute to both satisfaction and dissatisfaction.
8. He emphasised on motivators. The importance of hygiene factors has been ignored.

#### 14.4 COMPARISON OF HERZBERG AND MASLOW MODELS:

When **Herzberg** and **Maslow** are compared, it can be seen that both the models focus their attention on the same relationship that is what motivates an individual. Maslow has given it in terms of need hierarchy and has suggested how people try for comparatively higher level needs. Thus, any unsatisfied needs becomes a motivating factor for the individuals and governs his behaviour in that direction. In comparatively socially and economically advanced countries, most of the lower order needs are fulfilled and for people only higher level needs remain motivating factors. This is what **Herzberg** has suggested. Most of his maintenance factors come under comparatively lower order needs. Most of these needs remain satisfied and hence cease to be motivators.



**Fig 14.2. Relationship between Herzberg and Maslow Model**

The above figure shows the need hierarchy of **Maslow** with self Actualisation at the top considering that other needs are reasonably well satisfied. Maslow's physiological, security and social needs come under **Herzberg's** maintenance factors while self- actualisation under motivating factors. There are some divisions of esteem need; some parts coming under maintenance factors eg., Status and others, advancement and recognition, going under motivational factors.

#### 14.5 DIFFERENCE BETWEEN MASLOW'S AND HERZBERG'S MOTIVATION THEORIES:

On the basis of various issues, Maslow's and Herzberg's Motivation theories can be distinguished as follows.

Issue	Maslow	Herzberg
1.Type of theory	Descriptive	Prescriptive.
2.The satisfaction performance relationship	unsatisfied needs energise behaviour, this behaviour causes performance.	Needs cause Performance.
3. Effect of need satisfaction	A satisfied need is not a motivator (except self-actualisation)	A satisfied (hygiene) Need is not a motivator other satisfied needs are motivators.
4. Need order	Hierarchy of needs	No Hierarchy.
5. Effect of pay.	Pay is a motivator if it satisfies needs.	Pay is not a motivator.
6. Effect of needs.	All needs are motivators at various times.	only some needs are motivators.
7. View of motivation	Macro view deals with all aspects of existence.	Micro view deals primarily with work related motivation
8. Worker level	Relevant for all workers.	Probably more Relevant to white-collar and professional workers.

#### 14.6 SUMMARY:

Both **Herzberg** and **Maslow** focused their attention on the same relationship that is what motivates an individual. **Maslow** has given it in terms of need hierarchy and has suggested how people try comparatively higher level needs. **Herzberg's** model is based on the fact that most of the people are able to satisfy their lower order needs considerably. As such they are not motivated by any further addition of satisfaction of these needs. There is a particular difference between two models. **Maslow** emphasises that any unsatisfied need will motivate individuals. According to **Herzberg**, there are hygiene factors and fail to motivate workers.

**14.7 SELF-ASSESSMENT QUESTIONS:**

1. Compare and contrast the Maslow and Herzberg theories of motivation. On what grounds has the Herzberg Theory been criticised?
2. Examine Herzberg's Theory of Motivation ?
3. Compare and contrast the Maslow and Herzberg Theories?
4. Critically analyse Herzberg's Theory?

**14.8 REFERENCE BOOKS:**

- |  |                                  |
|--|----------------------------------|
| 1. Organisational Behaviour                          | - L.M. Prasad                    |
| 2. Organisational Behaviour                          | - Archana Tyagi                  |
| 3. Organisational Behaviour, Text & Cases            | - Uma Sekaran                    |
| 4. Organisational Behaviour, Human Behaviour at Work | - John W. New Strom/ Keith Davis |
| 5. Management Process and Organisational Behaviour   | - Amrik Singh Sudan, N. Kumar.   |

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## LESSON 15

# GROUPS – AN INTRODUCTION

### 15.0 OBJECTIVE :

The objective of the present lesson is to help the student understand the nature of groups in society their characteristics and their processes. The lesson is also intended to help the student understand the social nature of organisations.

### STRUCTURE:

- 15.1 Definition of a Group
- 15.2 Features of a Group
- 15.3 Interaction of members and the Group
- 15.4 Why people join Groups ?
- 15.5 Stages in the life of a Group
- 15.6 Kinds of Group
- 15.7 Organisations- Formal and Informal
- 15.8 Benefits Proved by Informal Organisations
- 15.9 Formal and Informal Organisations- A Comparison
- 15.10 Institutions
- 15.11 Summary
- 15.12 Technical Terms
- 15.13 Self-Assessment Questions
- 15.14 Reference Books

### 15.1 DEFINITION:

A group refers to two or more persons who are interacting with one another in such a manner that each person is influenced (by the others) and is influenced by each other person”

- Marvin Shaw

Examples : The family, the school, the business organisation, etc., are all examples of groups in society.

### 15.2 FEATURES OF A GROUP :

Groups are focused in different walks of life. We spend a major part of our time in and with groups. Groups vary with reference to different parameters like the size of the group, the nature of activities, the composition of members, the objectives of the group etc.,

However, all groups share the following features or characteristics:

- i) Two are more persons :** A group consists of at least two persons. It is evident that a single individual cannot constitute a group. However, groups vary in terms their size. A nuclear family consisting of the husband and wife along with their only child is an example of a small group with three members. The Reliance company is an example of a very large group of share holders, employees and consumers.
- ii) Common intention :** A collection of individuals constitute a group only when they have



a degree of commonness . Group members may have common goals, common interests or interest for similar activities. This commonality leads to a bonding between the members. Example: Employees of a company having interests in dance, drama and fine arts may form a cultural Association or group.

**iii) Interaction:** Interaction between members in a sinequa non for existence of a group. Interaction helps members share their resources, ideas and feelings. This factor reinforces the common interests, of the members. The intensity and regularity of interactions vary from one group to another.

**iv) Interdependence :** There is relationship of interdependence between the members of a group. Each members depends on the other members and is influenced by other members in the group. In turn, every member tries to influence the behaviour of other members in a group.

Example: The high degree of interdependence between the husband and wife in a family.

**v) Independence :** While there is a degree of dependency between members in group every members tries to retain his independence and individual identity. No individual would like to join a group which compels members to sacrifice their individual interests and identity.

Example : An employee of an organisation is free to joia any club or political party of his choice.

### 15.3 INTERACTION OF GROUPS AND MEMBERS:

**i) Individuals and the Group:** A group in a collective name for its members. Individual members through their activities and contributions to the group determin the character and nature of the group. Individual members contribute their skills, talents, aptitudes and resourses to the group and help achieve group objectives. Hence, it is evident that group depend on their members for inputs and skills.

**ii) Groups and Individuals:** When a group has a long life, the group develops an identity and personality of its own. If has an insistence which is independent of the existence of individual members of the group. Groups norms, Group culture and Group Ethos have a significant impact on the behaviour and productivity of individual members of the group. Hence, we may conclude that the relationship groups and members is a " Two – way Relationship" providing opportunities for a symbiotic exchange of skills, talents, aptitudes, altitudes and resources.

### 15.4 WHY DO PEOPLE JOIN GROUPS ?

Human beings exhibit a large variety of behaviours in the pursuit of a very large range of needs, wants, drives and desires. Human behaviour, by nature, is aimed at satisfying needs and wants felt by the individual. We must also taking into consideration the fact that human beings exercise ration or logic in the pursuit of their objectives and they are always conscious of the rewards and costs of every behaviour or set of behaviours chosen by them. Individuals join groups since their perceive that the "Rewards" of membership in a group are more than the "Costs"

of membership in the group.

**15.4.A. Benefits or Rewards of Group Membership:** The following is a review of the benefits that an individual can expect to derive from joining a group:

**a.i) Security :** Groups are collectives of individuals when an individual is alone, he feels threatened by a number of factors like natural calamities, threats to his life and property from other individuals etc., When a person joins a group, he no longer sees himself as alone. He is assured of the support of his group members in facing all kinds of threats.

Example : A threatened teenager always looks to the support of his friends group or college group to defend him.

**a.ii) Social needs :** Man, by nature, is a social animal. This refers to the need for affiliation felt by all human beings. People have the need to be loved and liked by other individuals. We actively seek interaction and friendship as the other people. In addition, people also wish to show love and affection to others. Groups provide an opportunity for individuals to satisfy this need for affiliation and interaction.

Example : The love and affection between a husband and wife in a family.

**a.iii) Power :** Power is the capacity to influence the behaviour or attitude of other individuals or groups. When a number of individuals join together, they can pool their resources and bring pressure on others to accept their views and opinion. They can positively influence other people.

Example : Individual workers may not be able to fight with the Management. As Union members, they can fight for their rights against management.

**a.iv) Status:** Groups allow individuals to achieve status in society. Each group has an ascribed status in society. All persons who join in the group automatically can share the status of group.

Example: A person joining in Rotary Club can automatically share the status belonging to Rotary Club.

**a.v.) Self - Esteem :** Status is respect or recognition given by other persons. Self – Esteem refers to self-respect or the degree of respect one gives to oneself. When we join certain groups they satisfy our need for self respect.

Example: An academician gets a lot of satisfaction when he is elected as the president of University Teachers Association

**a.vi) Goal achievement :** The achievement of goals requires the use of resources and talents . Some objectives cannot be achieved with the resources and talents of any individual. A group can help individuals bring together all skills and resources needed for the achievement of a goal.

Example : The launch of a satellite requires the pooling of engineering, management and production specialists

The benefits that a person derives from being a member of a group are called the Rewards of the group. Such rewards may be monetary, psychological or sociological. Individuals join and continue their membership in, group in order to draw the rewards that we have already discussed.

Membership in a group has its costs also. Costs refer to the sacrifices that an individual has to make in order to enjoy the status of a member. Such costs include:

- a) loss of independence
- b) need to sacrifice individual goals in favour of organisational goals
- c) need to conform to the formal and informal rules laid down by the group

Every person who is a member compares the perceived rewards and costs of being a member in a group. Whose Rewards are greater than the costs, he finds membership in the group attractive.

## 15.5 STAGES IN THE LIFE OF A GROUP:

Groups do not have an independent or autonomous existence. They are brought into existence by the collective action of individuals. Their life depends on the willingness of individuals to continue their membership. Groups come to an end when members are no longer interested in being associated with each other.

**Example :** A partnership firm comes into existence based on the agreement between partners. Its survival depends on the relationships between partners. Its life comes to an end when partners decide to discontinue their relations. Sociologists have recognised five stages in the life of a group.

These stages are :

- a) Forming
- b) Storming
- c) Norming
- d) Performing
- e) Adjourning

**Forming** refers to the early stages in the life of a group. It refers to a stage where a few individuals start seeing the advantage of joint action. They slowly take steps needed for the formation of a group.

**Storming** refers to a stage in the group's life where members try out different patterns of behaviour and actions. People watch the reaction of other members. There is a lot of exploration and experimentation in this stage. Behaviours and actions are fluid and flexible.

The **Norming** stage refers to a period in the life of a group where members come to a general consensus on acceptable behaviours and permitted actions. Members try to follow these established patterns. The group starts developing an identity of its own independent identity of group members.

**Performing** refers to a stage in the life of the group when the concentration of the group is on achievement of the objectives of the organisation. Tasks are clearly defined. The role of members is clear and definite.

The last stage, **adjourning** refers to a stage where members lose their interest in activities of the group. The group is seen as incapable of satisfying the needs of majority of the group members. Many members may be planning to discontinue their membership in the group in favour of membership in other groups.

## 15.6 KINDS OF GROUP:

Groups are formed for different purposes and hence there is a difference in the nature, objectives, tasks and process of groups in human civilisation. Classification of groups helps us achieve a greater degree of understanding.

The following are some of the important kinds of groups:

- i) primary groups and secondary groups
- ii) membership groups and reference groups
- iii) in - groups and out - groups

- iv) Organisations and institutions
- iv.a) Formal Organisations
- iv.b) Informal organisations

**i) Primary and Secondary Groups:** Primary groups are those groups which are formed to satisfy the basic needs of individuals. They are generally small in size. The interaction among members is very frequent and there is a higher degree of intimacy between members. A family is an example of a primary group.

Secondary groups are formed by individuals to achieve their higher needs and goals. They are generally larger in size. Interaction between members is less frequent and also less intense. There is a high degree of formality in inter-relations management. An educational institution is an example of a secondary group.

**ii) Membership groups and Reference groups:** A membership group refers to the group to which an individual belongs. He enjoys all the benefits of membership in the group. A college student is a member of the student group of the college.

A reference group refers to a group to which an individual does not presently belong but intensely desires to belong. The individual is attracted to the group and values such membership. He is influenced by the group even though he is not directly involved in the group. A college student who aspires to become a test cricket player is very much influenced by test cricket players.

**iii) In-groups and out-groups :** In-groups refer to those groups in society which enjoy a high degree of acceptance and popularity in society. People admire such groups and respect group members.

Example : Cinema artists and sportsmen.

Out-groups are those groups which are 'looked down upon' by the groups in society. They are disliked and unpopular. They are seen as marginal groups. Such groups do not have a positive image in society. No individual wishes to join such groups.

Example: Groups of convicts and law-breakers

**iv) Organisations and Institutions :** In modern civilisation organisations and institutions play a very important role. Most of societal tasks are conducted in an organisational setting.

**" All Organisations are Groups but all Groups are not Organisations "**

## 15.7 ORGANISATIONS-DEFINED:

"Organisations are more or less permanent groups where objectives are well defined, tasks are specific and relations are structured "

Example : The University, The Government etc.,

From the above definition, it is clear that while all organisations are essentially groups. Only some groups with special characteristics can be called 'Organisations'.

### Features of an Organisation

- 1) An organisation is a more or less permanent group with a relatively long existence.

- 2) The objectives of the group are clearly formulated and communicated to members and outsiders.
  - 3) The tasks to be performed by the group are clear and there is a clear cut distribution of tasks among members of the group.
  - 4) The relations between members and the relation between group and outsiders are highly structured and determined by well-established rules and norms. Relationships are characterised by a high degree of predictability, order and certainty
- Example: A business organisations run as a private limited company / public limited company.

### **Formal organization and informal organisation**

#### **15.7(a) Formal organisations :**

**Definition:** A formal organisations refer to a “human group created deliberately where all activities, tasks and interrelations are planned and structured to facilitate the achievement of clear consciously predetermined objectives.”

#### **FEATURES :**

**(1) Human Groups:** Every formal organisation is fundamentally a human group consisting of atleast two persons. How ever formal organizations vary in size from small organisations to very large organisations like the modern Multi-National Corporations (MNCs)

**(2) Deliberate Creation:** They are brought into existence by the planned and systematic efforts of a group of people. The creation, maintenance and liquidation of organisations requires the completion of a number of well –laid out formalities.

**Example :** The registration of a public company under the Companies Act 1956.

**3.Pre-determind Objectives :** The objectives of the organisations are thought out and formulated very clearly even before the organisation is brought into existence. The clear formulation of objectives and goals help in determining the nature of organisation, the scale of its operations, and the re-sources required for the establishment of the organisation.

**Example :** The objects clause of the Memorandum of Association of a company drafted even before it is registered.

**4.Determination of Tasks :** The tasks to be performed by members of the organisations are clearly established. There is a clear distribution of work among members along with the grant of authority and the creation of responsibility and accountability.

**Example:** Job description in a business organisation.

**5. Stretched inter- relations :** All relationships between individuals and group are aimed at facilitating task-completion. Rules and regulation determine the relationships between employees. Other group members are seeing as either superiors, subordinates or peers( equals). The organisational hierarchy determines the nature of inter-relations between members in the group.

**6. Separate entities:** Formal organisations have an existence separate from the existence of invidual members. Their life does not depend on the life of an individual member. Changes in membership do not effect the life of the organisations. In addition, formal organization have an identity and image of their own. In general, formal organisations are created for perpetuity . They are expected to have a long life.

**7. Pervasiveness:** Formal organisations exist and function in different fields of human activity as endeavors. It is generally assumed that all formal organisations are economic, commercial institutions. This is not a fact. Formal organisations have an important role to play in the social, cultural, political and religious life of citizens.

**Example :** The congress party in a formal organization is the political section. A member of Non-profit organizations function in the cultural and social sector of society.

### **15.7(b) Informal organisations:**

Informal organisations are human groups that exist outside the framework of formal institutions. They are networks of informal groups formed by members in a formal organisation.

Definition: "The undocumented and unofficially recognized relations between members of an organisation that inevitably emerge out of the personal and group needs of employees ." **Stones and Freeman.**

#### **FEATURES:**

**1. Spontaneous creation :** Informal groups arise out of the interaction of individuals who come together in an organisational setting. There is no formal attempt to create such organisations.

**2. Net working :** Individuals with common interests create informal groups to satisfy their needs. A number of individuals may join more than one informal group to satisfy their varied needs. This leads to interaction between different informal groups leading to the creation of networks.

Example: The same employee may be a member of the office Chess club and Cultural club.

This networking of informal groups in the formal organization gives rise to the informal organizations.

**3. Objective :** The basic objective of the informal organisations is the satisfaction of the psychological and social needs of individual members.

**4. Voluntary Adherence:** Members of the informal organisations voluntarily co-operate with the other members of the informal organisations. They are willing to serve the objective of the informal organisation in order to draw rewards from membership.

**5. Behaviour:** Rules and regulations guide behaviour in formal organisations. Norms determine behaviour of members in the informal organisations. Norms are generally accepted standards of behavior and performance.

Example: While rules state that all employees should report at 10 a.m., the norm may be reporting at 10.10 a.m.

**6. Flexibility:** Activities and interactions in informal organisations are dynamic and flexible. Interrelations are based on trust and confidence. All activities and interactions are aimed at satisfying the human needs of members.

**7. Communication :** Communications are based on the "Grape vine" the highly flexible and fast system of information exchange in formal organisations. Messages moving in the grapevine are lively and interesting.

**8. Influence:** The main source of influence in informal organisations is "power" based on personal

characteristics of the leader.

Note: It must be remembered that an informal organization can exist only within and along with a formal organisation. Members join formal organisation for achieve their economic and professional objectives. Their interactions with other members of the formal organisation { to satisfy their psychological and social needs } lead to the creation of the informal organisation. The life of the informal organisation to a very large extent depends on the life of the formal organisations.

“ Informal organisations can be seen as super impositions on the formal organisations”

## 15.8 BENEFITS PROVIDED BY INFORMAL ORGANISATIONS :

Informal organisations primarily come into influence to satisfy the human needs of employees in a formal organisations. These benefits are primarily psychological and social in this nature. In addition, informal organisations act as a supplement to the formal organisation.

Benefits to members:

- 1.They help employees satisfy this need for affiliation and interaction
- 2.They provide a sense of security to their members and help them face threats and pressures.
- 3.They help employees gain access to information needed for personal decision-making
- 4.They maintain and sustain “values “ which are important for members
- 5.They provide opportunities for members to exhibit their multiple talents and skills
- 6.They provide a safe outlet for repressed and suppressed emotions of employees.
- 7.They provide members with an opportunity for exercising leadership in different situations and settings.

Benefits to the Formal Organisations:

- 1.A supportive informal organisation adds to the strength of the formal organisation
- 2.By taking care of needs neglected by formal organisations, it helps the formal organisation care the loyalty of employees
- 3.Informal organisation which are dynamic and flexible, can help the formal organisations face emergencies and crises in a more effective manner

### NEGATIVE ASPECTS OF INFORMAL ORGANISATION :

- 1.**Priority** : Informal organisations give priority to the needs of individual members even at cost of organizational goals
- 2.**Norms** : Clash between rules of the formal organisational and norms in the informal organisation may weaken discipline.
- 3.**Resistance to change**: Informal organisations prefer “Status Quo.”and they may resist proposal for change sponsored by the formal organisation.
- 4.**Discourage initiative**: Informal organisations stress the importance of conformity and discourage members from showing initiative

## X. FORMAL AND INFORMAL ORGANISATIONS – A COMPARISON

Subject	Formal Organisation	Informal Organisation
1. Creation	Deliberate and Intentional	Spontaneous.
2. Needs catered to	Organisational objective and the economic needs of employees	Social and personal needs of employees.
3. Structure	Rigid and well determined	Flexible, organic and dynamic.

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4. Focus	Jobs in the Organisation	Roles in the informal Organisation or Contributions.
5. Influence	Based on authority	Based on personal power.
6. Rewards	Based on performance	Based on Contribution.
7. Behaviour	Guided by Rules	Guided by Norms.
8. Communication	Structured,slow-moving,specific and Organisation-oriented.	Lively.dynamic,member-oriented and fast through Grapevine.
9. Status	Recognised and official	Unofficial and undocumented.

Note: The student is advised to develop the basic ideas presented in the comparison table

## 15.10 INSTITUTIONS

The term "Institutions " is used by sociologists to refer to very large aggregates of population engaged in the pursuit of societal objectives. Such institutions include Social Institutions, Economic Institutions, Political and Cultural Institutions. The term institution in the macro- sense includes a member of organisation performing the same/ similar functions in society.

## 15.11 SUMMMARY

Groups play an important role in human civilization. Groups serve human interests in different spheres of life: economic social, cultural and political.

Group refers to a collection of individuals interacting with each other in the pursuit of common goals based on shared interests.

Individuals join group to derive the rewards of membership which include the satisfaction of affiliation, security, status and self-esteem needs. However the primary reward of group membership in the acheivement of common objectives.

Conformity to norms and loyal to group goals is the cost of membership in a group. In general, people join in group when rewards of membership are greater then the costs of membership.

We can identify five stages in the life of any group. Such stages include the stages of forming, norming, informing, performing and adjourning. The primary focus of activities change from one stage to another.

Different groups have come into existence to satisfy the varied and multiple, needs of society. Classification helps us understand groups in a comprehensive manner .

Primary Groups and Secondary Groups: Membership Groups and Referees Group: In-groups and Out- groups and organisations are some of the different kinds of Groups.

Organisations are more or less permanent groups. Characterised by clear objectives, specific tasks and stretched relations.

They are two kinds of organisations namely, formal organisations and informal organisations.

The term formal organisation refers to a human group created deliberately where all activities tasks and interrelations are planned and structured to facilitate the achievement of clear, consiously predetermine objectives.

An informal organisation exist as a supreme position on a formal organisation. It arises as a result of interaction between different informal groups created by members of a formal organisation to satisfy there psychological and social needs. A supportive informal organization provides benefits not only to its members but also to the formal organisations.

## 15.12 TECHNICAL TERMS

Status : A socially defined position or rank given to an individual or a group by others

Self-Esteem: The regard or respect a person has for himself based on his ability to achieve self



determined objective

Sine qua non: An essential or fundamental requirement or condition.

Status quo: A preference for existing conditions or situations.

Influence : The capacity to bring about a change in the behaviour or attitude of other individuals or groups.

Grape vine : The communication system found in informal organisations.

Norms: Standards of behaviour or performance accepted by a majority of members in an informal organisation.

### **15.13 SELF- ASSESSMENT QUESTONS**

1. Define the term group. why do people join groups ?
2. Discuss important stages in the formation of groups with suitable examples.
3. Give suitable examples for the following kinds of groups
  - a) Primary Groups
  - b) Secondary Groups
  - c) Reference Group
4. Define the terms Formal Organisation and Informal Organisation. Compare and contrast their features.
5. What is an informal organisation? What are its benefits? When would the informal organisation cooperate with the formal organisation? What would be the grounds for conflict between the Formal and Informal organisation?

### **15.14 REFERENCE BOOKS**

1. Blair. J.Kolasa: "An Introduction to Behavioral science for Business", Wiley Eastern Limited, New Delhi, 1991.
2. Joh.W. Newstrom and Keith Davis "Organisation Behaviour : Readings and Exercises", Eight Edition, Mc Graw Hill Book Company, New York, 1989.

**- S.RAMESH**

## Lesson 16

# GROUP DYNAMICS: AN INTERDUCTION

### 16.0 OBJECTIVE:

The objective of the present lesson is to introduce the basic concepts of Group Dynamics to the student. This understanding should help students comprehend the complexities involved in Group behaviour and Group Performance.

### STRUCTURE:

- 16.1 Definition of the term and the scope of the term
- 16.2 Influence – Authority – Power
- 16.3 Norms and Confirm
- 16.4 Status in Groups
- 16.5 Role in Groups
- 16.6 Communication in Groups
- 16.7 Group Cohesiveness
- 16.8 Summary
- 16.9 Technical Terms
- 16.10 Self - Assessment Questions
- 16.11 Reference Books

### 16.1 DEFINITION:

**16.1(i) Group Dynamics Defined:** The term group dynamic was popularised by Kurt Luring during the 1930's. since then, the term has gained popularity in the discipline of Organisational Behaviour (O.B). A study literature reveals that the term has been defined with a high degree of precision. One of the most acceptable definitions of the term is " Group Dynamics is an enquiry into the internal nature of groups, their formation, their structures, processes and function along with a study of the impact of such factors on organisational performance and efficiency".

It includes a study of how organisations are brought into existence, how they operate and methods to enhance the efficiency of group processes and operations.

**16.1 (ii) Scope of the Term :** In the broadest sense, the term includes all processes having an impact on the existence and functioning of Groups. The following organisational processes are treated as important elements of Group Dynamics:

- a) The Processes of Influence
  - b) Norms and Complexity to Norms
  - c) Status and Determinants of Status
  - d) Roles in Groups and Organisations
  - e) Communication Processes in Groups
  - f) Determinants of Group Cohesiveness
  - g) Group Decision Making, Conflict and its resolution and the Management of change.
- Group Decision Making, Conflict and change processes are discussed in other lesson of this text book.

## 16.2 INFLUENCE- POWER- AUTHORITY:

**Influence:** Influence in the capacity of an individual/ group to bring about desired change in the attitudes and behaviour of other individuals and groups.

It includes the capacity to:

- a) make a person behave in a way that he normally does not behave and
- b) make a person not behave in a way that he would normally behave in the absence of influence.

**Example :** Any person would normally be afraid of fighting against the Government. However, a very influential leader can make people fight against the Government in an agitation.

### Organisations and Influence:

In an organisation, all employees must willingly towards the achievement of organisational goals. It requires a sacrifice of individual goals in the common benefit. Managers and leaders influence behaviour of employees / followers in order to ensure that they work towards achievement of organisational goals.

**16.2 (a) TOOLS FOR INFLUENCE:** Influence is the objective and there are two means used by leaders to gain influence. They are:

- i) Power
- ii) Authority

**i) Power:** Power refers to the capacity of an individual to influence the behaviour of others due to the fact that he has certain specific characteristics like knowledge, experience, resources, etc.

**ii) Authority :** Authority is the right of an individual occupying an organisational position to influence the behaviour of his subordinates in the pursuit of organisational objectives.

Power is a broader concept and authority is a specific form of power.

**16.2.(b) BASES FOR POWER:** The following factors help an individual exercise power over others

**i) Reward Power :** This refers to the capacity of an individual to grant or withhold benefits to his followers. Such benefits may include monetary benefits, social benefits and psychological benefits.

**Example :** An officer can recommend his subordinate for a promotion

**ii) Coercive Power :** This refers to the ability of a person to punish others for not complying with his directions.

**Example :** An officer can suspend his subordinate for indiscipline.

**iii) Formal Power or Authority :** The right of a person occupying a position in the organisation to give orders to subordinates and obtain compliance.

**iv) Expert Power:** The ability of a person to influence others based on his own skills, expertise and talents

**Example :** A good cricketer will command respect from young cricketers who want to learn from him

**v) Referent Power:** The ability of a person to influence another person since the other person wants to emulate the first person.

**Example:** Cine Stars influence behaviour of teenagers since teenagers wish to emulate the Cine Star.

**16.2.(c) POWER AND AUTHORITY – A COMPARISON :**

SUBJECT	POWER	AUTHORITY
1. Nature	Has its Origin in Personal Characteristics.	Has its Origin in the Organisation
2. Purpose	Is used by the leader to achieve his Objectives.	To be used only for achieving Organisational Objectives.
3. Source	The person/Leader himself	An Organisational Position.
4. Correlation	Power is not Coelated to rank- it is related to personal characteristics.	Depends on Organisational Hierarchy- higher the rank ; more the authority.
5. Delegation	Power cannot be easily delegated.	Authority can always be delegated.
6.Direction of flow	Power may flow in all directions in a Group-it may move upwards, downwards or horizontally / diagonally.	Authority always flows downwards in the Organisation.
7. Resources	Power refersto actual control over resources.	Authority deals with formal allocation of resources.
8. Role in Organi- sations	Power is used in addition to authority by managers in an Organisation.	Basic instrument for influence in Organisations.

**Power as Complementary to Authority :** Every manager in the organisation has authority based on his position in the hierarchy such authority comes from the organisation. However, when getting things done, managers may use their personal power.

**Example :** In the case of an emergency / crisis in the organisation, a popular and admired manager can successfully influence his employees to work for more time or put in extra effort .

**16.3 NORMS AND COMFORMITY:**

The achievement of group objectives requires the orderly performance of tasks and united effort of group members. Activities must be performed in an orderly manner with a high degree of certainty and predictability.

Predictability and Certainty in behaviour and performance requires compliance to a set of standards and prescriptions. When group members follow certain standards prescribed by the group, they are said to conform to either rules or norms. Rules determine the standard behaviours and performance in formal organisations.

Norms prescribe standards of performance and behaviour in groups.

**Definition :** Norms are accepted standards of behaviour and performance with in a group that are shared by group members and complied with voluntarily.

**Features :**

- i) Norms tell group members what they ought to do or not to do in a given group within the group context.
- ii) They establish expected /accepted standads of behaviour and performance in the group.
- iii) They are a means of influencing members with the use of minimum external pressure
- iv) Norms are useful in bringing about uniformity in the behaviour of members.

**Example :** In a classroom, a student is absent. The group norms may prescribe that his colleague students stand as proxy and respond to his attendance.

**Categories of Norms :** Norms in a group can be studied under four categories :

**a) Performance Norms :** These norms determine the work standards expected of group members.

**Example :** A student should not read for more than a particular number of hours.

**b) Social Norms :** These refer to standards regarding inter – personal behaviour in a group

**Example :** In a family gathering, younger people are expected to stand up when elders arrive.

**c) Appearance :** Such norms refer to the dress code etc. of group members.

**d) Allocation of resources norms :** These norms refer to methods for sharing of benefits in a group

**Example :** If there are three chairs in a room and four members of a group enter the room, the junior most member is expected to sacrifice in favour of the seniors.

**Benefits of Norms :** Norms serve a very important function in all groups. The following are the benefited derived from norms in any group:

**1) Survival of the Group:** Norms bring order, certainty and predictability in group behaviours. They help survivors of the group.

**2) Identity of the Group :** Norms establish the identify of the group. In addition, norms allow the group members to distinguish themselves from members of all other groups.

**3) Help assimilation :** Group behaviour must be learnt by members joining in any group. Norms help the new member understand group processes and adjust successfully to group behaviour.

**4) Better interpersonal relation:** Norms help group members establish acceptable behaviour patterns in their dealing with other members of the group. This reduces social tension and friction in the group.

**5) Conformity:** When norms are clearly stated. Group members find it easy to confirm to standards and win the approval of other group members. This creates unity within the group and strengthens group solidarity.

**Conformity :** Compliance or adherence to norms is called conformity. When most of the group members adhere to norms of the group, there is a smooth functioning of the group. Conformity to norms is achieved through a system of rewards and punishments.

**Rewards :** When an individual confirms to group norms his behaviour is rewarded by other group members. He is allowed a share of benefits of membership. Benefits provided are primarily psychological and social such as acceptance, support, appreciation and recognition.

**Penalties :** An individual is punished when he does not follow the norms. Penalties in groups for non-compliance include disapproval, tearing, harassment isolation and impulsion from the group . As long as an individual values membership in a group and derives benefits from participation in group processes, he confirms to group norms.

If a person is a member of more than one group and there is a conflict between norms of the groups, he follows the norms of the '*more-valued*' group.

## 16.4 STATUS IN GROUPS:

In any group, there are bound to be differences in the rank and position occupied by different members of the group. Such differences are linked to the talents, skills, capacities and resources of the group members.

**Example :** In a family, the father occupies a position of importance. Children inherently recognise the higher. position of the father.

**Definition :** “ Status in a socially defined position or rank of an individual or a group by other

individuals or groups in society.

**Features :**

- i) Status refers to a position or rank given to a person by other individual or groups
- ii) The importance of a person depends on this relative status in a group. Higher the status more the importance given to the individual.
- iii) Status is always relative. One persons status is always determined with reference to the status of other individuals.
- iv) In any group, there are bound to be difference in status.
- v) Status to a very large extent, depends on talent, skills and achievements of an individual or a group.

**Kinds of Status :** There are different kinds of status in different groups. The following are some categories of status found in most of the groups or organisations in modern society.

**a) Formal or Informal Status :** Formal status refers to status bestowed and recognised by an organisation. Such status depends on a position in the organisational hierarchy.

Informal status is status not recognised by the organisation but seen as important by group members.

**Example :** In a business organisation, a young manager is more important than a very senior. Head Clerk. However, employees recognise the age, seniority and experience of the Head Clerk and they give him importance.

**b) Ascribed Status Vs. Achieved Status :** When an individual acquires status because of his association or link to a group/ another person he is said to possess "ascribed status".

**Example :** A son of a business tycoon always enjoys status because of his family lineage. A person can also earn status by succeeding in a difficult exam like the I.I.M. examination.

**c) Scalar Status Vs Functional Status:** Status linked to a position in the hierarchy (ladder of authority) of the organisation is called "Scalar Status" Status related to a management function in the organisation is called "Functional Status".

**Example :** The Managing Director of a company has a higher status than the Directors. However, an Executive, working in the Finance Department may command more respect than an executive in the Human Resources Department.

**Status symbols :** Status is expressed through certain symbols so that anyone can easily recognise the importance of a person.

**Example :** The revolving siren installed on an official car indicates to others that the occupant of the car is a V.I.P.

The title and designation of a person, sanction of an office car along with chauffeur, sanction of a private secretary, large office, etc., are some status symbols.

**An Evaluation of Status:**

Status plays an important role in all groups and organisations. While the concept of status is criticised as the basis for inequality in society, it is evident that status differentials are inevitable in society.

**AN APPRAISAL**

**BENEFITS OF STATUS**

1. Status is a motivation for higher performance.
2. Status is a recognition of an

**NEGATIVE EFFECTS OF STATUS**

1. Status creates inequalities in Groups and society.
2. Status leads to creation of superiority

- individuals talent and worth.
3. Status is a recognition of the special Contribution of certain individuals.
  4. Status reduces Complexity in interpersonal behaviour.

- and inferiority Complexes.
3. Status divides people in Groups.
  4. Status differentials create an unhealthy Competition for status symbols.

## 16.5 ROLE IN GROUPS:

In any organisation / group , individual members have to perform allotted tasks and interest with other group members. When we define the contribution of a member with reference to organisation tasks, we use the term "job" . When we refer to the nature of his interrelations and interactions with other members while working for the group we use the term "role".

**Definition :** "Role is a set of expected behaviours or behaviour patterns expected from some one occupying a given position in a social unit" - **Stephen Robbins.**

### Features:

1. Any individual functioning in a group is expected to behave in a particular manner
2. An individual may have membership in different groups and hence he is expected to lay different roles in different groups.

**Example:** X is the Marketing Manager of a Multinational Company. In his family, he is a father in relation to his children and a husband in relation to his wife.

Related concepts:

**a) Role Identity:** Behaviour or attitude patterns are consistent with certain social positions are called "Role Identities"

**Example:** A union leader is expected to fight aggressively for the rights of employees in an organisation.

**b) Role Expectations :** They are the expectation that other people hold regarding the role of a person occupying a particular social position.

**Example:** Society expects a teacher to care of his students and work for their overall development.

**c) Role Perceptions:** It is the view of an individual regarding the behaviours patterns and altitude patterns that he must hold and exhibit in view of his position in a group or organisation.

**Example:** A manager may believe that it is his duty to work for the benefit of his organisation and take all steps necessary for enhancing the profits of the company.

**d) Role Conflict:** A person may occupy different social positions in different social groups. When there is a conflict in the expectations regarding the different roles that he plays, there is said to exist a "Role Conflict" .

**Example:** X is a manager in a company and is also the father of two college going children. During the middle of the year he is transferred to a new place.

As an employee he wishes to accept the transfer and gain the goodwill of his superiors. As a parent he wishes to avoid the transfer till the end of the academic year as shifting to a new place may cause inconvenience to his family.

In such situations, individuals try to reconcile the conflicting expectations of the different roles played by them.

### GROUP COMMUNICATIONS :

The survival and growth of groups depends on healthy interaction between /among group members. The free flow of ideas, emotions and information is essential to bring about a feeling of " commonness" among groups. It is the communication system in a group which lays down the foundation for

healthy interaction and meaningful interrelations between members in a group.

**Definition of Communication:** Communication is the process by which there is a transference of ideas, informations and emotions between individuals and groups.

**Objectives of Communication :**

1. The primary objective of all communication is the creation a feeling of commonness among individuals and groups.
2. It smoothens the process of interaction and creates an opportunity for common action by a group of individuals.
3. It provides avenues for the exchange of information and emotions between individuals and group.

## 16.6 COMMUNICATION IN GROUPS:

In a formal organisation, the organisational hierarchy provides the framework for the flow of communications in the organisational context. The communication primarily concentrates on the dissemination of organisationally relevant information in a systematic manner through the different departments and levels of the organisation.

[Note : The student is advised to refer to formal communications in the subject management ]

In the context of groups, the grapevine is the primary mechanism for communications.

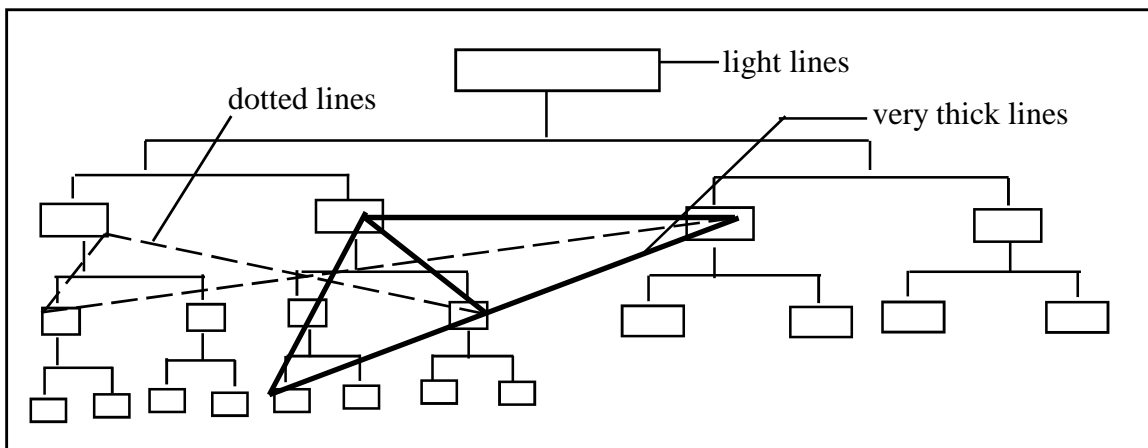
### THE GRAPEVINE:

**Definition:** “ The unofficial, informal communication system that exists within an organisation” is called the grapevine .

#### FEATURES:

1. The grapevine arises out of the interaction of different communication networks existing within an organisation or a group.
2. The regular, intense and continued exchange of information and ideas between a group of people creates a communication network.
3. Group members do not limit their interaction to any specific network. They move actively between networks leading to interaction between communication networks. Interaction between networks creates the grapevine.
4. The grapevine is a highly organic and flexible system loving for the fast relay of information between different parts of the organisation.
5. Information transmitted through the grapevine is lively, colourful, interesting and of personal interest to group members.
6. The grapevine is the unofficial and unrecognised system of communication found in informal organisations and informal groups.

The following diagram helps us understand the dynamic of the grapevine.





Index: straight lines represent the official hierarchy

The thick lines connecting persons is Network A

The dotted lines connecting persons is Network B

Modes of Information Transfer.

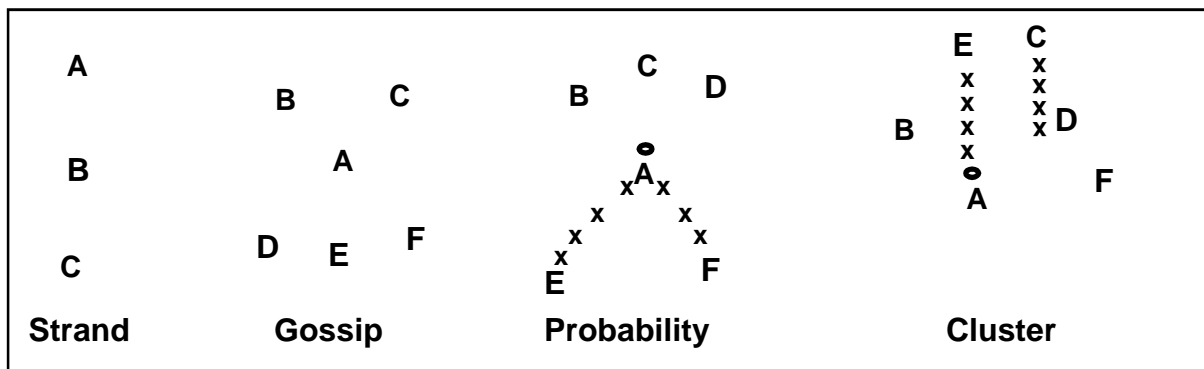
Studies in Organisation Behaviours have brought to our notice the existence of different modes of information transfer between group members. Some of the more important models of transmission are :

**i) The Strand:** In this system, information moves from one person to another. A tells B. B tells C.

**ii) The Gossip :** In this system, one person communicates the message to all the group members simultaneously A tells B,C,D,E and F.

**iii) Probability :** In this system, information is selectively transmitted to a few individuals and not to others. A tells B,C&D but not to E and F.

**iv) Cluster :** When the probability pattern is repeated, it leads to cluster communication.



## 16.7 GROUP COHESIVENESS:

The survival of a group depends on the desire of its members to continue in the group and their unwillingness to give up membership in the Group. This desire of members gives strength to the Group allows the group to retain its identity.

**Definition :** Group cohesiveness refers to the “degree to which group members are attracted to one another and are motivated to stay within the group”

### FEATURES :

- 1) It refers to the strength of inter-personal relations between group members.
- 2) Members are favourably disposed towards group objectives
- 3) Members identify themselves with the group and actively participate in group process.
- 4) There is high degree of co-operation with a minimum of conflict between members
- 5) Members willingly comply with the norms of the group and extend their co-operation to the group leader.
- 6) Members are very much interested in continuing their association with the group and share the benefits group membership.

### Factors affecting Cohesiveness:

**a) Clarity of Goals :** When the goals of the organisation are clear and known to members find it easy to identify with the group.

**b) Previous Success Rate :** A high rate of success in achieving goals by the organisation ask as

- a motivation for members to continue in the organisation and share the benefits of membership
- c) Group Size** : In general, the smaller the size, the greater the degree of interaction and interrelations between members. This leads to a higher degree of cohesiveness.
- d) Homogeneity** : Where there is a high degree of commonness between members in terms of education, social status, values, benefits and attitudes, there is a chance for a higher degree of cohesiveness.
- e) Reward Distribution** : Where there is an equitable distribution of benefits among group members, there is a high degree of satisfaction. This leads to a high degree of cohesiveness.
- f) Opportunities for Interaction** : Physical proximity and the availability of time together help develop interrelations between individuals. Thus, the opportunities available for meaningful interaction between members have a positive impact on cohesiveness.
- g) Leadership** : A leadership which provides support to members and is willing to allow active participation of followers in group processes leads to a high degree of group cohesiveness.
- h) Severity of Imitation** : If joining a group is difficult and involves many sacrifices on part of the member, he would be unwilling to leave the group.
- i) External Threat** : It is generally observed that external threats from outside groups or individuals motivate group members to forget their minor differences and cooperate with one another for the purpose of protecting the group.

## 16.8 SUMMARY:

Group dynamics is a field of organisational knowledge concerned with an enquiry into the nature of groups their formation and functioning and different processes. Determining the behaviour and performance of organisations. It includes processes like.

Influences Norms, Conformity to Norms, Role, Status, Cohesiveness, Leadership Conflict, Change and Decision Making Process.

Influence in the process by which individuals attempt to bring about changes in the behaviour and attitudes of other individuals. Managers use Authority and power to influence of members in groups.

Compliance to certain standing of behaviours and performance creates a sense of order, stability and predictability in the functioning of groups. Norms are accepted standards of behaviour and acceptance in a group context. Norms relate to behaviour, attitude, performance and resource allocation.

Status reflects the importance and rank of a person/ group in society. It is a recognition of the special talents or contributions made by a person or group. Status acts as an incentive for the achievement of higher levels of efficiency.

The term role refers to behaviours or attitudes expected of a person occupying a social position. They help a person comprehend other peoples' expectation regarding him in the organisational / group context.

Communications system help establish a sense of commonness among group members. They helps in the transfer or transmission of ideas, information and emotions. The grapevine which is an overlap of communication networks active in a group.

Facilitates the fast transmission of organic, lively and interesting information within the group. There are many modes of information transfer like the strand the group, the center of mode, etc, in groups.

Cohesiveness, the desire of group members to continue in the group and share the benefits of membership strengthens groups and helps groups face problems and crises with confidence.

**16.9 TECHNICAL TERMS:**

**Hierarchy:** The chain of authority and responsibility running in the organisation. This is also the chain of formal communications.

**Emulation:** The desire of a person to model his behaviours on the basis of behaviour of a person of a whom he admires or adores.

**16.10 SELF- ASSESSMENT QUESTIONS:**

1. Define the term Group Dynamics. Discuss the scope of the concept
2. Define the terms Influence, Authority and Power. Give examples of Authority and Power from your experience
3. What are Norms? How do Norms strengthen groups?
4. What is the meaning of the term 'Role'? Give a few examples of your choice.
5. Describe the Grapevine. What according to you are the differences between the Formal Communication System and the Grapevine.
6. What is Cohesiveness? What according to you in the importance of Cohesiveness? What factors contribute to organisational or Group Cohesiveness.

**16.11 REFERENCE BOOKS:**

1. *Developing Managerial skills in Organizational Behavior:* Lisa. A. Mainiero and Cheryl L. Tromley, EEE Publications, New Delhi, 1999.
2. *Management Today: Principles and Practice:* Gene Burton and Manab Thakur, TMH Publications, New Delhi, 1995.

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## LESSON 17

# CONFLICT – ITS RESOLUTION

### 17.0 OBJECTIVE :

The lesson is primarily aimed at helping the student understand the term 'conflict' in the group context in addition to helping the student comprehend the causes for conflict. The lesson also attempts to analyse the consequences of conflict and bring to the awareness of students, the different strategies used by groups to resolve and manage conflict.

### STRUCTURE:

- 17.1 Introduction
- 17.2 Kinds of Conflict
- 17.3 Causes for Organisational Conflict
- 17.4 Consequences of Conflict- Different Schools of Thought
- 17.5 Conflict Management Strategies
- 17.6 Summary
- 17.7 Technical Terms
- 17.8 Self-Assessment Questions
- 17.9 Reference Books

### 17.1 INTRODUCTION:

Individuals spend most of their time in groups. Groups are used on interactions and inter-relations between individuals. Collective effort in the pursuit of common objectives can be understood with reference to different processes like participation, co-operation, competition and conflict. Participation refers to involvement of group members in the organisational process. Co-operation refers to a situation where every group member assists and supports the efforts of all other group members in achieving common objectives.

Competition refers to a situation where every group member tries his best to achieve personal goals which are of great significance to him.

#### Definition of Conflict-

“ Conflict is a process that arises when one party perceives that the other party or parties, has/have negatively affected or are about to negatively affect something that the first party cares about”

#### -Stephen Robbins

**Example:** A, B and C are running a 100 meter running race. Any one of them can win only when the other two parties do not win or get defeated. Each party actively works not only for his success but also for the failure of the other party.

A and B are aspiring to win in the Gold Medal in the coming M.B.A. examination. A is concerned not just in getting the gold medal but also in ensuring that B does not get it. B's failure is an essential condition for A's success.

### FEATURES :

1. Every conflict is the result of a clash of interests between individuals or groups
2. Every conflict denotes a lack of agreement or opposing interest of the parties.,
3. The fundamental cause for conflict is shortage of valuable resources. If there could be as many

gold medals as the participants in a running race, there would be scope for conflict.

4. Conflict is as much a result of facts as perceptions of the party. It is not necessary that the other party should obstruct if the first party. It is enough if the first party believes that the second party is making such an attempt.

5. Conflict has multiple causes. While some causes may be obvious and evident, others may be hidden and subtle.

6. Conflict has multiple Consequences. It is wrong to believe that conflict always has negative consequences for the parties.

### COMPETITION VS. CONFLICT:

Competition and conflict are closely related phenomenon. However, there are subtle differences between the two states of attitude. They are:

1. In competition, Parties concentrate exclusively on the final objective. In conflict, both parties are not only concerned with the objective but also with the efforts of the other party.

2. In conflict, both the parties seriously attempt to obstruct the other party from achieving his goal whereas in competition such obstructive behaviour is minimal.

### 17.2 KINDS OF THE CONFLICT:

Conflict is primarily a phenomenon related to group behaviour. It generally represents a clash of interest between individuals or groups within the organizational context. However, there are a number of levels of conflict in real life. The following are the important kinds of conflict discussed in Organisational behavior (O.B) literature:

- i) Intra- personal conflict,
- ii) intra- personal conflict
- iii) individual vs. group conflict
- iv) inter- group conflict
- v) inter- organisational conflict.

**i) Intra- personal conflict :** This refers conflict within an individual. An individual may be subject to conflict when there is a clash in his goals, values and roles. Such conflict creates discomfort.

**Example :** A student wishes to prepare well for the exam but he is also very interested in seeing a cinema on the same day. This is an example of conflict in goals.

**ii) Inter-Personal Conflict :** Conflict between persons arises when individuals are in pursuit of valuable goals. Conflicts arise behaviour individuals. When they see things in a 'Win-Lose' perspective.

**iii) Individual as Group:** There is a possibility of clashes between, interests of the group and the interests of the members. The decisions of the group may be opposed to the values of the individual.

**Example:** The union in an organisation may take a decision to go on strike. A one of the union members may not like to participate in the strike since he believes the strike is unjustified.

**iv) Inter- Group Conflict :** Organisations consist of a member of sub-groups. Group interests may be in conflict.

**Example :** The Union is always opposed to the Management. Similarly line managers may be opposed to staff managers.

**v) Inter-Organisational conflict:** Organisations may enter into conflict with each other in the pursuit of resources, markets, etc.

### 17.3 CAUSES FOR CONFLICT:

In real life situations, a number of factors may contribute to the development of conflict

between groups and individuals. While the primary cause may be obvious and evident, a combination of factors add fact to the conflict. Causes for conflict can be classified into three main categories:

- a) Personality – related factors
- b) Structure – related factors
- c) Communication- related factors

**a) Personality – related factors:**

**i) Authoritarian attitude:** Whenever an individual in a group has an authoritarian attitude, he creates a resentment in other people. Such individuals promote conflicts through their behaviours and attitudes.

**ii) Values :** Individuals cherish certain values and are willing to make sacrifices for the sake of their values. In any organisation, different individuals may cherish conflicting values.

**Example:** An individual who is intent on honesty may oppose even minor lapses from his colleagues. This may create resentment against the employee among colleagues.

**iii) Ideologies:** Individuals with different ideologies have loyalty to their own systems of thought and belief. They would be willing to fight for their ideology. When individuals take such a hard stand conflicts are bound to rise in the organisation.

**iv) Biases :** Individuals generally have positive or negative dispositions towards all important issues. Once an individual develops a bias, he is generally averse to listening to the view-point of other individuals. This causes conflict.

**b) Structure – related factors:**

**i) Size:** When an organisation grows large in size, individuals having heterogeneous characteristics like age, region, educational qualifications etc. join the organisation. Diversity in backgrounds leads to misunderstandings and differences of opinion.

**ii) Allocation of Resources:** Organisational resources are distributed among different sub-units of the organisation like departments. Inequalities in allocation of resources lead to feelings of injustice and fuel conflict.

**iii) Resource Scarcity:** Scarcity of resources leads to competition for a share in the resources. In the process of fighting for resources, groups may be willing to go to any extent to win the battle. This causes conflict.

**iv) Interdependence:** Interdependence between sub-units and the need for coordinated effort makes different groups extremely sensitive to their own priorities in the process of “getting this done” leading to conflicts.

**Example:** Finance department employees insist on very strict norms. While giving credit to customers whereas Marketing department employees would prefer very liberal terms of credit.

**v) Line and staff Conflict:** In most of the organisation, we find conflict between line employees and staff employees. Line employees feel that staff employees have extreme privileges without responsibilities whereas staff employees feel that line managers belittle their role in the organisation.

**vi) Reward system:** The reward system in an organisation can also be a source of conflict. If the reward system is unjust as biased, some employees may feel that their work is not being rewarded adequately by the organisation.

**Example:** In many organisations, office staff or administrative staff feel that they are being underpaid whereas sales staff are being overpaid.

**vii) Lack of Clarity in Authority:** One of the main reasons for conflict in groups is the lack of clarity in authority attached to a position. Wherever, an employee or a group tries to exercise

authority beyond the range of his position, there will be resistance from other individuals in the organisation. A similar situation may be created by a lack of clarity in responsibility. Employees may feel that they are being compelled to accept responsibilities which are not attached to their position or job.

**viii) Conflicting sub unit goals:** While it is true that all groups in the organisation must work for the achievement of organisational goals, various sub-units of the organisation have their own goals. Sometimes, these goals may be mutually contradictory, when each department aggressively pursues its own goals, there is resentment from other departments or sub-units.

**Example:** Production department always prefers a fixed production schedule whereas marketing department prefer a flexible production schedule suitable to their own delivery schedules.

**ix) Heterogeneity:** Group members are drawn from different sections of society. The beliefs, attitudes, values and priorities of individuals are determined to a large extent by their social class. When employees are drawn from different sections of society there is bound to be a clash of values and attitudes leading to conflict:

**Example :** In India, caste, religion and region loyalties of employees sometimes lead to conflicts in groups.

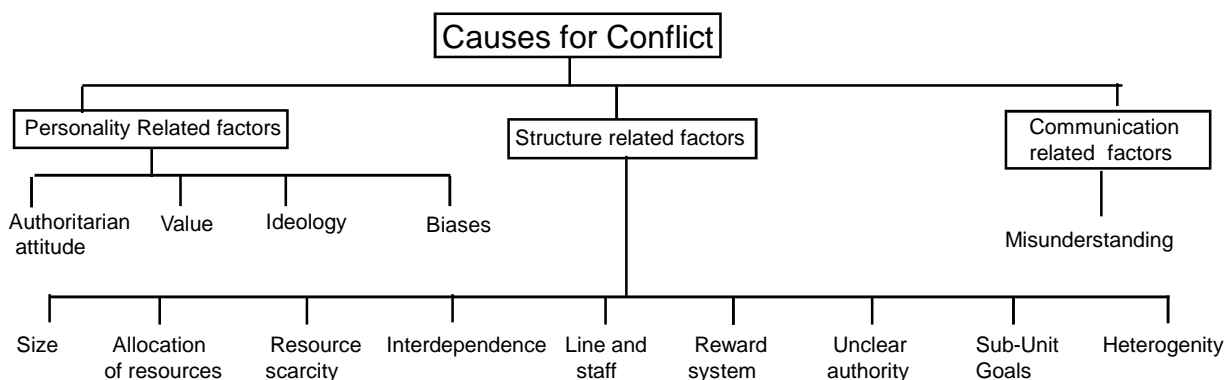
### c) Communication Related Factors:

**i) Misunderstanding :** The process of communication brings about communication among group members. However, barriers to communication or distorted communications can easily cause misunderstandings between people leading to the arousal of conflict between individuals or groups working in the organisation.

Perceptual differences, differences in assumptions use of the wrong channels of communication use of ambiguous words capable lead to communications failures.

Figure I : summaries the causes for conflict in organisations.

FIGURE I : A REVIEW OF CAUSES FOR ORGANISATION CONFLICT.



## 17.4 CONSEQUENCES OF CONFLICT :

To the layman, all conflict is undesirable and negative. Many people believe that conflict, in all its forms and degrees is dangerous for the organisation. However, this opinion is not always correct. Over the years, there has been a change in the perception of organisations behaviour experts regarding conflict. The following are the important views held by O.B. experts.

**1) The Traditional School :** The traditional school believes that all conflict is counterproductive and reduces organisational efficiency. Conflict diverts group employees efforts away from

organisational goals. It is believed that all conflict arises in the pursuit of economic needs and wants. According to them conflict can be eliminated by the design of suitable 'pay-systems'. Thus, conflict is seen as UNDESIRABLE and also AVOIDABLE.

**2) The Behavioural School:** Proponents of the behaviour school believe that conflict creates undesirable emotions and contributes to employee dissatisfaction. This is bound to have a negative impact on efficiency.

Man is not merely an "*economical man*". Man's needs and wants are many and complex. He exhibits different behaviours in the pursuit of multiple goals. Men also differ in the desires and goals. Hence, conflict is inevitable between people. We can only reduce conflict but never eliminate conflict. Thus, conflict is UNDESIRABLE but also INEVITABLE.

**3) The Modern School:** The modern school of thought states that conflict "*per se*" is not unproductive. It is only when conflict exceeds a limit that it becomes negative and unproductive. Within a given limit, conflict produces beneficial results, both to individual members and the group. Thus, conflict is seen as both INEVITABLE and DESIRABLE.

#### **PRACTICAL IMPLICATIONS OF THE MODERN VIEW:**

Conflict is a complex phenomena. It is not only inevitable but also desirable under certain circumstances. Conflict, upto a given limit, has positive consequences and is desirable. It is only when conflict exceeds a specific level that it becomes unproductive and also counter productive. Thus, there are two kinds of conflict:

- a) Functional conflict and
- b) Dysfunctional conflict

**a) Functional Conflict:** Conflict that supports and contributes to the achievement of the goals of the organisations and its members, is called 'Functional Conflict'.

**Example:** The conflict between two tennis players leads to improvement in the skills of both the players and also leads to higher standards being set in the game itself.

#### **POSITIVE CONSEQUENCES OF CONFLICT:**

**1) Encourages self-appraisal:** The desire to gain the upper hand in the conflict encourages self-appraisal by group members. Individuals try to learn their strengths and weaknesses dispassionately so that they can build upon their strengths and eliminate their weaknesses. This leads to the development of the skills and talents of group members.

**2) Aids change:** In times of conflict, people are willing to accept change. People try to adjust to change and also to excel in the changed circumstances.

**3) Better decision-making:** Conflict situations motivate people to seek opportunities for excellence. The desire to do well and make the best of available opportunities leads to better decision-making by all group members.

**4) Encourage Creativity:** In times of conflict, people are willing to give up inertia and search for new ways to do things so that they can come up with better performance. Conflict encourages creativity.

**5) Conflict with external agencies:** Conflict with external agencies leads to unity within the group. The desire to win over the opponents makes group members forget their differences and concentrate all their efforts on winning over the enemy or aggressor.

However, conflict beyond a specified limit brings about negative consequences. Such conflict is called "Dysfunctional Conflict".

**b) Dysfunctional Conflict:** Conflict that has, negative consequences for both the organisation



and group members which tends to divert the attention of groups members from common goals is called "Dysfunctional Conflict".

**Example** : Conflict between two party leaders to become the Chief Minister may lead to a situation where one of them may split the party if he is not selected as Chief Minister.

### NEGATIVE CONSEQUENCES OF CONFLICT:

**1) Loss of Unity** : Conflict divides people instead of uniting them. People can no longer work whole heartedly with one another. This tendency weakens the group.

**2) Hostility and Suspicion:** people lose confidence in one another. Other individuals are treated with hostility. Suspicion develops between people as people are no longer willing to trust their own colleagues and work mates.

**3) Breakdown of Communications** : Suspicion and hostility slowly leads to a breakdown of communications. People are not willing to freely exchange their ideas, views and opinions. There is a lack of openness in all communications.

**4) Sacrifice of Group Goals** : Extreme conflict encourages people to aim for personal victory at all costs. Winning the game becomes an obsession. Personal victory becomes so important that members are willing to neglect or even destroy Group Goals for their own selfish gains.

**5) Authoritarian Leadership:** When conflict becomes intense, leaders with dictatorial attitude become very important. Participative Management becomes impossible.

**6) Death of the Group** : In extreme cases conflict may lead to split into groups ultimately leading to an extinction of the group. From the above discussion, it is evident that Conflict Management requires.

- a) Reduction/ Elimination of Dysfunctional Conflict and
- b) Encouragement / Creation of Functional Conflict.

### STAGES IN CONFLICT & RESOLUTION PROCESSES:

A few distinct stages can be identified in the process of Conflict Management. They are:

**i) Antecedent Causes** : Conflicts always start when all / some of the causes for conflict discussed earlier are present in the Organisation / Group.

**ii) Cognition of Existence** : Parties to the potential conflict slowly become aware of the existence of grounds for conflict. People cognize the situation when the intensity of causative feature reaches a particular level. This level is called the "Threshold level". The attention of the participants is drawn to the existing circumstances.

This leads to the rise of emotions such as a feeling of insult, hurt, frustration, anxiety or aggression.

**iii) Intention** : After careful consideration of all relevant facts, parties may take a stand. This is the formation of a clear intention or view on the issue. The intention of parties may be studied under various categories like:

- a) avoidance
- b) accommodation
- c) competition
- d) co-operation
- e) collaboration

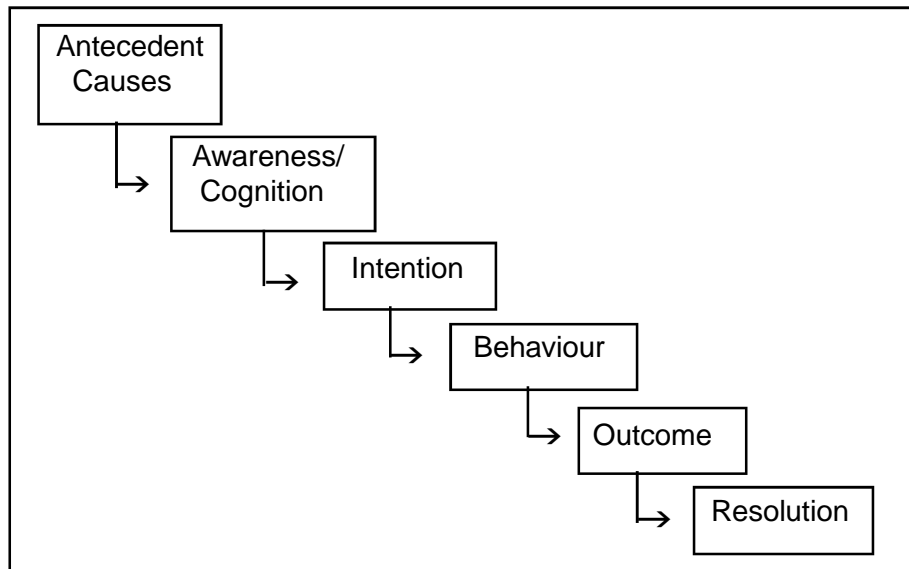
**iv) Behaviour** : Behaviour is an expression / manifestation of intentions parties hold the view that they must confront the other party and resolve the conflict.

Questioning the other party, challenging the other party, launching verbal attacks, abusing, threatening, attacking and attempt to destroy the other party are some modes of conflict behaviour.

**v) Outcome:** Parties to the Conflict Carefully assess the Consequences and potential causes of Conflict. They attempt to assess whether Conflict is functional / dysfunctional.

**vi) Resolution** : Parties actively methods to resolve the conflict to their advantage.  
Diagram II summarises the successive stages in Conflict Resolution Process.

**DIAGRAM II: CONFLICT RESOLUTION PROCESS- STAGES.**



#### **THEORITICAL APPROACHES TO RESOLUTION :**

There are basically five approaches to Conflict Resolution identified in O.B literature.

- 1) Avoidence:** Parties to the conflict may decide that there in no advantage in continuing the conflict . They may try to downplay the conflict. Avoidence generally leads to a reduction in conflict in the short run.
- 2) Accommodation :** Parties may try to search a quick resolution of the conflict. Parties try to down grade their differences. Each party tries to please the other party by accepting their demands.
- 3) Competition :** Each party may try to win the battle and gain a dominant position. This will help the party to dictate terms in all future negotiations. Parties adopt a ' win-lose' altitude.
- 4) Compromise:** Both parties may show a willingness to scale down their demand. Both parties try to exchange minor advantages and accept concessions
- 5) Collaboration :** Under favorable circumstances, both parties may search for common grounds and try to reach a mutually acceptable goal superior to their earlier goals

#### **17.5 CONFLICT MANAGEMENT STRATEGIES:**

Conflict Management Strategies must take into consideration two dimensions, namely, the need to discourage , Dysfunctional Conflict and the need to encourage Functional Conflict.

**A) Removal of Dysfunctional Conflict:** The following measures can help, organisations reduce the intensity of dysfunctional conflict.

- i) Participatory Management :** Authoritarian decisions are resented and apposed. Where individuals are allowed to participate in decision making, they express a is willingness to cooperate in the implementation process.
- ii) Group in centives :** Incentives given on individual performances generally increase the chances for conflict. The use of group inventive schemes can reduce such conflicts.
- iii) Communication Systems :** The managements of organisations must install communication

system encouraging the free flow of information. In addition to 'Top-Down' communications, there should be a provision for the upward Communications i.e., communication from lower levels of the organisation to the higher levels of the organisation. This creates an open environment in the organisation. Inter-departmental communications will also bring about better understanding between all departments.

**iv) Inter- Personal Skills Training :** Many conflicts can be easily avoided if people are sensitive to other people's feelings and emotions.

Techniques like T.A analysis, Sensitivity Training, Role playing. etc., can sharpen inter-personal skills of group members.

**v) Interaction of Goals :** When goals differ, there is bound to be conflict organisations can reduce conflict by bringing about a closer integration of individual goals and groups. This will help group members to identify with group goals.

**Example :** Employees will work hard to increase the profile of the firm if they are eligible for a Bonus expressed as a percentage of the profit.

**vi) Autonomy:** Interdependence gives scope for conflict. Where it is difficult to co-ordinate the efforts of different groups in the organisation, providing autonomy to groups would reduce the need for interdependence. This would reduce the chances for conflict.

**vii) Attention to Higher Goals :** Where the attention of parties to conflict is drawn to higher goals, they show a willingness to forget their differences and concentrate on the higher goals.

**viii) Reconciliation Process :** Where there is a conflict between parties, an attempt can be made to reconcile them. In the process of reconciliation, attention must be drawn to the common objectives and interests of the parties. Areas of dispute must be spotted so that the parties can discuss the issues in a constructive manner.

**ix) Negotiation :** Negotiation is the process by which both parties attempt to come to an understanding by exchanging benefits. Parties must be willing to make sacrifice in the pursuit of an agreement. The negotiator must be a person who enjoys the Confidence of all parties to the conflict.

**x) Political Solution :** Where all other attempts to resolve the conflict fail, the last alternative available, in the use of power, authority and force to dictate terms of agreement to all the parties involved in the conflict.

**B) Encouragement to Functional Conflict :** Organisations must try to instill and encourage functional conflict whenever the performance of the organisation is mediocre. Some of the methods that can be used are:

**i) Encourage Creative Thinking :** Organisations must encourage individual to come up with innovative ideas. Employees showing creativity must be encouraged. Minor mistakes must be overlooked.

**ii) Create Internal Competition :** Organisations must create a sense of competition between the employees. Productive employees must be recognised and rewarded. This will act as an inducement for other employees to improve their performance.

**iii) Discourage Mediocrity :** There is a danger of employees becoming complacent in the performance of their duties. Complacency leads to suboptimisation of resources and talents.

**iv) Infuse New Blood :** Whenever new blood in the form of new employees is introduced in the organisation, it disturbs the status quo in the organisation. The clash between the working styles of the former employees and the new employees will encourage competition. This encourages the pursuit of excellence.

## 17.6 SUMMARY :

Conflict is a phenomenon found in all groups. It arises when groups or individuals perceive

that other parties are blocking them in the achievement of goals.

Conflict has many causes and consequences. While the terms competition and conflict are closely related, there is a vital difference in the approach of the parties towards goals and competitors. Causes for conflict can be studied under three categories: i) Personality – related factors

ii) Structure - related factors and iii) Communication - related factors.

It is wrong to believe that conflict is always destructive and undesirable. Modern thinking tries to distinguish between functional conflict which helps both the individual members and the group from dysfunctional conflict which is destructive in all its dimensions. Effective conflict management must provide for the elimination of dysfunctional conflict and encouragement of functional conflict. Persons dealing with conflict must be aware of the different stages in the development and management of conflicts. This will help devise suitable strategies.

O.B. theory outlines various strategies adopted by people in conflict. Avoidance, accommodation, competition, co-operation and collaboration are the primary strategies.

Conflict managers have a wide range of techniques for conflict resolution and they combine some/all of these techniques to deal with conflicts.

### 17.7 TECHNICAL TERMS :

T.A : Acronym for Transactional Analysis, a technique which helps individuals analyse their ego states in terms of parent Adult and Child stages.

Sensitizing Training : A technique which helps people become aware of their own and other individuals. Perceptions in interactions.

Complacency: A state of being satisfied even with sub-optimal performance neglecting the opportunities available for improvements in performance.

### 17.8 SELF - ASSESSMENT QUESTIONS:

- 1) Define the term conflict. what are the various levels of conflict? Give suitable examples.
- 2) Analyse the causes for conflict in organisations giving suitable examples.
- 3) Discuss the positive and negative consequences of conflict. Do you agree with the idea that conflict is sometimes productive?
- 4) Discuss the various strategies that are available to a person involved in conflict resolution?
- 5) Discuss the relationship between the terms Participation, Competition, Collaboration and Conflict.

### 17.9 REFERENCE BOOKS:

1. *Organisational Behaviours: Readings and Exercises*, Eight Edition, MC Grav Hill International Editions , New York, 1989.

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## Lesson 18

# CHANGE- ITS MANAGEMENT

### 18.0 OBJECTIVE:

The objective of this lesson is to enable the student comprehend the various facets of change and the process of Planned change or Managed change.

### STRUCTURE:

- 18.1 Define of change- Organisational change - Its importance.
- 18.2 Organisation change- the need for change
- 18.3 Nature of Environmental Changes
- 18.4 Response to the Challenge of Change
- 18.5 Resistance to change – An analysis.
- 18.6 Theoretical Insights into the Process
- 18.7 Change Management in Practice
- 18.8 Change Agent - role and the challenges.
- 18.9 Summary
- 18.10 Technical Terms
- 18.11 Self - Assessment Questions
- 18.12 Reference Books.

### 18.1 INTRODUCTION:

In the 21st century, change has become a way of life. The only phenomenon that is constant is change. Radical and rapid changes in different walls of life have drawn attentions of academicians and managers to the phenomenon of change.

In the business sector, obsolescence , the process by which, technology becomes out-dated or unsuitable due to rapid changes in technology and market needs has become a universal and regular phenomenon. It is now believed that organisations must plan their strategies for meeting change well in advance of the actual change process. Change management has become an integral part of organisational management.

**Definition :** “ Change refers to a new or different way of doing things or solving problems “ It refers to a break away from the status-quo and established pattern of dealing with issues.

Thus, it is evident that change encompasses two aspects:

- a) A giving up of old and established ways and methods
- b) Embracing new, creative and innovative way of dealing with problems

**Example :** Personal coaching was seen as an essential part of Education. Now, on- line computer education has become an integral part of education.

**Organisational Change :** Organisational change refers to “ changes in the objectives, processes and activities of an organisation in response to relevant changes in the environment”.

## 18.2 NEED FOR ORGANISATIONAL CHANGE:

Organisations do not exist or function in an environment of isolation. All organisations exist only to serve the needs of society. The survival and growth of organisations depends on the ability to discharge its functions with reference to society in an efficient and effective manner. Organisations must also take into consideration the fact that they must be better than competitors in their work. Every organisation is a “processing system”. It draws resources from society and the end products of the organisation are meant for social consumption. Any changes in the environment have an impact on an organisation's ability to procure resources and market its products. Hence, organisations must respond to environmental changes.

**Example :** USA dominated the automobile industry with its “big cars” till the 1980s. However, a number of trends like rising oil prices, falling family size and shortage of urban space made such cars a liability. Small cars were more suitable in the changed scenario. Hence, the Japanese small cars became more popular and Japan achieved domination in the car market.

In short, organisations are “open-systems”. They must respond to external changes.

In addition, all organisations go through different phases in their life-cycle. The challenges and opportunities available to a company depend on the stage of life-cycle in which the organisation is operating. Hence, organisations must also respond to internal changes in the organisations.

## 18.3 NATURE OF ENVIRONMENTAL CHANGES:

Organisations operate in a complex and turbulent environment in the modern world. Some of the important mega-trends that compel organisations to change are:

**a) Demographic factors :** The rapid growth of population across the globe is providing unlimited marketing opportunities. The growing child populations have been leading to a tremendous demand for primary education, health facilities. This has been placing tremendous pressure on resources all over the world.

**b) Technological factors:** Rapid advances in science and technology and the boom in inventions and innovations is leading to rapid levels of obsolescence in the market. Organisations are being compelled to undertake technology upgradation effort on a continuous basis.

**c) Managerial factors:** Large scale production systems, high levels of automation, computerisation, new system of communication are making old management concepts and systems redundant. New organisation structures like project structures and matrix organisation are revolutionising management practices.

**d) HRD revolution :** Increasing levels of education, information and knowledge have led to the increasing importance of knowledge-workers in all organisations. The expectations and aspirations of the modern employees are completely different from those of earlier workers with low skill levels. New concepts like Hexi-time, on-line job performance, business process outsourcing (BPO) have revolutionised the system of task-organisation in organisations.

**e) Economic revolution :** Increasing income levels in society have led to a large demand for comforts and luxuries. Increasing disposable incomes have led to a quantum leap in demand for a variety of products.

**f) Socio-cultural changes :** Changes in life systems, social institutions, etc have revolutionised social life. The break down of the joint family system, entry of women into the work force, urbanisation, modernisation, westernisation and related factors have brought unforeseen changes in the nature and quantum of products and services demanded by society.

**g) Political factors :** Changes in the objectives and politics of governments all over the world have also compelled organisations to change their operations and processes.

The forces of liberalisation, privatization and globalisation (LPG) have changed the way business is organised and conducted, especially in India. The opening of national economies to the forces of international companies have sounded the death-knell for a members of companies. Movement of knowledge-workers across national boundaries is compelling MNCs to change their recruitment, selection, training and remunerations politics and practices.

All these economic forces and variables are compelling organisations to accept the need for change on a continuous basis.

#### 18.4 RESPONSE TO THE CHALLENGE OF CHANGE:

It is now evident that any organisation which is unwilling to accept change can neither survive nor succeed in the modern world.

**Example :** Yezdi company was a leader in the motor cycle market in India till 1980s. When the Indian government allowed the entry of foreign companies into India through collaboration arrangements. Yezdi refused to understand the trend. In a period of 10 years, the company lost its market share and became a declining company.

Companies like TVS, Escorts and Hero accepted change and became the market leaders in the new scenario.

On the basis of their willingness to accept change organisations may be classified into three categories:

- a) Reactive organisations
- b) Responsive organisations
- c) Pro-active organisations

**a) Reactive organisations:** The organisations feel threatened by change. They feel uncomfortable and uneasy when dealing with change. They feel very comfortable with the status quo. They are very late in recognising and understanding the forces and trends of change. They make half-hearted attempts to adjust to the changes with a very low-level of confidence. In view of their failure to forecast change they fail to see the coming opportunities for growth and development. The survival of such organisations is doubtful in a vibrant environment.

**b) Responsive organisations:** Such organisations are aware of the change processes operating in the environment. They are very fast in understanding the opportunities available in the new scenario and also the threats thrown up by the changing environment. They always try to anticipate changes in advance. They try to adjust to the change process very fast and they do not lose much time. Hence, such companies can deal with change in a successful manner.

**c) Pro-active organisations:** These organisations are forward looking organisations. They accept the fact that change is inevitable and they are willing to face the threats and utilise the opportunities thrown up by change. They are able to comfortably deal with the future. Since they have foreseen today's problem yesterday and have already designed strategies to deal with the coming situation. They welcome change and are confident of their ability to deal with change and succeed under the new circumstances.

**DIFFERENT FACETS OF CHANGE:**

Change is a very complex process. It is a multi –dimensional phenomenon. Frequently , we fail to understand change process because we fail to distinguish and comprehend the various elements and facets involved in change process. Important facets of change are:

**i) Nature of change :** We must analyse whether the change requires a review of organisational goals, technology, management systems or processes. In some cases the change may compel adjustments in the nature of work force on the altitudes/ behaviours pattern of the work force.

**ii) Scope of change :** when change affects only some aspects of the organisation we can state that the scope of change is limited. Where the change is bound to hence an impact on:

a) Various levelsof the organisation and

b) Different departments of organisation, we can state that the scope of change in vast.

**iii) Speed of change :** Different individuals in the organisation may react in difference ways based on the speed of change. A slow process change is called evolution. A fast paced change is called 'evolution'.

**iv) Timing of the change:** Organisations may have to deal with change at different stage of their life-cycle like introduction, growth, maturity and decline stages.

**v) Direction of change :** Change may be acceptable or unacceptable to different people based on the direction of the change.

**Example :** The union may resist any moves towards automation or computerization whereas managers may welcome such changes.

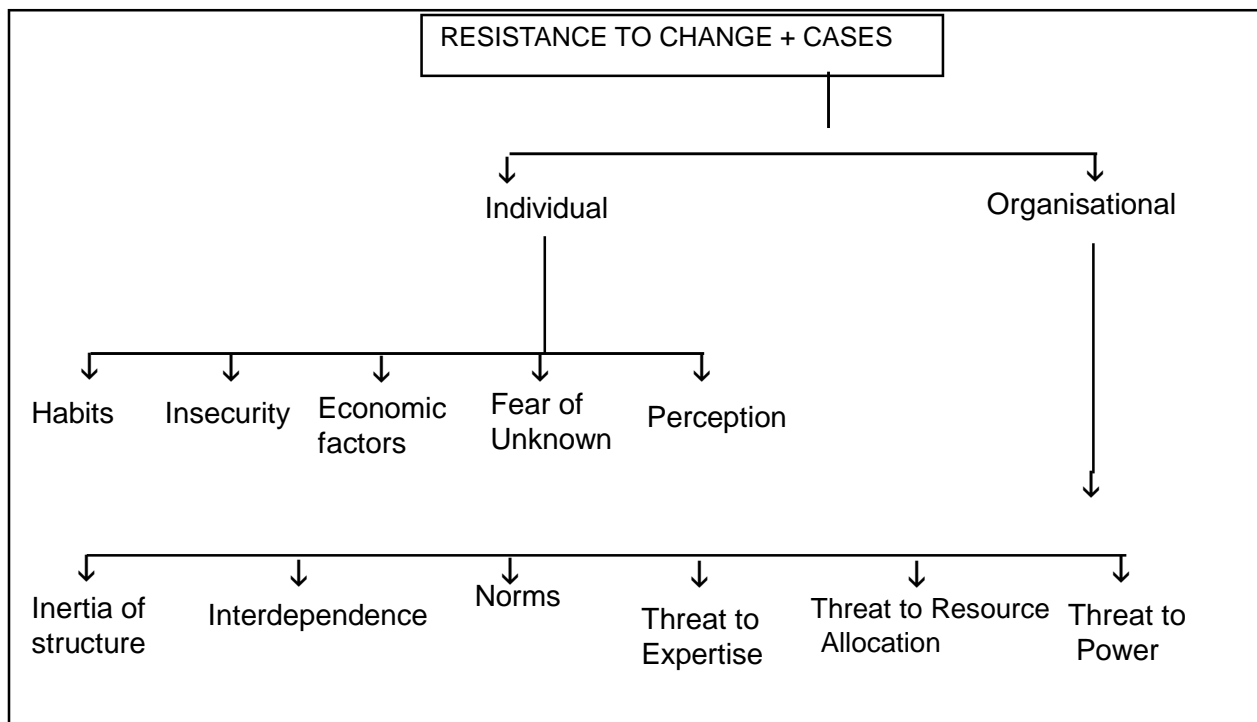
**vi ) Change agency :** Perceptions regarding change may differ based on the person who is leading the change process.

**Example :** Union may oppose any change which is introduced or attempted to be introduced by the management. Workers will generally welcome any change proposed by the union.

**18.5 RESISTANCE TO CHANGE:**

While change has become an integral part of the life of both individuals and organisations, frequently there is a serious resistance to change in all fields of life. Individuals feel uncomfortable with change. In extreme cases, people even resist change. Any person dealing with organisational change must understand the reasons why people and organisations resists change.

Figure 1 summarises the reasons for resistance to change.





**Resistance from individual:** Resistance from individuals to change encountered due to the following reasons :

**i) Habits :** Habits represent a structured way of dealing with problems or completing activities. When a person gets used to a particular way of doing things, he feels comfortable repeating the same actions or behaviour. Such actions become automatic responses. No conscious thought or deliberation is needed in performing such actions. Every change requires breaking of old habits. Hence, people resist change.

**ii) Insecurity:** A person feels confident and comfortable when he has to deal with routine situation. He knows all the aspects involved in the situation. He feels no threat perception. Change involves the need for learning and experimentation.

There is every possibility of failure in the new activity. Hence, people try to avoid change.

**iii) Economic Factors:** Change usually has an impact on the economic life of a person. Individuals are always concerned with their economic security and status. Change may threaten the economic condition of a person. In all such cases, individuals resist change.

**Example :** Widening of the roads would lead to economic loss for hawkers operating on the pavement. They are bound to resist road widening efforts.

**iv) Fear of the unknown:** Men always prefer 'status - quo' or the existing order of things. Change brings into operation totally new and unknown factors. In view of the lack of experience with the new factors, individuals find it difficult to assess the impact of these factors. While every change brings both threats and opportunities, people are more conscious of the threats rather than the opportunities.

**v) Perception :** Individuals always react to their perception of the change. Perception is affected by an individual's previous experiences, beliefs and attitude. Change which is yet to be introduced cannot be judged rationally. People only react to their understanding of change and not to the actual facts of change.

**Example:** The union is bound to resist any plans of computerisation by the management since it gives importance to only one aspect, the possible loss of jobs to its members.

### **Organisational factors:**

**1) Inertia of structure:** The organisation structure represents the nature of work - flow design and human inter relations that has developed over a long period. It represents the way things are organised and conducted. People find it difficult to accept a new way of organising work and relationships.

**ii) Interdependence:** Change in organisations becomes challenging due to interdependence between different parts of the organisation. Change introduced in our part of the organisation may create problems in other departments. Such 'piece-meal' change creates confusion and disorder.

**Example:** A change in computer software made by the EDP department will require a change in the reporting systems and documentation systems used by all departments.

**iii) Norms :** Change may affect norms established by the informal groups in the organisation. Change may disturb the social relations between employees in the organisation. Such change is resented and resisted.

**Example:** When two employees are transferred to another department, they feel unhappy about losing the Company and friendship of their Colleagues in the former department.

**iv) Threat to Expertise :** Every change has the effect of challenging the expertise of members in the organisation. Skills, talents and experience gained over a number of years of dedicated services may become less valuable or irrelevant in the scenario. Change is resisted by the group

whose expertise is so threatened by the change.

**Example :** Skills required in manual accounting may no longer be useful when computerised accounts are introduced. Employees of the accounting department feel unhappy about the development.

**v) Threat to Resource Allocation :** Whenever there is a change, it leads to a reallocation of resources in favour of some groups. This may require sacrifices from other groups. The groups losing resources resent change.

**Example:** When EDP accounting is introduced, resources are allocated in favour of the EDP department by cutting budget allocations to the Finance Department.

**vi) Threat to power:** Change disturbs the power balance in organisations. Power may shift in favour of some groups and against other groups. Groups who feel that their power will be lost are bound to oppose the change.

**Example :** Liberalisation and privatisation are bound to reduce the influence of trade unions.

## 18.6 THEORETICAL INSIGHTS:

**Kurt Lewin's** force field analysis provides us with useful insights into the process of change. It analyses the process of change with reference to three important stages.

- i) Unfreezing.
- ii) Movement.
- iii) Re-freezing

**i) Unfreezing :** The first stage in the change process is the 'unfreezing' phase. The main objective in this stage is to soften the resistance to change. The old habits and attitudes must be seen as undesirable and people must become ready to move away from the 'status quo'. This requires informing the group members about the objective of change and the requirements of change. This makes people eventually willing to participate in the change process.

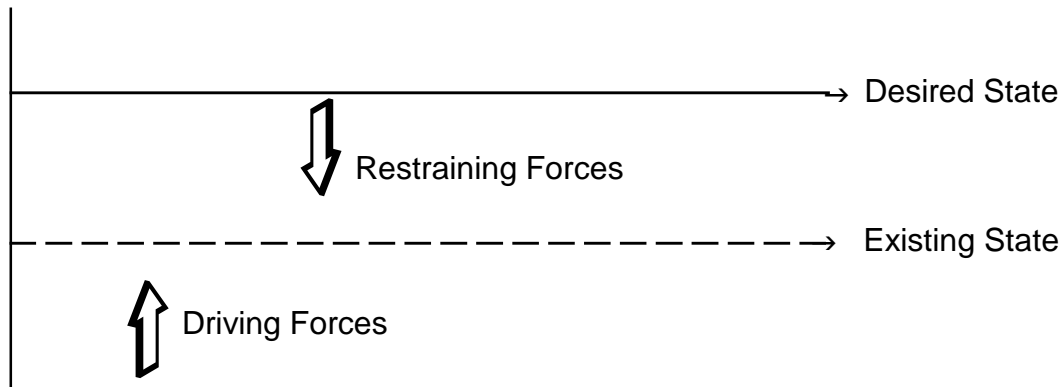
This stage is primarily based on discouraging "restraining forces" and encouraging "driving forces". Restraining forces are those factors that prefer the existing order and are unwilling to accept changes. Driving forces are those factors that give a momentum in favour of change.

**ii) Movement:** This refers to the gradual process of moving to the desirable situation. This requires a clear statement of the desired behaviours, attitudes and roles. People must be given an opportunity to become familiar with their new roles. The organisation must encourage desired behaviours by the promise of rewards and discourage undesirable behaviour by the threat of punishment.

**iii) Re-freezing:** Once the desired state of affairs is reached, all efforts must be made to make the new behaviours, roles, final and permanent. This will help bring back stability to the organisation. In this stage, there is a possibility of the momentum of change taking the organisation beyond the desired state.

If such a situation arises, the 'driving forces' have to be discouraged and the "restraining force" have to be encouraged. This will help reduce the momentum of change and establish the new state of equilibrium.

**Fig.2.** Summarises the change process as, analyzed by Kurt Lewin.



### 18.7 CHANGE MANAGEMENT IN PRACTICE:

Practical managers in dealing with the change process use a number of strategies and techniques to achieve their objectives. The following are some of the important techniques used to achieve change objectives.

**1. Focus on New Goals :** There must be a constant focus on new goals and objectives. Managers must encourage open discussions on the subject. Every attempt should be made to make the objectives seen both desirable and attainable. This focus will convince group members that change is inevitable. In addition, group members will be accustomed to the new order.

**2. Communicate and Gain Acceptance :** The implementation of change requires the wholehearted cooperation of group members. Hence, managers must inform group members and win their approval and confidence. Change should never come as a surprise to group members.

**3. Enlist Participation :** Change will be resisted when it is imposed on people. It is always better to have the participation of group members. Participation gives a sense of ownership of ideas to members. It generates enthusiasm in favour of the change. In addition, management can utilise the ideas and insights of group members to design a better change management program.

**4. Facilitate/ Support Members :** Managers must recognize the fact that members may resist change out of a sense of fear. Hence, management must support group members who are willing to accept the challenge of change. Their doubts, fears and anxieties must be dispelled. Counseling efforts to boost the confidence of employees to face the challenge must be undertaken.

**Example:** An organisation class on computerised office management will be of great help to employees when an organisation wants to introduce Computers.

**5. Reinforce Positive Behaviour :** Organisations must reward pro-change behaviours and discourage anti-change behaviours. This will help employees accept the change process.

**Example :** If the management promises one increment for all employees who complete 1 module of computer training, many employees will come forward to undergo training.

**6. Co-operation :** Group leaders play an important role in moulding the opinions of group members. If the management can involve and gain the confidence of opinion leaders, change becomes

easily acceptable to members.

**Example :** If the management can get the approval of the Union for its Computerisation plans, it can implement the plan very easily.

**7. Negotiation :** Negotiation is the process by which parties come to an understanding by the exchange of benefits. Group members must be provided with a package of benefits so that they feel rewarded for their sacrifices.

**Example :** If the management gives an assurance to the union that no employee will be removed from service after computerisation, employees will scale down their opposition.

**8. Coercion:** Some group members may resist change out of a vested interest. The management of the organisation cannot allow such members to sabotage, the change process. They must be made to accept the process of change by the use of threats and punishment.

## 18.8 CHANGE AGENT- HIS ROLE:

The change agent is an individual / group entrusted with the responsibility of facilitating the change process and achieving the objectives of “planned change”. They act as catalysts. Planned change, refers to a “series of change activities that are intentional and directed towards the achievement of pre-determined objectives”

**Shaskew and Morris** state that the change agent must be “an extrovert, have considerable interpersonal skills, be creative, take risks and be good in Organising activities”.

The change agent must have enthusiasm and he must evoke enthusiasm from Group members. He must be willing to take all risks in the achievement of objectives. The following, are the qualities that assure success, of the change agent.

**1) Identification:** Members of the group must find it easy to identify with the change agent. He must not be seen as an outsider.

**2) Access:** The change agent must be accessible to all group members. He must such participation of all members. He must be willing to guide, counsel, advise and assist group members.

**3) Empathy :** He must be able to understand the fear and anxieties, of members. He must not look down on people having problems with the force. People should feel free to share their feelings and emotions with the change agent.

**4) Patience :** The change agent must have a high degree of patience. He must not try to force the pace of change. He should wait for an appropriate time to introduce different elements of the change process.

**5) Empowering :** He must instill a sense of confidence in group members that they have the skills and resources needed for, facing the new situation. He must treat every group, member as a partner in the process of change.

**6) Energy :** He must have very high levels of energy. He must not be disappointed with failures in the process of introducing changes. He must not express a sense of frustration when faced with barriers and blocks in the process.

**7) Openness:** The change agent must be open in the expression of his ideas opinions and emotions. There should be an environment of trust and confidence. He should not give an opportunity for group members to doubt his intentions.

**8) Vision :** Finally a successful change agent must have a “vision”. He must be able to clearly visualise the new situation and also share his vision with group members . This will help the change

agent to gain the approval and support of group members for the change process.

### 18.9 SUMMARY :

Change refers to a new way of getting things done or handling problems. It involves a giving up of old ways and a willingness to learn New ways .

Organisations depend upon the environment for their survival and growth. Hence, they must be willing to change in response to environmental changes. Demographic, economic, political social and cultural and technological trends in society have an effect on organizational objectives, processes and functions. Depending upon their response to environmental changes, organisations can be classified as Reactive Organisations, responsive organisations and pro-active organisations. Resistance to change in organisations can be studied with reference to individual factors and organisational factors. Habits, fear of the unknown, perceptions and the impact of change on economic conditions create resistance to change among individuals. Inertia of structure, uncertainties over resource and power allocation, etc., create organisational resistance to change.

**Kurt Lewin's** force, field analysis identifies three stages in the change process, namely, Unfreezing, Movement and Refreezing stages and identifies the tasks of change management in these stages.

In the practical world, manager use a number of techniques and tools like communication of new goals, gaining acceptance and participation, facilitation and support, cooptation and coercion to achieve change objectives. Change agents are people entrusted with the responsibility for implementing Planned Change. They act as catalysts in the process. A successful change agent must have a great degree of enthusiasm for the change process. He must have confidence in the group's ability to achieve its objective. He must have high reserves of energy and patience. He must be open in his communications and encourage the free flows of ideas. Finally, he must have a vision and he must be successful in making group members embrace his vision with enthusiasm.

### 18.10 TECHNICAL TERMS:

**Inertia :** A state condition representing an inability / unwillingness to move away from the existing order.

**Catalyst :** Any factor which hastens a process. Without itself becoming a part of the process

### 18.11 MODEL QUESTIONS:

1. Define the terms 'change' and 'organizational change'. Give two examples of change process in the Indian Corporate Field.
2. Discuss changes in the social, economic, political and financial sectors in India. Discuss their impact on business organisations.
3. Why do organisations resist change ? What strategies could help managers deal successfully with resistance to change
4. What is the role of a Change Agent? What are the qualities of a successful Change Agent.?
5. Discuss the strategies adopted by successful change agents in real life with reference to:
  - a) sports.
  - b) Business.

### 18.12 REFERENCE BOOKS:

- 1) *Organisational Behaviors*: Jit.S.Chandan, Vikas Publishing House Ltd, New Delhi, 1994.
2. *The 21<sup>st</sup> century Manager*: Dikamp, Kogan Page India Pvt Ltd, New Delhi, 2003.

- S. RAMESH

## Lesson 19

# Group Decision Making

### 19.0 OBJECTIVE:

The objective OF this lesson is to familiarize the student with the techniques of decision making in organisations. The lesson also highlights the advantages and disadvantages of Group Decision Making (GDM ) and discusses modern techniques that reduce the disadvantages of GDM.

### STRUCTURE :

- 19.1 The Pervasiveness of Group Decision Making (GDM)
- 19.2 Definition – GDM in the organisational context and its elements
- 19.3 When suitable? Different situations
- 19.4 Traditional GDM Methods
- 19.5 Advantage and Disadvantages
- 19.6 Modern Techniques.
- 19.7 Techniques / Tools for Effective GDM
- 19.8 Summary
- 19.9 Technical Terms
- 19.10 Self - Assessment Questions
- 19.11 Reference Books

### 19.1 PERVASIVENESS:

Individuals, Groups and Organisations take decisions regarding various, problems and issues on a regular and recurrent basis. Decision making is required in the pursuit of objectives and goals. It is required for getting things done and to solve problems faced in the process of getting things done.

Group Decision Making (GDM) is a very much accepted and popular force of decision making. In modern society, characterised by the domination of organisations and institutions, G.D.M plays a very significant role.

**Example 1:** The students of a college decide to go on an excursion. They have to choose the places to be included in the trip from among a number of alternatives. The final choice is exercised not by any individual but by the group as a whole. This G.D.M in an 'informal' setting.

**Example 2:** A company intends to built a new showroom in Vijayawada City. A team of company officials are entrusted with the task of choosing the location, acquiring the land and making arrangements for Construction. This is an example of G.D.M. in a formal situation. Group Decision Making has become an important way of taking decisions.

### 19.2 DEFINITION:

Group decision making refers to a situation where a group of individuals collectively take responsibility for some/all aspects involved in taking a decision”

#### Features :

1. Decision is taken by a group of individuals. There are atleast two individuals involved in the process.
2. The individuals act as a collective entity.
3. The group may be entrusted with only some aspects/all aspects of the decision making process.

4. Different members in the group may represent different work must of the organisation with their own specific sub goals.
5. Members differ in their level of experience, field of expertise and skills
6. While taking decisions, organisational members also take into consideration the expectations of different parties in the external environment in the organisation.
7. The deliberations of the group and the decision making processes are structured and defined by the objectives, Policies and rules of the organisation.

### STAGES IN G.D.M.:

Group Decision Making in organisations is a complex process. An analysis of the different stages in the process will help us understand the requirements for unless. These stages are concerned with Extensive Problem Solving (EPS) situation. Only some of these stages may be presented in the case of Limited Problem Solving (LPS) situations.

1. **Awareness of a Problem:** A problem refers to a situation which blocks the effective achievement of organizational objectives. This calls for intervention and corrective action.
2. **Exploration:** This refers to an extensive search for the underlying causes which have led to the existence of the problem. A thorough study of all relevant areas can help identify the causative factors.
3. **Initial judgment:** From the various issues that come out of the initial exploration, a team of experts may select a few important areas requiring a thorough probe and study.
4. **Statement of the Problem:** An attempt is made to provide a framework for further studies. The problem is defined in such a manner that:
  - i) all important variables are defined
  - ii) the parameters of the problem situation are determined.
  - iii) the objectives of the problem solving agencies are fixed
 A clear and comprehensive definition will help all participants concentrate their attention and efforts on decision and selecting appropriate solutions.
5. **Search :** Once the problem is clearly defined, an attempt is needed to generate alternative solutions to the problem. In this stage, the main objective is to increase the number of alternatives that need an evaluation.
6. **Screening :** Every alternative cannot be seriously considered for final selection. This would consume too much time and resources. Based on evaluation criteria like. Capital requirement rate of profitability, gestation period etc, some alternatives may be screened out allowing decision makers to pay attention to a limited number of alternatives.
7. **Evaluation :** The process of evaluation is mainly concerned with an objective assessment of the Prospective Benefits and costs of every alternative. This helps ranking of the alternatives.
8. **Decision :** The final decision involves selection of the best alternative. Once a decision is arrived, there is a need for the commitment of organisational for the implementation of the decision.
9. **Motivation of Resources:** The implementation of a decision requires the mobilisation of different kinds of resources like men, money, materials and machinery. This requires the allotment of resources through appropriate decisions.
10. **Implementation and Feedback :** Once the decision results start flowing there is a need for a study of the impact of the decision on different parties to the decision and environment.

### 19.3 WHEN SUITABLE?

It is evident that whenever a decision has to be taken in the organisational context, there are

alternative modes of decision making available for consideration. They are:

- i) Individual Decision Making
- ii) Group Decision Making

The following criteria are very helpful in making a final choice

- a) Speed** : Where decisions have taken to be very fast, it is obvious that individual decisions making is preferable to GDM.
- b) Complexity** : Where the problem is very complex and requires a serious consideration of many issues, it is clearly better to opt. for GDM.
- c) Quality** : Where there is a need for high quality decision making, GDM is a better choice as it allows a pooling of talents and expertise.
- d) Creativity** : Where Creativity is required in designing innovative solutions to complex problems, GDM is preferable to individual decision - making.
- e) Acceptability** : Where effective implementation requires commitment, of many group members, GDM is preferable to individual decision - making.
- f) Accuracy**: Where a high degree of accuracy is required in decision - making, GDM is preferable to individual decision - making.
- g) Information needs**: Where information of a large quantity is required from different parts of the organisation, GDM techniques provide an advantage over individual decision - making
- h) Extent of structuring** : Where a problem is structured, it can be easily handed over to an individual for decision making. However where the problem is unstructured, a group can always come up with a better decision.

A thorough review of the above factors will help the management of an organisation to choose the appropriate mode of decision making.

### 19.3 a) DIFFERENT SITUATIONS:

While all group decision appear to be the same / similar at the surface level there are many differences in the extent of participation nature of participation and the process of decision making involved in GDM situations. A study of O.B literature shows that there are five distinct situations in GDM process.

**Situation 1:** The manager or leader himself takes the decision based on information that is already available with him. Group members do not play any role in the decision making process.

**Situation 2:** The manager or leader himself takes the final decision. However, he invites information from Group members. He may or may not use the inputs provided by the subordinates.

**Situation 3.** The manager or leader reserves the right to take the final decision. However, he invites group members to provide him with any information on the problem. In addition, he invites suggestions from group members reserving the right to utilise or not to utilise the suggestions given by them.

**Situation.4:** The leader states and defines the problem. He states the objectives of the decision making. He sits along with members and discusses information and suggestions stated by them. The final decision is taken by the leader in the presence of the group.

**Situation.5:** The leader explains the problem defines the objective and defines the broad parameters within which group members may exercise their discretion and design a solution to the problem.

## 19.4 TRADITIONAL GDM METHODS:

### 19.4 a) The committee :

A committee is a group of people who meet to plan, to discuss or make a decision for a particular



subject “according to **Hicks Stoner** and **Freeman** define a committee as a formal organisational group, relatively long lived created to carry out specific organisational tasks”. Many organisational tasks and problems. The growing complexity of planning and execution of tasks has made the committee force a people made of GDM.

#### **Features :**

**1.Membership :** A committee consists of at least two members. The size of the committee varies depending on the complexity of the assignment. It may consist of members drawn from different departments and lends of the organisation.

**2. Specific Task and Jurisdiction :** The committee is entrusted a specific well – defined task or problem. Depending upon their jurisdiction, committee can be classified into i) Fact - Finding Committee ii) Advisory Committees and iii) Decision making Committees.

**3. Chair person :** One of the members as the Chairperson of the committee. He is responsible for coming the meeting of the committee and for the smooth conduct of the proceeding

**4. Meetings :** Formal meetings of the committee are Commenced from time to time to deal with the issues entrusted to the committee.

Members of the committee are informed in advance of the meeting schedule so that they can come prepared to the meeting. An “agenda” is circulated along with the notice of the meeting. The agenda specific the issues that will be taken up for discussion at the meeting where necessary an “ explanatory note “ may be appended to the agenda.

A duly concerned committee becomes a valid meeting when the Quorum requirements are fulfilled. Issues are placed in front of the committee for deliberation in the form of “proposal”. Generally a proposal is taken up for consideration when it is seconded by another member.

The floor of the committee is then kept upon for deliberations on the issue. The collective of member to the proposal.

A proposal when accepted becomes a “resolution”. The resolution represents the collective decision of the group on the issue. Minutes of the meeting are maintained as a record of the proceedings of the meeting.

Where the committee meets often to deal with issues, a summary of the proceeding is prepared by the secretarial staff of the committee. This is circulated to all the members of the committee so that they can keep track of the proceedings of the meeting. The Chairperson of the committee plays a very important role in the smooth conduct of the proceedings of the committee. He also acts as a “spokesman “of the committee in the dealings with organizational members and outsiders.

#### **19.4 b) TASK FORCE:**

A task force is a GDM force created to deal with an organisational crisis requiring quick decision making and speedy implementation of the division.

**Example:** Where many parts of a district are affected by a massive cyclone, there is a need for immediate relief measures co-ordinating the activities of different governmental and non-governmental agencies.

#### **Features:**

- 1 The task force consists of 5-6 members with sufficient authority representing different agencies or departments
2. They are entrusted with specific clear-cut objectives to be achieved within a time framework
3. Team members are entrusted with authority required for implementation of the decision.
4. A team of employees provide the needed clerical / secretarial assistance.

## 19.5 ADVANTAGES AND DISADVANTAGES:

**19.5 a) : Advantages:** The GDM form provides number of advantages. This is the primary reason for the growing popularity of group decision making. The following are some of the important advantages of group decision making.

**i) More information:** The pooling of people with diverse talents drawn from different parts of the organisation helps in ensuring that necessary information and knowledge are available.

**ii) Unbiased :** Since different groups and parts of the organisation are represented in the decision making process, the final decision will reflect the common opinion of the organisations and the risk of the decision being biased is very low.

**iii) Easy implementation :** Members participating in the process can convey the decision to the departments which they represent. This allows a more accurate transmission decisions and makes implementation easy.

**iv) Democratic:** Individual decision - making leads to concentration of authority and encourages autocratic trends in the organisation. Committee form of decision making facilitates the democratic functioning of the organisation by providing for participative style of decision making.

**v) Legitimacy :** Decisions taken by groups are more acceptable to organisational members. In addition, the representation provided to different groups on the decision making process reduces resistance.

**vi) Commitment :** Organisational members show a greater degree of commitment to group decisions. Participation encourages a feeling of identification with the process and increase commitment to the decision.

**vii) Synergy :** It is quite possible that ideas/ views expressed by one individual in a group may provoke new ideas and new lines of thought in other individuals.

**viii) Training to Younger Members :** Participation in group decision making provides an opportunity for younger members to waken the seniors and learn from them. This will help them in becoming better decision makers.

**19.5 b) Disadvantages:** While GDM provides a number of benefits, it is not without its own disadvantages. While some of the disadvantages are inherent to the system itself, some other disadvantages are the results of defects in the use of the system. The following are some of the more important disadvantages of GDM processes.

**i) Difficulty in Concentration :** The environment in GDM process makes it difficult for members to pay exclusive attention and concentration on the issues to be discussed.

**ii) Tune - Consuming :** Group decision making process is a time-consuming process. The need to coordinate the activities and schedules of different members leads to delay in decision making.

**iii) High Costs :** GDM process are costly. High costs of GDM process in due to two factors. One factors is the direct costs involved in convening and conducting meetings. The second factor is the indirect cost arising out of executives not attending to their solution and regular activities.

**iv) Compramise :** The decision chosen by the group may not always be the best decision. The final decision is a compromise decision which acceptable to a majority of the members. Such decisions may lead to suboptimisation,

**v) Ambiguous Responsibility:** It is very difficult to pinpoint responsibility for wrong decisions/ hasty decision when the decision is taken by a group. Everyone's responsibility generally becomes no one's responsibility.

**vi) Domination by a Few:** In theory every group members is expected to have a role in decision making. In reality , a few members may be in a position to dominate the proceedings and give group legitimacy for their own views.

**vii) Negligent altitude :** In practice come of the members may contribute nothing to the process

either because of their lack of knowledge negligence or inability to express their views with clarity.

**viii) Vested Interest :** Members may sometimes give more importance to the interest of their own department / work force neglecting the interests of the organisation.

**ix) Risky Decision :** Since no individual can be made directly responsible for the decision group members may be willing to take risky decisions.

**x) The problem of “Group Think” :** “ Group think “ is a phenomenon which is an interest quality of all group decision. The following are the elements of “Group Think”

**xi) Illusion of Invulnerability :** The strength of member leads to all members getting the feeling that they can never mistake under any circumstances. Members may be overconfident about their decisions.

**xii) Belief in Inherent Morality :** Members share a feeling that their decisions is morally and ethically correct since it has been taken by a sufficiently large group of people. The group believes that it is acting for the benefit of all members of the organisation.

**xiii) Conformity :** In a group, when a majority stands by a particular decision, the minority may not oppose the decision even when they are sure that the majority is wrong . The minority members fear that any opposition may lead to personality conflicts with the majority group.

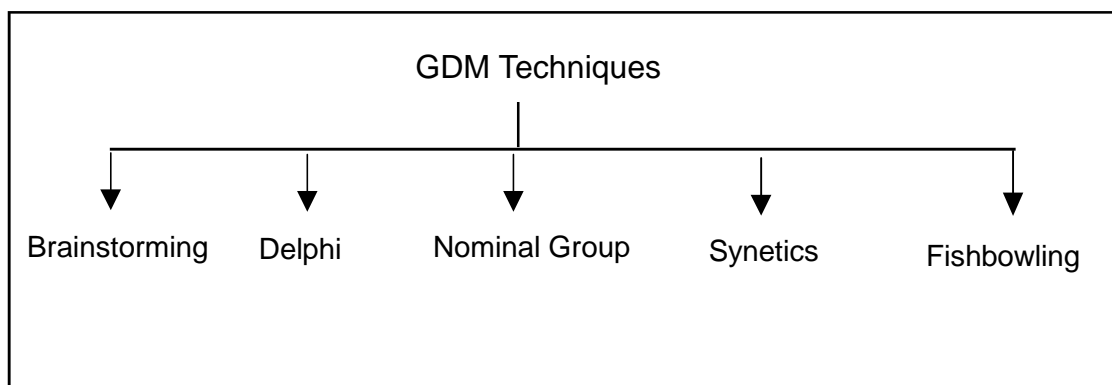
**ivx) Illusion of Unanimity:** Members who may not like the decision taken by a very large majority of members may not oppose prefer the decision. They may prefer to be silent. This silence is taken to be a sign of acceptance.

**xv) Self Censorship:** When a decision taken by the group turns out to be a wrong expression decision in hindsight, members may strongly oppose the expression of such a view by any outsider. Members strongly discourage group members from accepting that they might have made a mistake.

**xvi) Opposition to Outsiders :** Group members see themselves as a collective unit and oppose the views/opinions of any outsider, even when such views are correct and made with a good intention in the interest of the organisation.

## 19.6 MODERN TECHNIQUES:

A number of new GDM techniques have been utilised in the management of organisations during the recent past. The primary aim of all such techniques is to avoid the inherent defects of GDM techniques. The following are the important innovative GDM techniques in use.



**1. Brain Storming :** Brainstorming is a techniques which gives importance to the quantity new ideas generated, setting aside the process of evaluation for the time being. It is basically a technique where all forces of criticism are temporarily suspended in order to encourage a free flow of ideas. The main objective of the technique is to encourage creativity and reduce pressures for

conformity.

**Process:**

- a) A well defined and clear problem is taken up for study.
- b) Members with knowledge on the problem are called for a meeting
- c) The leader states the problem in a clear manner
- d) Individual members are encouraged to suggest any alternative, without consideration of factors like practicality.
- e) No member is allowed to criticise the ideas or find fault with ideas put forward by other members.
- f) Members are however free to add to ideas already made.
- g) All alternatives are noted down for future evaluation and consideration.

It is believed that removing restraints on the flow of ideas will lead to the generation of large number of innovative ideas

**2. Delphi Techniques :**Delphi techniques provides a mechanism by which a number of individuals acting independently can pool their knowledge and judgement in a systematic manner. This technique is very useful where time of group members is very valuable.

**Process:**

- a) A group of individuals who can contribute valuable ideas to decision making is prepared by the Management. They 'never meet'.
- b) A questionnaire is prepared regarding the main issues needing analysis serious thought. This questionnaire is then circulated to the group members.
- c) Individually each group member tries to give his solution to various problem areas included in the questionnaire .
- d) The answers received from members are summarised by a central team and used for solving various sub-problems.
- e) The results of the first round of deliberations is forwarded to the members. Areas of the problem which still remain unsolved are again presented as a series of questions inviting suggestions. The process is continued till all areas of the problem are solved through further analysis of suggested answers.

**3) Nominal Group :** This technique provides an opportunity for group members to exercise their individual choice while working along with other members as a team. Interaction between members is strictly in accordance with a pre-determined schedule and structure.

**Process:**

- a) The leader explains the problem to the group and provides a broad objective for the group.
- b) Each of the members is required to think over the problem and keep his solution ready for presentation within a given time.
- c) At the end of the stipulated time each member presents his solution to the group. Other members are required to think for themselves the solution presented. This process is continued till every member presents his solution.
- d)The floor is open for general discussion with free interaction and discussions on all proposals.
- e) After the end of the general round each member opine is to work on the individual basis and rank all the proposal on the merits of the proposal.
- f) The ranks given by individual members are combined for a final evaluation of the proposed solution.
- g) The proposal which gets the highest combined rank is treated as the group decision.

**4. Synetics or Gordons Techniques :** This technique provides a procedure for a slow and steady focus on the problem. In the first stage, concentration is on innovative and creative thinking. The second stage gives importance to goal specific thinking.

- a) The leader explains the problem in a very general and broad manner. However, he has an exact definition of the problem ready with him.
- b) Members are free to discuss any idea which has a general relevance to the problem. All points raised are noted by the leader.
- c) In the next stage, the leader narrows down the scope of the decision and he tries to focus the attention of members to the central idea.
- d) This process of "focusing" further is continued till an exact solution is designed by the group.

**5. Fish Bowling Technique:** This technique tries to exploit the opportunity for developing initial ideas on the basis of further inputs from members.

- a) The group leader presents the problem and his ideas/views on the best possible solution to the problem.
- b) Each member is then called to the center of the group. Taking into consideration, the initial proposal he is invited to his own proposals. Any member can ask the presenter of ideas for clarification or he can add his own ideas.
- c) Each member is required to take the center stage till every member has received an opportunity.
- d) Then the floor is open for a general discussion and free interaction
- e) The final decision is taken by the group.

**Exercise:** After studying the modus operandi of the fish bowling technique; the student is advised to think over and list out the merits of each of these methods and also analyse how these techniques try to overcome the disadvantages of traditional GDM process.

## 19.7 TECHNIQUES FOR EFFECTIVE GDM:

1. Ensure that the objective and purpose of the GDM session is clear and understood by all the members
2. Ensure that participants have adequate knowledge of the issues and have the communication skills necessary for a lucid presentation of their ideas.
- 3) Make sure that all groups in the organisation are adequately represented in the group.
- 4) Ensure that there is a good balance in terms of age and experience of members.
- 5) Make sure that arrangements are made to ensure that any information needed by participants is readily available.
- 6) Ensure that the group size is adequate. It must be large enough to provide an opportunity for the pooling of talents and skills required for problem solving.
- 7) Make sure that members are informed well in advance of the time-table and time framework
- 8) Ensure that the agenda is circulated well in advance along with explanatory notes whenever necessary.
- 9) Make sure that the group has a very effective leader who can guide, counsel and advise members. He must be an individual commanding respect from all the group members

## 19.8 SUMMARY:

A number of occasions require decision making in organisations. Decision making refers to the act, choosing among alternative ways of doing a task or solving a problem. Decision making in organisations involves a number of stages and the requirements differ from stage to stage. The responsibility for taking decisions may be entrusted to an individual or a group, where the

responsibility for taking a decision is handed over to a group, group decision making techniques are utilised.

Committees and Task Forces are traditionally GDM techniques that are widely used in organisations.

GDM techniques offer a number of benefits like the pooling talents, representation to all parties consideration of a problem from different angles, etc., In addition, they encourage democratic trends in organisation management.

However, GDM techniques also have certain disadvantages. Domination by a few, evasion of responsibility, negligent attitude of certain members, pressure for conformity and diversion from primary issues are some of the disadvantages.

'Group Think', a phenomenon found in all GDM techniques, discourages members, from accepting their limitations and faults. It gives members an illusion of invincibility. Modern techniques like Brain Storing, Delphi techniques, Nominal group, synetics & fish bowling try to reduce pressures for conformity and increase the avenues for creativity.

Effectiveness in group decision making can be increased by ensuring that the constitution of the group is appropriate and the conduct of the meeting provides an opportunity for every member to freely express his views.

### 19.9 TECHNICAL TERMS:

**Gestation Period:** The time gap between the starting of an activity and the flow of expected results.

**Synergy:** A group process which creates a situation where the output of a group is more than the sum total of individual contributions (1+1=3?)

**Agenda:** A well drafted programme of future activities.

**Illusion:** A false belief held by people which is not supported by the facts of the situation.

### 19.10 SELF- ASSESSMENT QUESTIONS:

1. Define the term group decision making. When is GDM preferable to individual decision making.
2. List out traditional GDM techniques. What are their advantages and disadvantages?
3. List out modern GDM techniques. Discuss the relative benefits of these GDM techniques.
4. What steps are required to ensure effectiveness in GDM processes?
5. What are the stages involved in Extensive Problem Solving (EPS)? Discuss appropriateness of individual and group decision making processes at different stages of decision making.

### 19.11 REFERENCE BOOKS:

*The essence of Management Creativity:* EEE Edition, New Delhi: 1997.

Brain Clegg & Paul Birch " *Instant Creativity*, Kogan Page India Pvt Ltd; New Delhi 2000.

- S. RAMESH

## Lesson: 20

# LEADERSHIP – AN INTRODUCTION

## 20.0 OBJECTIVE:

The objective of the lesson is to introduce Students to the process of group leadership and acquaint him with the theoretical foundations of leadership in groups / organisations.

## STRUCTURE:

- 20.1 Introduction.
- 20.2 Definition of Leadership
- 20.3 Role and tasks of a leader
- 20.4 Leaders and Managers- A Comparison
- 20.5 Theories of leadership.
- 20.6 Summary
- 20.7 Technical Terms
- 20.8 Self-Assessment Questions
- 20.9. Reference Books

## 20.1 INTRODUCTION:

“It is virtually impossible to discuss behaviour, especially social behaviours without including something about the nature and process of Leadership” - **Blair. J. Kolase**

Leadership is a phenomenon found in all group. It is our observation that wherever there is a group, a leader emerges to play a crucial role in helping the group and its members attain the objectives of the group.

History records the achievement of great military leaders like Asoka , Alexander, Chengiz Khan and Napoleon. We still feel a sense of awe when we read about the achievement of shrewd political leaders like Kautilya and Aristotle who provided guidance to kings and emperors. Religious leaders like, Martin Luther King and Dayananda Saraswati have left their mark on the social and cultural life of people all over the world.

It is often said that great leaders are creators of history. They determine the course of human development and civilization. History is said to be his story” ie., the story of leaders and leadership

## 20.2 DEFINITION OF LEADERSHIP:

The term leadership has been defined by different authors dealing with organisational behaviours from different perspectives. Some authors have stressed the central role of the leader in the process of leaders some authors have defined the term in terms of the processes that are initiated and managed by the leader.

**George. R. Jerry**, states that leadership is “ the activity of influencing people to strive willingly for group objectives” **Koontz and O`Donnell**, state that leadership is “influencing people to follow willingly in the achievement of a common goal”. **Hersey and Balanchard** extending the scope of leadership state that” Leadership is the process of influencing the activities of an

individual / group in efforts towards goal achievement is a given situation.

An analysis of the definition of leadership allows us to understand the elements involved in the leadership process and the functions by the leader.

### FEATURES:

1. Leadership is a process intimately connected with all group activities.
2. Leadership is primarily connected with influencing group members to strive willingly for the achievement of group goals.
3. The Leadership process depends on the interplay of three forces, namely, the leader follower and the situation.

Each of these variable affects the other variables and is in turn affected by the other variables.

4. A leader must ensure that group members have a high degree of enthusiasm for organisational goals
5. Leaders must be willing to modify their style of functioning depending on the demands of the situations.
6. Leadership is a group may be exercised by a single individual/ group of individuals
7. Different individuals may act as leaders under different circumstances in a group.

### Leader vs. Leadership

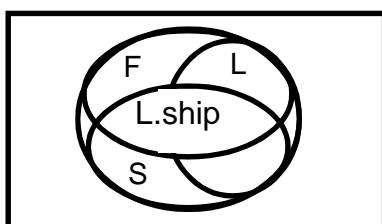
During the last few years, academicians have been giving more important to the functions that are performed by a leader rather than the personality of a leader. This is due to the recognition of the fact that leaders behaviour can be viewed in insolution from the demands of the situation and expectations of the followers.

Where  $L=f(I, f, s)$   
 L= Leadership  
 F= Followers expectations  
 S= Situational demands and requirements.

1) Illustration : During the II<sup>nd</sup> World War period, **Churchill** was a very popular leader and Prime minsister of England. In the elections held immediately after II<sup>nd</sup> World War, **Churchill** lost power in the elections. The general public felt that **Churchill's** autocratic style which was highly suitable during war conditions would not be conducive to peace time administration of the country.

**Mahatma Gandhi** was the undisputed leader of the masses and the congress party in pre-independence India. Soon after India gained independence, he no longer played an important role in the nations decision - making or in the congress party. This may be due to the fact that Gandhiji's style of functioning was more suitable to the challenge of gaining freedom rather than to routine administration.

Fig shows the dependence of the dynamics of leadership process on three important factors.



#### Index

L.ship = Leadership  
 L = Leader  
 F = Follower  
 S = Situation



### 20.3 Role and Tasks of a Leader:

Leadership always has to be understood as an essential task in the group management process. The leadership process contributes to the effectiveness and efficiency of the group in the process of attaining objectives. While leaders, may adopt different styles of functioning, based on their own values beliefs and attitudes, they normally assume the following roles in relation to group member and perform the following tasks.

#### A) Primary Roles:

**1.Executive** : A leader is primarily a person who ensures that organisational tasks are attended to members of the group. He is a person who gets “things done”.

**2.Planner**: A leader is a person who has foresight and a group over the direction that the organisational has to take in order to reach its objective. He thinks of future tasks and makes arrangement for the procurement of resources and performance of activities.

**3.Policy maker** : The leader takes the lead in determining the overall policies that ensure that there is no diversion of efforts.

**4.Expert**: He is the person to whom the group members look upto whenever they require guidance, advice and assistance in the performance of activities allotted to them.

**5.Motivator** : The leader takes all steps to ensure that members work with enthusiasm and commitment in achieving goals of the organisation.

**6.Work Facilitator** : He takes all steps necessary to remove any difficulties obstacles and hindrances that threaten to affect the flow of work in the group.

**7.Arbitrator** : The leader plays the role of the arbitrator, negotiator and conciliator and tries to achieve an amicable, solution whenever disputes among group members disturb members relations in the group.

**8.Controller of Inter - Personal Relation**: He plays an active role in the formulation of norms necessary for the healthy regulation of interpersonal relations in the group.

**9. Controller of Rewards and Punishment** : He plays a significant role in influencing the behaviour of group members. He ensures that good performance is rewarded and poor performance is penalised in the group.

**10.Group Representative** : He stands for the rights of the group in all its dealings with outsiders. He uses his power and influence to ensure that group members opinion is heard and respected by outsiders.

**11.Change- facilitator** : He helps the group members face the challenge, of falling change with confidence. He plays the role of a catalyst and makes transition friction free for the members.

**12.Crisis Manager** : A leader plays a very important role is mobilising all resources in times of crisis. He gives confidence to the exam members and convince them of their capability to face the challenge.

**13.Visionary**: He never forgets the goals of the organisation and helps members in concentrating their efforts towards goal achievement.

#### B) Supplementary Roles:

**14.Example** : A leader stands an example for members of the group. He acts as a Model so that group members can become inspired to emulate his behaviours. The popular saying “Yadhaa Raja; Thada Praja“ recognises this role of the leader.

**15.Ideologist** : The leader is the ideologist of the group. He is the philosopher of the group and he plays a pivotal role determining the values, beliefs and attitudes of the group member. He establishes the ideology of the group and he also, makes the ideology acceptable to group members.

**16. Father Figure :** He acts as a father to all group members. He advises and counsels individual members having problem and facing challenges. He allows members to share their innermost feelings without any reservations.

**17. Scope Goat :** Finally the Leader accept to the role of a scope goat by accepting responsibility for the unintended mistakes and short comings of his followers.

In short the leader acts as a “friend, guide and philosopher” of all the group members.

## 20.4 Leaders and Managers – A Comparison:

Leadership and management are closely related process. It is said that” every manager is a leader- but every leader is not a manager.

**Leadership Wider than Management:** According to some authors the term leadership is wider than the term management. Management is a function that is found only in formal organisations, especially business organisations. Leadership is a phenomenon found in all groups formal or informal. In fact it is said that wherever there are two people there is booked to be a leader.

**Management Wider than Leadership:** Some other authors opine that management has a wider scope than leadership. Leadership concerned with only influence process whereas management is concerned with the process of planning, organising, staffing, influencing (directing )and control. The following table summaries the differences between Leadership and Management.

Topic	Leadership	Management
1. Spread	Found in all Groups	Found only in Formal Organisations.
2. Functions	Mainly Concerned with the Directing or Influence Function	Equal importance to Planning, Organising, staffing, Directing and Control.
3. Appointment	Leaders are elected on the basis of their Contributions	Managers are selected on the basis of qualifications & experience.
4. Orientation	Leaders are always Concerned with their Followers.	Managers Generally look to their Superiors for Acceptance.
5. Skills	People - Management is the key skill of a Leader	Managers must learn to deal with men, materials, machines and money.
6. Tenure	Leadership is based on acceptance and popularity - it maybe lost at any time.	Management functions in an atmosphere of secure tenure.
7. Basis	Power is the basis of a Leader's influence.	Authority is the basis of Manager's influence.
8. Source	The source of a leader's power lies in his own personality and charisma.	The source of a Manager's authority is the sanction of the Organisation.
9. Delegation	Leaders cannot easily delegate their power	Managers can delegate authority to subordinates.
10. Purpose	The leader uses his power to reach both Hroup Goals and Relations between leader &	Managers must use authority only for achieving Group Goals.
11. Relations		Relation between managers and

12. Needs	followers are highly flexible, organic and unstructured. Leaders primarily satisfy the psychological and social needs of followers.	subordinates are highly structured. Managers aim to primarily satisfy the economic needs of their subordinates.
13. Training	Transfer of leadership skills through training is a difficult process.	Management skills can be easily taught through training.
14. Importance	The stress is on the possession of certain Attitudes.	The stress is on the possession of certain Aptitudes.

While it is true that there are differences in the process namely Management and Leadership, it is an undisputable fact that “every manager is a leader – every leader is a manager. We can conclude by stating that the difference is in the emphasis given to different tasks, roles and challenges rather than in the nature of the processes.

## 20.5 THEORIES OF LEADERSHIP:

Leadership is a much sought after skill. There is a shortage of talented and committed leaders in every walk of society. A number of behaviour scientists have tried to find out the theoretical basis for leadership. This would help in the process of training leaders and developing a science of leadership. Theories regarding leadership can be classified into three broad groups:

- i) Leader-Oriented Theories
- ii) Follower - Leader Relations Theories.
- iii) Situational Theories

**20.5 a) (i) Leader –Oriented Theories :** These theories are based on the assumption that leaders have certain qualities that enable them to become leaders independent of followers acceptance and situational requirements.

**The Great Man Theory:** Leaders are born with all the qualities needed for the exercise of Leadership. They are inherent qualities of the individual. He inherits them from his ancestors / pursues them through genetic transmission. Some authors believe that they were chosen to be leaders by a higher power and gifted with all required qualities. They were lucky or fortunate to be selected by destiny to play an important role in human history and influence the course of events. Great men like Mahatma Gandhi, Napoleon, Abraham Lincoln, Ashoka and Alexander belong to this category of “Great Man - Leaders”.

This theory states that “Leaders cannot be made – they are born”. Any attempts to create leaders by imparting training and education is a futile process. Similarly, this theory also assumes that leaders do not have to make any special efforts to learn Leadership skills. Followers automatically get attracted to born leaders and follow the dictates of the leader.

According to some authors, leaders are born with a quality “charisma”. Charisma refers to the ability of a person to command the attention, attraction and respect of other people for reasons that cannot be explained rationally. **Smt Indira Gandhi** is said to be Charismatic Leader.

### Appraisal of the Theory:

1. This theory is a mere speculation. It is not based on reliable evidence
2. This theory is a very pessimistic theory which states that we cannot create leaders.

3. It does explain the causes for a person becoming a leader. It treats leadership as an enigma (mystery)
4. It states that leaders are independent of the situational factor. History proves that situations create leaders.
5. Great men like **Gandhi** and **Napoleon** have themselves stated that they gained leadership qualities through efforts and hard work.

**20.5.a) ii) Traits Theory :** This theory states that certain traits or characteristics, forming part of the personality of the leader assure him leadership in the group. Just because a person has these characteristics he cannot become a leader. However, there is a very high probability that he will become a leader. Several authors have forwarded their own lists of essential traits of a leader. After a survey of such lists we can summarise such traits and categorise them as under:

- \* **Personality characteristics:** Sound health, vitality, vigour, endurance, assertiveness, self – confidence, adaptiveness, stress- tolerance and achievement orientation.
- \* **Intelligence :** Capacity to understand the situations the needs of the followers ability to plans & forecast and high levels of creativity.
- \* **Decision making :** Decisiveness, ability to consider all variables, willingness to take risk.
- \* **Social Qualities :** Good Communication skills, empathy, compassion, concern for others and ability to motivate people.
- \* **Moral Qualities:** High standard of ethics, a sense of commitment, a sense of righteousness and justice.

#### **Appraisal of the Theory:**

1. It is evident that the presence of many of the listed traits provides an opportunity exercising influence and leadership in the real world.
2. Attempts have been made to help individuals acquire these traits through training process.
3. Another factor to be considered is the degree or intensity of the trait required to provide a foundation for leadership potential. It is very difficult to quantify this factor.
4. It is said that the trait theory is an “in-ward” looking theory which fails to take into consideration the needs of the follower and the requirements of the situation.
5. The fact that people with diametrically opposite traits like **Mahatma Gandhi** and **Adolf Hitler** become leaders weakens the foundations of this theory.
6. It may be concluded that while traits may have a role in preparing a person for leadership they do not determine leadership.

**20.5 b) Leader -Followers Relations Theories:** A number of authors and researchers have tried to analyse leadership in terms of the behaviour and altitude of leaders with reference to the needs of the followers and the tasks of the group.

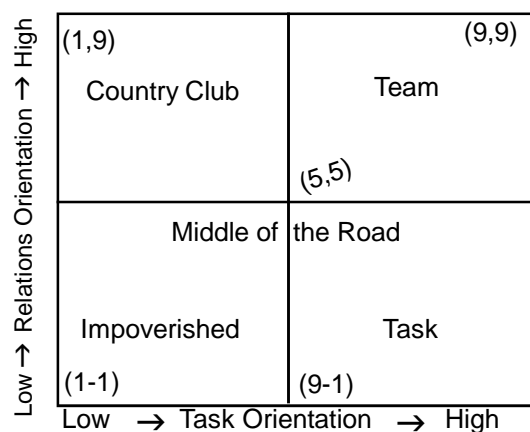
**20.5 b) (i) : Two Dimension Theories:** Theories under this category analyse the altitude and behaviour of the leaders with reference to different and important variables that affect the survival and growth of group. They are:

**1) People Oriented Behaviour :** This refers to the leaders attempts to ensure that group members feel safe, comfortable and happy working in the group. Leaders attempt to understand the needs and views of group members. They provide an opportunity for employees to express their views and feelings freely and they care for the feelings of employees. The leader maintains open

channels of communication. They show respect for these followers. Relations between leaders and followers are based on friendship, trust and faith. Leaders exercise behaviours associated with “Theory Y” style of management.

**2. Structure- Orientation :** This refers to the leaderships behaviour connected with ensuring that the group succeeds in achieving its objective. Importance is given to the performance of all activities necessary for goal - accomplishment. He is very much concerned with achieving targets. He concentrates all his attention on getting thing alone, even at the cost of putting stress on his followers. He ensures that rules and regulations are well defined and strictly followed by his followers. Group members are seen as tools useful for work – accomplishment. His behaviour reflects “ Theory Y” style of management .

The **Ohio University** study and **Michigan University** study provide the basic founders for this school of thought. Using the basic concepts of there two schools. **Blake** and **Mouton** developed the “Managerial Grid” which allows a leader analyse his own behaviour and also develop a very effective style of leadership. Based on the frid, they identified five styles of management / leadership. The grid is constructed by plotting work or task orientation on the X -axis and relations orientation or people –orientation on the Y-axis.



**1. Impoverished Style :** The leader cares neither for group goals nor for the satisfaction of the employees. He exerts no influence. He shows minimum interest in his work.

**2. Task Style:** The leader is a slave –leader. His only concern is the achievement of group goal. He does not care for the feelings of employees. He simply treats them as tools.

**3. Country Club Style:** Leaders adopting this style of leadership are afraid of confrontations and conflicts. They try to gain the acceptance of followers. They are not intested in achieving group goals. Their main objective is the maintenance of comfortable and friendly relations with all group members. Discipline is very poor and work targets are completely ignored by the leader.

**4. Middle of the Road Style :** Leaders adopting try to balance the personal needs of group members and group goals. They show an equal but reduced concern for both goals and pleasant relations. In the process they may adopt a style which may lead to suboptimisation of resources.

**5. Team Leadership Style :** The leader shows a very high concern for both theGoals of the personal satisfaction of employees. He maintains friendly relationship with the employees but does not hesitate in taking action necessary for goal achievement. This is the ideal leadership style.

**Blake and Mouton** designed training programs which helps leaders:

- i) identify their present leadership style
- ii) choose the best – leadership style and
- iii) more from the present style to the ideal-style

### **20.5 b) ii) Rensis Likert's Theory;**

**Rensis Likert** was interested in determining a leadership which would help groups, raise their efficiency and effectiveness. This research helped him conclude that leaders can exercise 4 different styles of management / leadership based on their approach to important leadership tasks like.

1. Decision making
2. Communications
3. Motivation
4. Trust and confidence in followers
5. Attitude towards Control
6. Attitude towards informal organisation

He termed the possible style of leadership as “systems of “ leadership and he identified four such systems.

**System 1 :** A system 1 leader has no confidence or trust in his followers. He feels Compelled to supervise every aspect of work. He takes all the decisions and expects followers to implement them. He believes only in giving orders and not in listening to ideas and suggestions. He primarily uses threats to motivate employees. He believes that his followers are interested only in “lower order needs”. He refuses to recognize the existence of the informal organization.

**System 2:** The leader has a degree of confidence and trust in the subordinates. He however, expects followers to always recognize his higher status. Relations are modeled on the “Master-Servant” model. Leader takes decisions but he listens to ideas of followers. He uses both rewards and punishments to motivate followers. He delegates authority occasionally. He believes that the informal organization must be controlled and suppressed.

**System 3:** The system 3 leaders has adequate confidence and trust in subordinates. He allows subordinates to take minor and routine decisions. He is willing to seriously consider the views of followers while taking major decisions. He believes in motivating followers through rewards but may not hesitate to punish erring employees. He confidently delegates authority to followers but sets clear limits on their freedom. He shows a willingness to take the cooperation of the informal organization in getting things done.

**System 4:** System 4 leaders have absolute and total confidence in their followers. They believe that subordinates have skills and commitment needed for achieving group goals. They believe in Self – direction and Self- Control by followers. Decision-making is decentralized with the leader reserving only a very few important decisions for himself. He encourages upward Communications and respects the opinions and ideas volunteered by the followers. He rarely uses punishments / threats against employees. He appeals to the “high- order” needs of employees for motivating them. Control systems are very relaxed. There are no restrictions on the flow of views, opinions and ideas of followers. In such an environment the informal organization loses its separate identity.

### **Appraisal of Relations –Oriented Theories:**

1. These theories recognize the importance of the “ Human element” in the Organisation.
2. A satisfied and happy employee works willingly for the achievement of the Organisation.

3. These theories are based on recognition of the fact that employees in modern Organisations are highly skilled and talented and can attend to this work without much difficulty.

**20.5 b) (iii) Situational Theories:** Situational theory gives importance to the fact that leadership cannot be exercised in a vacuum. Leaders must always consider the interplay of leader expectations, followers expectations and the demands of the situation before choosing a style of leadership. There are a number of feasible Leadership styles and different situations require different styles of leadership.

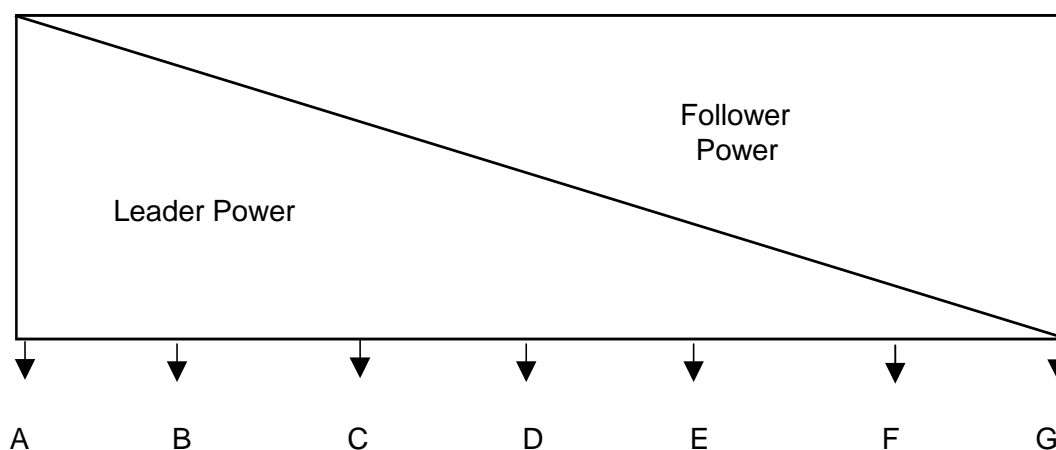
Leaders must be flexible and willing to change their leadership styles depending on situational considerations. Education and training can help leaders choose and adopt an effective leadership in any situation.

The most important situational theory is **Tannenbaum's** "Leadership Continuum Theory. He proposed this theory in his book. " How to choose a Leadership style."

#### Basic Propositions:

1. There are two ways in which a leader can get things done in a Group.
  - (a) He can tell his subordinates what has to be done and how it has to be done. The leader leaves no choice for the followers. This is called authoritarian leadership.
  - (b) The leader can define the task and share the responsibilities of planning and execution with his followers. This is called democratic leader.
2. Within the two extremes of authoritarian leadership and laissez faire (leave alone) leadership, we can recognize seven possible leadership styles.
3. these 7 styles represent a Continuum, ie., a gradual and Graded movement from extreme 'dictatorial leadership' to 'absent leadership'.
4. Authoritarian leaders exercise 'Theory X' style of leadership whereas democratic leaders exercise 'theory Y' style of leadership. Authoritarian leaders believe in Concentration of all authority whereas democratic leaders make all attempts to decentralize authority.

**Fig. 2 :** Represents the leadership styles available to a leader.



In the figure, A-G represent the possible leadership styles that are available to a leader.

It can be observed that 'A' represents authoritarian leadership whereas 'G' represents "Laissez-faire" leadership where leader exercises absolutely no authority. As we move across the continuum, leader power decreases and follower power increases.

**Description of Leadership Styles:**

Tannenbaum described leadership styles with reference to the decision making process adopted by the leader.

- A - Leader takes the decision and announces it
- B - Leader takes the decision and sells the decision
- C - Leader presents the decision and invites suggestions
- D - Leader presents tentative decision and is willing to change the decision after consultation with followers.
- E - Leader presents the problem, consults followers and takes the decision.
- F - Leader defines limits and asks the Group to take a decision.
- G - Leader allows subordinates to exercise authority within defined limits

**Factors determining leader's choice:**

Tannenbaum states that a leader must take into consideration the following three variables before choosing an appropriate style of leadership

- a) **Forces in the Leader:** The leader must thoroughly analyse his own beliefs, values, attitudes and approach to power and its utilization.
- b) **Forces in the subordinate :** He must study the skills ,abilities, talents and Capabilities of the Group members. He must analyse their needs and wants and determine their motivation levels. Other factors he must consider include their level of identification and commitment to the Organisation and their willingness to accept responsibility in the job.
- c) **Forces in the Organisation:** The leader must make an assessment of the Organisational culture. He must study the distribution of authority, extent of delegation, the technology used, the Communication and Control systems in operation in the Organisation.

The above analysis will help the leader choose and adopt an appropriate leadership style.

**Fielder's** Contingency Theory and House Mithell's Path Goal Theory are refinements of Tannenbaum Theory.

**Appraisal:**

1. Situation theories draw attention to the fact that "there is no One Good Style of Leadership".
2. Leader have a range of leadership styles from which they can choose an appropriate style.
3. It is both possible and desirable for leaders to modify their leadership styles.
4. Leaders have to carefully a number of variables before selecting an appropriate style of leadership.

**20.6 SUMMARY:**

Leadership is a phenomenon found in all Groups. Leadership is the process by which leaders influence behaviour group members to facilitate the achievement of Group Goals.

O.B. studies give importance to the functions performed by the leader and not to the personality of the leader. This is because leadership process is influenced not only by the leader's personality but also by the expectations of the followers and demands of the situation. There is a dynamic interplay of all these three forces in the real world.

A leader has to perform a number of tasks and roles with reference to group goals and group members such roles include the role of executive, planner, motivator, negotiation, enforces of rules, dispense of rewards and punishments etc.

While the process of leadership and management are closely related to one another, there are suitable differences in these two functions. Managers operate in an environment which is stable and structured. Whereas, leaders operate in a fluid and dynamic environment.



Theories studying the foundation of leadership behaviour can be classified into three categories, namely : leader oriented theories, relationship oriented theories and situational theories. All these theories help us understand the dynamics of the process. They have made significant contributions to the art of training and developing leaders.

### **20.7 TECHNICAL TERMS:**

**Charisma** : A term used to define certain personal characteristics of a leader which allow him to attract followers and command loyalty inspite of the fact that such adulation is beyond all rational limits.

### **20.8 SELF - ASSESSMENT QUESTIONS:**

1. Define the term leadership. Why is a leader required in any Group/ Organisation.
2. Bring out the difference between leadership and Management.
3. “ Readers are born; not made” – Define.
4. “A leader must take care of the needs of his followers” – Comment.
5. Explain the basic propositions involved in the “Managerial Grid Theory”. How can we use the “Grid” to develop the quality of leadership?
6. “There is no One good style of leadership”. Comment.

### **20.9 REFERENCE BOOKS:**

1. *The 21<sup>st</sup> Century Manager* : Di Kamp, Kogan Page India Pvt. Ltd., New Delhi; 2003.
2. John .w. Newstrom and Keith Davis : “Organisational Behaviour, Reading and Exercises”, Eight Edition; Mc. Grew Hill Book Company; New York ;1989.

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Behavioral Sciences

20.13

Leadership