

Organisational Behaviour

COURSE CODE: B21 BBO1 SE

Bachelor of Business Administration
Skill Enhancement Course
Self Learning Material



SREENARAYANAGURU
OPEN UNIVERSITY

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The State University for Education, Training and Research in Blended Format, Kerala

SREENARAYANAGURU OPEN UNIVERSITY

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To increase access of potential learners of all categories to higher education, research and training, and ensure equity through delivery of high quality processes and outcomes fostering inclusive educational empowerment for social advancement.

Mission

To be benchmarked as a model for conservation and dissemination of knowledge and skill on blended and virtual mode in education, training and research for normal, continuing, and adult learners.

Pathway

Access and Quality define Equity.

Organisational Behaviour

Course Code: B21BB01SE

Semester - III

Skill Enhancement Course Bachelor of Business Administration Self Learning Material (With Model Question Paper Sets)



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ORGANISATIONAL BEHAVIOUR

Course Code: B21BB01SE

Semester- III

Skill Enhancement Course

Bachelor of Business Administration

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MESSAGE FROM VICE CHANCELLOR

Dear learner,

I extend my heartfelt greetings and profound enthusiasm as I warmly welcome you to Sreenarayanaguru Open University. Established in September 2020 as a state-led endeavour to promote higher education through open and distance learning modes, our institution was shaped by the guiding principle that access and quality are the cornerstones of equity. We have firmly resolved to uphold the highest standards of education, setting the benchmark and charting the course.

The courses offered by the Sreenarayanaguru Open University aim to strike a quality balance, ensuring students are equipped for both personal growth and professional excellence. The University embraces the widely acclaimed “blended format,” a practical framework that harmoniously integrates Self-Learning Materials, Classroom Counseling, and Virtual modes, fostering a dynamic and enriching experience for both learners and instructors.

The university aims to offer you an engaging and thought-provoking educational journey. The Bachelor of Business Administration programme is highly coveted due to the current demand for skilled professionals in the field. This factor was central to our approach while designing the curriculum for this course. It strikes a balanced combination, providing a profound understanding of theoretical concepts alongside a clear exposition of practical applications. We have been cautious in ensuring that the management modules are balanced, preserving the integrity and distinctiveness of the discipline. The Self-Learning Material has been meticulously crafted, incorporating relevant examples to facilitate better comprehension.

Rest assured, the university’s student support services will be at your disposal throughout your academic journey, readily available to address any concerns or grievances you may encounter. We encourage you to reach out to us freely regarding any matter about your academic programme. It is our sincere wish that you achieve the utmost success.



Warm regards.
Dr. Jagathy Raj V. P.

01-12-2024

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BLOCK - 01

Introduction to Organisational Behaviour

Unit - 1

Introduction to Organisational Behaviour



Learning Outcomes

After this unit, the learner will be able to;

- ◊ develop an understanding of organisational behaviour
- ◊ analyse the stages of evolution
- ◊ understand the major models of organisational behaviour.



Prerequisite

Every individual reacts in one way or another to the stimulations they encounter. These reactions can be positive or negative, i.e., favourable or unfavourable to the situation. The way one reacts to their environment is known as behaviour. Behaviour plays an important role in everyday life, especially in an organisational setting. Certain consequences follow the reactions to a situation. These consequences can be positive or negative based on the reactions. If the reactions are positive, the consequences will also be positive.

In an organisation, if an employee's behaviour in a situation is positive, the superior motivates the employee with positive reinforcements. If the behaviour is negative, the response will be punishment. Positive reinforcements are used so that the behaviour can be repeated. Employees are punished to stop negative behaviour. So, a manager needs to know the behaviour of employees. The knowledge of behaviour helps managers to motivate and train employees effectively. The manager triggers that behaviour, which benefits the organisation positively.

Organisational behaviour (OB) affects not only at individual level but also at group level. The individual and group behaviour must be studied. Every individual in an organisation will have their personal interest and goals. The management



should integrate these interests into common organisational goals. It will help the organisation in achieving its objectives. It will also reduce interpersonal conflicts in groups.

This chapter tries to give a basic idea of organisational behaviour, describing why OB is essential in an organisation. Organisational behaviour follows different models to manage the behaviour of employees, which are discussed in detail.



Keywords

Organisation, Behaviour, Organisational Climate, Organisational Change, Hawthorne Experiment, Autocratic model, Custodial Model, Supportive Model, Collegial Model, System Model



Discussion

Let's start understanding organisational behaviour with the example of Coca-Cola. Coca-Cola is a beverage company that produces, sells and markets syrups and other beverages. The company is well known for its iconic product, Coca-Cola, which was developed in 1886 by pharmacist John Stith Pemberton. Asa Candler purchased the Coca-Cola formula and brand in 1889, and in 1892, he founded the Coca-Cola Company. Along with its name, Coca-Cola currently offers more than 400 brands in more than 200 nations and provides 1.6 billion servings daily. The Coca-Cola Company uses a franchised distribution system that dates back to 1889. They only produce syrup concentrate, which they then sell to numerous bottlers all over the world who each control a specific territory. Atlanta and Georgia, serve as the primary operational hub for the Coca-Cola Company. Every day, the Coca-Cola Company achieves greater material prosperity. The business employs cutting-edge strategies to appeal to today's younger generation.

Coca-Cola exemplifies the principles of **organisational behaviour** by cultivating a positive and inclusive **organisational climate**. Through clear communication, opportunities for growth, and a focus on employee engagement, Coca-Cola creates an environment where employees feel motivated, connected, and empowered to contribute to the company's success. This strong organisational climate is key to Coca-Cola's ability to thrive in an ever-changing global market

1.1.1 Meaning of Organisational Behaviour

Organisational behaviour comprises two words-organisation and behaviour. An

organisation is a group of individuals working together to achieve predetermined goals. It can be viewed as a social structure that includes all formally recognised human relationships. The organisation includes task alignment with respect to the company's ultimate goal and the division of labour among employees. It is a place where factors of production are combined to achieve predetermined objectives, management tries to combine various business activities.

According to Webster dictionary, behaviour is the way in which someone conducts oneself or behaves, or a manner of conduct. The behaviour in an organisation refers to the way employees react to situations within the organisation. As employees attempt to carry out their job responsibilities, a number of internal and external forces have an impact on their behaviour.

OB is the study of the behaviour of an organisation. In simple terms, it is the study of the behaviour of individuals within an organisation. It includes how individuals behave alone and in groups and the factors influencing their behaviour. The main ideology behind the study is the smooth running of the organisation by understanding the factors that affect the individuals and groups. It helps the human resource department design the tools to select, train, and retain employees, which in turn benefits the overall efficiency and productivity of the organisation at large.

The relationship between individuals and organisations in terms of the individual, group, organisation, and overall system is also explained by organisational behaviour. By improving relationships within the organisation, the objective is to achieve employee, organisational, and social goals.

1.1.2 Organisational Behaviour – Definitions

Stephen P Robbins -

“A field of study that investigates the impact of individuals, groups and structures on behaviour within organisations for the purpose of applying such knowledge towards improving an Organisation’s effectiveness.”

Luthans -

“Organisational behaviour can be defined as the understanding; prediction and control of human behaviour in organisations.”

Davis and Newstrom -

“The study and application of knowledge of how people act or behave within an organisation. It is a human tool for human benefit. It applies broadly to the behaviour of people in all types of organisations such as business, government, school and service organisations.”

1.1.3 Key Elements of Organisational Behaviour

The key elements of organisational behaviour are:



- ◊ People
- ◊ Environment
- ◊ Structure
- ◊ Technology

People: Employees are the main component of the organisation. Every individual has their personal goals to be achieved. Organisations should find these goals to motivate the employees and to achieve organisational objectives.

Environment: It includes the culture and its impact on the individual. The study of the environment spans a wide range of topics, including economics, culture, society, government policies, the law, politics, demographics, and its effects.

Structure: The organisational structure can be formal and informal. In formal structure, authority and responsibility flow in a pre-determined hierarchical order. Rules and regulations are formed and followed. At the same time, Informal structures arise as a result of social relationships between individuals and are usually seen outside the formal authority system.

Technology: It is a crucial component of every system. Selecting, acquiring, installing, using, and maintaining technology are all very important, and when purchasing the newest or most advanced technology, no compromises should be made.

Organisational behaviour can be studied at three levels:

- ◊ Individual level
- ◊ Group level
- ◊ Organisational level

Individual level: Organisational behaviour analysis at the individual level examines cognition, learning, perception, creativity, motivation, personality, turnover, task performance, cooperative behaviour, and deviant behaviour. It involves the intrapersonal behaviour of employees that arises through their personality, perception, motivation, expectation, and internal feelings. Organisational behaviour makes extensive use of psychology, engineering, and medicine at this level of analysis. This is also called micro-organisational behaviour.

Group level: Group dynamics, intra and intergroup conflict and cohesion, leadership, power, norms, interpersonal communication, networks, and roles are all topics covered in organisational behaviour at the group level of analysis. It showcases the intrapersonal behaviour of employees resulting from interaction between two or more persons. Organisational behaviour makes use of sociological and socio-psychological sciences at this level of analysis.

Organisational level: Organisational culture, organisational structure, cultural diversity, inter-organisational cooperation and conflict, technology, and external



environmental forces are covered in organisational behaviour at the organisational level of analysis. Organisational behaviour makes use of anthropology and political science at this level of analysis. Organisational behaviour covers both the actions of informal groups and the official organisational structures. All three types of behaviour, their effects, and those on the organisation's internal and external environments are observed, researched, and managed in organisational behaviour.

1.1.4 Need for Organisational Behaviour

- Motivate employees:** Motivation encourages people to complete their jobs. When workers believe their efforts will pay off, they are more motivated. A manager can encourage staff members to perform better at work by giving appraisals, bonuses, incentives, and other rewards. This will raise everyone's spirits and encourage them to work harder than before. Organisational behaviour encourages employees to perform better by assisting managers in understanding their needs.
- Individual behaviour:** Understanding a person's psychology and how and why he behaves in a certain way is central to the study of human behaviour. Numerous social, occupational, psychological, individual, and cultural factors, among others, have an impact on how people behave. All of these different elements make up organisational behaviour, which aids in understanding employee behaviour at work.
- Understanding self and others:** An individual's understanding of themselves and others is improved through organisational behaviour, which also enhances interpersonal relationships. People can better shape their personalities and understand others by understanding attitudes, leadership, perception, transactional analysis, and conflicts. Organisational behaviour can be studied at the following levels and aids in understanding human behaviour in every way possible:
 - Individual behaviour
 - Inter-personal behaviour
 - Group behaviour
- Organisational climate:** Instead of improving the physiological conditions or the level of employee satisfaction, the creation of an organisational climate facilitates effective organisational working. To establish a positive organisational climate, small steps like providing suitable working conditions, adequate pay, and better tools for the job are often taken.
- Organisational change:** Change is a natural part of life and offers many chances for personal development. Organisations occasionally need to correct themselves in specific circumstances, and in order to do so, they must undergo a change. The change in an organisation is caused by a number of factors, including technological, social, political, and environmental factors. Because a

change in the organisation may have an impact on the attitudes and performance of those employees, there may be many affected employees who frequently resist the change. This kind of issue can be resolved by utilising behavioural sciences and teaching staff members the advantages of the change.

1.1.5 Importance of Organisational Behaviour

Organisational behaviour (OB) is a multidisciplinary field that examines how individuals, groups, and structures influence behaviours within organisations. By studying OB, we can gain deeper insights into various aspects of organisational dynamics, which are critical for achieving individual and organisational success. Below are the nine key reasons why understanding organisational behaviour is essential:

- 1. Understanding Human Behaviour:** Organisational behaviour helps us comprehend why people behave the way they do in the workplace. It examines factors like motivation, personality, perception, and communication, providing managers and employees with the tools to understand and address individual differences. This understanding fosters a more harmonious work environment where diverse personalities and perspectives are appreciated.
- 2. Predicting Behaviour:** By analysing past and present behaviours, organisational behaviour equips managers with the ability to anticipate how employees are likely to act in specific situations. This predictive capability is crucial for effective decision-making, allowing leaders to foresee potential challenges and opportunities before they arise.
- 3. Controlling and Influencing Behaviour:** Organisational behaviour empowers leaders to shape workplace dynamics through effective strategies and interventions. By understanding factors like motivation and team dynamics, managers can implement policies that positively influence employee behaviour, fostering a productive and collaborative work environment.
- 4. Improving Organisational Effectiveness:** The study of organisational behaviour directly contributes to improving the overall performance and efficiency of an organisation. It emphasises the alignment of individual goals with organisational objectives, promoting synergy and optimising resource utilisation to achieve better outcomes.
- 5. Facilitating Organisational Change:** Change is inevitable in any organisation. Organisational behaviour provides tools and frameworks for managing resistance to change and ensuring smooth transitions. It enables leaders to understand employee concerns, communicate effectively, and implement changes that align with the organisation's vision and goals.
- 6. Improved Employee Relations:** By promoting mutual understanding and effective communication, organisational behaviour fosters healthy relationships among employees and between management and staff. Strong employee relations lead to higher job satisfaction, reduced conflicts, and a more cohesive organisational culture.



7. **Understanding Organisational Culture and Climate:** Organisational behaviour helps in analysing and shaping the culture and climate of an organisation. A strong and positive culture improves employee morale and commitment, while a favourable climate enhances productivity and workplace satisfaction. Understanding these elements is crucial for long-term organisational success.
8. **Enhancing Leadership Skills:** Leadership is a cornerstone of organisational success, and OB equips leaders with the skills needed to inspire and guide their teams. By studying leadership theories and practices, individuals can develop the ability to manage, motivate, and empower employees effectively.
9. **Promoting Innovation and Creativity:** Innovation is vital for organisational growth and survival in competitive markets. Organisational behaviour encourages a culture of creativity by understanding factors that drive innovation, such as collaboration, autonomy, and open communication. This fosters an environment where employees feel motivated to think outside the box and contribute new ideas.

The study of organisational behaviour is indispensable for creating thriving, adaptable, and effective organisations. By understanding and applying its principles, managers and employees can build a positive and productive workplace that aligns individual aspirations with organisational goals, ultimately driving success and innovation.

1.1.6 Historical Evolution of Organisational Behaviour

Although the study of organisational behaviour can be traced back to Max Weber and earlier organisational studies, it is generally accepted that the academic study of organisational behaviour began in the 1890s with the rise of scientific management, with Taylorism as the movement's apex. As a result, Fredrick Winslow Taylor is credited with founding the academic field of organisational behaviour by introducing the systematic use of goal setting and rewards to motivate employees.

At Western Electric's Hawthorne Plant, productivity studies were carried out in the 1920s by Harvard Professor Elton Mayo, an Australian by birth. With the publication of this groundbreaking study, organisational studies began to concentrate on examining how psychology and human factors affected organisations. The Hawthorne Effect was the name given to this change in emphasis in the study of organisations. The Human Relations Movement put a strong emphasis on groups, inspiration, and helping people in organisations achieve their goals.

Development stages of organisational behaviour are explained in detail below.

1.1.6.1 Industrial Revolution

The emergence of British power led to the Industrial Revolution. During the Industrial Revolution of the nineteenth century, a sizable group of people had to collaborate in manager-subordinate relationships. Because membership was not voluntary prior to

this, many of the large organisations that did exist were military organisations where the leader's authority was absolute and essentially unchallenged. Adam Smith was one of the prominent personalities at the time, and he proposed the division of labour in 1776. In his book *Wealth of Nations*, Smith proposed the idea of specialisation and coordination within corporations as a source of economic growth. Smith made significant contributions to management theory in the areas of specialisation and division of labour.

The invention of the steam engine was another development during the period that resulted in the improvement of the transportation of goods and raw materials. The steam engine lowered production and transportation costs, thus lowering prices and allowing products to reach more distant markets. Before the Industrial Revolution, goods and services were produced in small batches at home and lacked standards. Family-run home production gave way to factory production during the Industrial Revolution.

Famous industrialists with outstanding managerial skills include John D. Rockefeller, Henry Ford, Andrew Carnegie, and William C. Durant. They possessed the managerial skills required for industrialisation's early stages. However, this strategy was no longer appropriate as the Industrial Revolution grew older and stabilised.

1.1.6.2 Scientific Management

The scientific management theory places a strong emphasis on individual efficiency and productivity. Fredrick Winslow Taylor (1890–1940), through his book *Principles of Scientific Management*, is credited as the originator of this theory (1911). His suggestion was to use management as a field in which scientific methods and principles can be applied. He had such an impact on management science that Taylorism is frequently used to describe it. Taylorism is the original form of scientific management, despite the fact that the terms "scientific management" and "Taylorism" are frequently used interchangeably. Taylorism is occasionally referred to as the "classical perspective", which denotes that it is still acknowledged for its influence but is no longer exclusively used.

Scientific management can be summarised in four main principles:

- ◊ Using scientific methods to determine and standardise the best way of doing a job
- ◊ A clear division of tasks and responsibilities
- ◊ High pay for high-performing employees
- ◊ A hierarchy of authority and strict surveillance of employees

Others in the movement, such as Frank and Lillian Gilberth and Henry L Gantt, made especially significant contributions.

1.1.6.3 Human Relations Movement

The Human Relations Movement, made popular by Elton Mayo and his well-



known Hawthorne studies carried out at the Western Electric Company's Hawthorne Plant, continues to serve as the basis for a lot of our management philosophy today. Elton Mayo led a research team that looked into the reasons for a very high turnover in the mule-spinning division of a Philadelphia textile mill in 1923 and 1924 before the Hawthorne studies were formally launched. The team established a series of rest breaks after speaking with and consulting the employees, which led to significantly lower turnover and improved employee attitudes and morale. Hawthorne's studies focused on exploring the link between employee satisfaction, wellbeing, and workplace productivity.

The Hawthorne experiments had four parts:

1. Illumination Experiment.
2. Relay Assembly Test Room Experiment.
3. Interviewing Programme.
4. Bank Wiring Test Room Experiment.

Illumination Experiment - Since the initial experiments were created to investigate the connection between lighting and productivity, they strongly reflected the physical orientation of scientific management. The output increased along with the increase in light intensity. Even after gradually lowering the illumination to the desired level, the output continued to trend upward. Therefore, it was determined that there is no consistent correlation between worker output and factory illumination. There must be another element that had an impact on productivity.

Relay Assembly Test Room Experiment - Accordingly, a second set of experiments took place between 1927 and 1933, known as the Relay Room experiments. A small, uniform workgroup of six girls was formed for this experiment. These girls cooperated well with one another and were asked to work in a relaxed setting with a researcher's oversight. Throughout the experiment, there was a noticeable uptick in both productivity and morale. Even after all the improvements were removed and the pre-test conditions were reinstated, productivity continued to rise and stabilise at a high level. The researchers concluded that socio-psychological elements like a sense of importance, attention, participation, and a cohesive work group held the key to greater productivity.

Interviewing Programme - The goal of this programme was to conduct a thorough analysis of the attitudes of the employees in order to understand the significance of their "working situation". The researchers questioned numerous employees about their views on their jobs, working conditions, and management. In the beginning, a direct strategy was employed, in which interviews asked questions deemed crucial by managers and researchers. The researchers noticed that the workers' responses were reserved. Consequently, an indirect technique was used in place of this approach, where the interviewer listened to what the workers had to say. The results supported the significance of social factors in the overall workplace.

Bank Wiring Test Room Experiment - The goal of the experiment was to study a

group of workers in settings that were as similar to normal as possible. There were 14 employees in this team. The production records of this group were contrasted with those from before the experiment. It was noted that the group established its own, lower than those established by management, production norms for each individual worker. As a result, workers would only produce that much, defeating the purpose of the incentive system. Workers who attempted to produce more than the standards set by the group were isolated, harassed, or disciplined.

The Hawthorne studies highlighted how social aspects of the workplace affected output, particularly the impact of supervisors' individualised attention and interpersonal relationships. The focus of the management field was significantly changed as a result of this development.

The important features of the Hawthorne Experiment are:

1. A business organisation is basically a social system. It is not just a technoeconomic system.
2. The employer can be motivated by psychological and social wants because feelings, emotions and attitudes also influence his behaviour. Thus, economic incentives are not the only method of motivating people.
3. Management must learn to develop cooperative attitudes and not rely merely on command.
4. Participation becomes an important instrument in the human relations movement. In order to achieve participation, effective two-way communication network is essential.
5. Productivity is linked with employee satisfaction in any business organisation. Therefore, management must take a greater interest in employee satisfaction.
6. Group psychology plays an important role in any business organisation. We must, therefore, rely more on informal group effort.
7. The neo-classical theory emphasises that man is a living machine and is far more important than the inanimate machine. Hence, the key to higher productivity lies in employee morale. High morale results in higher output.

A psychological phenomenon known as the Hawthorne effect causes improvements in human behaviour or performance as a result of increased attention from superiors and peers. By fostering a sense of teamwork and a shared purpose, the combined effort can improve outcomes. The Hawthorne effect generates new ideas about the value of work groups, leadership, communication, motivation, and job design, which advances the emphasis on personnel management and interpersonal relationships.

1.1.7 Organisational Behaviour Models

Models are instruments that make it possible to understand difficult ideas and concepts clearly. Models are theoretical structures or hypothesised explanations for

why employees behave in particular ways at work. There are numerous models because there are numerous organisations (each behaving in a particular way, catering to its needs). One of the main causes of the disparities in outcomes between organisations is variations in organisational behaviour models.

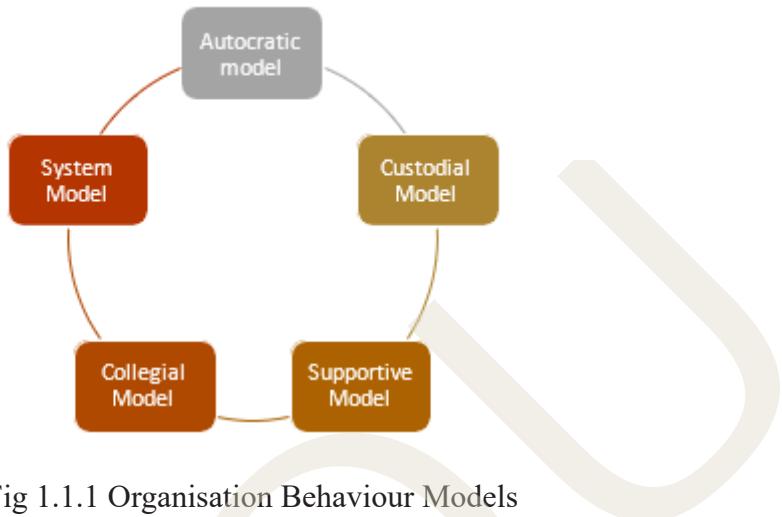


Fig 1.1.1 Organisation Behaviour Models

1.1.7.1 Autocratic Model

The basis of this model is that authority, decision-making and responsibility are vested with the top management. According to this model, the workers are focused on obedience and discipline. They are reliant on their manager. Employers are the ones who employ workers, and those workers obey their orders. The model prevents authorities from considering their suggestions. The manager in an organisation that employs the autocratic model has the power to direct the workers to carry out a particular task. The major drawbacks of this model are that people are easily frustrated, insecure, dependent on their superiors, and have low performance because of the minimum wage. Companies apply this model in extreme circumstances like organisational catastrophes.

Features of the Autocratic model

- i. **Decision-making power with top management:** Only the top management has the authority to make decisions, and if workers disobey them, they risk being disciplined. According to the autocratic model theory, only management has the authority to determine what is right or wrong. Employees are presumptively obedient and unresponsive to the demands and needs of the company.
- ii. **Formal by nature:** Organisations that follow the autocratic model have a formal managerial attitude and have official authority. People are forced to follow all the instructions.
- iii. **Provides direction:** Having a strong leader in a group provides directions to the team, assigns tasks to different members, and establishes solid deadlines for projects to be finished. The group is more likely to complete the project on time and with equal contributions if clear roles are established, tasks are assigned,

and deadlines are set.

- iv. **Focus on objectives:** This model frees group members from having to worry about making difficult decisions so they can concentrate on carrying out specific tasks. Additionally, doing so enables group members to develop advanced skills in carrying out specific tasks, which ultimately helps the entire group succeed.
- v. **Dependent on Boss:** In such organisations, the boss has total control over the workers. As a result, employees don't feel valued or like they are a part of the whole team. Low levels of work performance are the result.

How autocratic model can be made successful?

1. Listen to teammates and provide subordinates their freedom to express their concerns. Do not make them feel ignored or rejected.
2. Establish clear rules, and subordinates should have clarity on these rules.
3. Assist and train employees to fill the knowledge gap, so that they can do their job better.
4. Recognise the success in the team, more than pointing out mistakes.

1.1.7.2 Custodial Model

The primary goal of the custodial model of organisational behaviour is to keep employees safe. Once that is in place, employees are free from the uncertainty or chaos brought in by the autocratic model. This model emphasises the needs of the employees in terms of satisfaction, security, and welfare, which makes the worker rely more on the company than the employer. This model fosters employee motivation and loyalty. Although frequent financial rewards and recognition make the employees happy, they do not promote high motivation. Due to the fact that this model offers financial benefits in the form of wages and various other programmes from the company, employees are content and happy with it.

In this model, the employees are concerned with their security and the benefits that are offered to them. They are reliant on the business. As the name implies, this model is used by businesses with substantial resources. It is reliant on financial resources. This strategy encourages relying on the company rather than the manager or boss. They cooperate passively because they are content but not particularly motivated.

Major features of the Custodial Model

- i. **Monetary benefits:** Employees are motivated by economic rewards such as salary, wages and other financial benefits. The drawback of this model is that employees' performance becomes reliant on the rewards and compensation they receive, and they only pay attention to the financial benefits the company offers.
- ii. **Employee security:** Employees in organisations following this model are very secure. Organisations with good financial positions follow this model to provide timely payment of salaries, pensions, wages, and other benefits to the



employees.

iii. Role of Management: The custodial model states that managers can motivate staff members and enhance performance by offering financial incentives, such as bonuses and benefits for excellent work.

1.1.7.3 Supportive Model

In contrast to the custodial approach, the supportive model of organisational behaviour places more emphasis on the development and performance of employees than on the financial rewards they receive. The psychological outcome is that as the employee takes part in the organisation's expansion and development, he begins to feel a sense of belonging to it. The performance and participation of the employees in this model are prioritised. Status and recognition are provided, which satisfies the employee requirement. In this model, the concept of leadership is presented from a managerial point of view, where the manager actually leads his/her employees by setting good examples, being available and being involved in the various work tasks.

The company can use this model to compel its staff members to take part in organisational activities and to make financial contributions to the business. Because an organisation supports its employees, workers are highly motivated because their status and identification needs are better met, resulting in an alert drive for work.

Major features of the Supportive Model

- i. Employees are self-motivated:** Employees are self-motivated, proud of their work, and eager to produce positive results for the company. The supportive model seeks to capitalise on this self-motivation by involving and supporting the employees' immediate management.
- ii. Role of Manager:** According to the supportive model of organisational behaviour, the manager should be viewed as a facilitator of positive support for the staff. In order to get the best performance out of each employee, the manager should be dedicated to all of them.
- iii. Participation of employees:** Because management gives employees a chance to participate, the employee grows a sense of belonging to the organisation. They can assume responsibility for that work if given the chance, but they must make an effort to contribute and perform better. In contrast to the custodial model, which places more emphasis on providing benefits, this model's management is more concerned with enhancing employees' performance by giving them opportunities.
- iv. Highly Motivated Employees:** Employees in a supportive model organisation are more motivated to work because their needs for money, status, and recognition are fully satisfied. Employees are motivated and strong in their work.

1.1.7.4 Collegial Model

A group of people who share a common objective is referred to as the collegial

model of organisational behaviour. Teamwork is related to the collegial model of organisational behaviour. Teamwork, or everyone working as a peer, is the cornerstone of the collegial model. In accordance with this model, management strives to create a stronger team and functions as a collaborator rather than a leader. A manager is a “coach” who focuses less on his own performance and more on directing and coaching his team members to perform well. Collegial refers to a highly cooperative group of individuals working together by sharing the workload in order to maximise productivity and meet organisational objectives.

In this model, workers feel appreciated and needed, which in turn encourages them to act responsibly and with self-control toward the business.

Features of the Collegial Model

- i. **Employee Cooperation:** In the collegial model, management and employees develop a sense of partnership that makes the employee feel valued and important within the company. The workers start to respect their jobs because the manager is also working on the project. Instead of exercising authority, the manager takes an active role in the process.
- ii. **Employees are responsible:** Employees take pride in the superior quality of their goods and services, which will benefit the business's workforce as well as its customers. The self-discipline promoted by the collegial model drives employees to produce higher-quality work.
- iii. **Role of management:** This model states that the only way for any team to complete the assigned task is through teamwork. A team's members should all be equally motivated and responsible for their tasks, but management must concentrate these forces as a whole in order to meet organisational objectives.

1.1.7.5 System Model

The system model is a newly emerging model of organisational behaviour. This model is founded on trust and self-motivation, and performance outcomes will exceed expectations as a result of employees' commitment to completing tasks according to plan and to the organisation's objectives. It is the outcome of a strong search for greater meaning at work on the part of many modern employees. Employees in a system model desire working conditions that are moral, characterised by honesty and trust, and that allow for the emergence of a sense of community or association among coworkers.

The managers make a constant effort to let their staff know how important they are to the operation. They truly love each of them. They want to band together to improve local businesses, social services, and society at large. They will make every effort to produce environment-friendly products.



Recap

- ◊ Organisation behaviour comprises two words- organisation and behaviour.
- ◊ OB is the study of the behaviour of individuals inside the Organisation.
- ◊ Key elements of OB include- people, environment, structure, and technology
- ◊ OB involves study at individual, group and organisational levels
- ◊ The scientific management theory places a strong emphasis on individual efficiency and productivity.
- ◊ Taylorism is occasionally referred to as the “classical perspective”
- ◊ The Human Relations Movement is made popular by Elton Mayo
- ◊ Hawthorne studies was focused on exploring the link between employee satisfaction, well-being and workplace productivity.
- ◊ According to the Autocratic model, the workers are focused on obedience and discipline.
- ◊ In the Custodial Model, employees are motivated by economic rewards such as salary, wages and other financial benefits.
- ◊ The supportive model of organisational behaviour places more emphasis on the development and performance of employees than on the financial rewards they receive.
- ◊ Teamwork is related to the collegial model of organisational behaviour.



Objective Questions

1. Which OB model embodies a team concept based on the principle of mutual contribution by employer and employees?
2. At what levels is Organisational Behaviour studied?
3. Hawthorne studies are related to which stage of organisational behaviour evolution?
4. What are the key elements of OB?
5. What is the focus of the autocratic model of organisational behaviour?

6. Which model prevents authorities from considering the suggestions of workers?



Answers

1. Collegial Model
2. Individual, Group and Organisational Levels
3. Human Relations movement
4. People, Structure, Environment, Technology
5. Obedience
6. Autocratic Model



Self - Assessment Questions

1. What is Taylorism?
2. How did Elton Mayo influence management theory, and how did the human relations movement affect current management theory?
3. Why is it important to learn the behaviour of an organisation?
4. Describe the features of the autocratic model.
5. Explain the Hawthorne experiment.



Assignments

1. Organisational behaviour case:

Jane Arnold wants to be a manager. She enjoyed the accounting, finance, and marketing courses. Each of these provided her with some clear-cut answers. Now, the professor in her organisational behaviour course is saying that there are very few clear-cut answers when it comes to managing people. The professor discussed

some of the emerging challenges, the historical background, and ways in which behavioural science concepts play a big role in the course. Jane is very perplexed. She came to school to get answers on how to be an effective manager, but this course surely doesn't seem to be heading in that direction.

2. How would you relieve Jane's anxiety? How is a course in organisational behaviour going to make her a better manager?
3. Why did the professor start with a brief overview of emerging challenges?



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Unit -2

Personality



Learning Outcomes

After this unit, the learner will be able to;

- ◊ understand the meaning and definitions of the concept of Personality.
- ◊ describe the determinants of the personality of an individual.
- ◊ identify the key personality traits.
- ◊ evaluate the relevance of different personality traits to organisational behaviour.



Prerequisite

Why are some individuals quiet and meek while others are wild and aggressive? Are some personality types better suited to specific job kinds than others? Finding answers to these questions has never been easier for people, especially employers across businesses. Organisations may be interested in knowing more about a candidate's or employee's learning styles, communication preferences, personal strengths, and other characteristics for a variety of reasons. For instance, a manager will be better able to get the most from an employee if the manager is aware of the employee's preferred method of learning, such as reading, speaking with peers, seeing demos, etc. Similarly to, team members can better utilise one another's skills and better comprehend how others may be approaching a given work or problem if they are aware of each other's specific strengths. Likewise, understanding personality aids managers and people inside organisations in different ways. This unit is developed to create a better understanding of the concept of personality and how it is relevant to the field of organisational behaviour.



Keywords

Personality, Personality Traits, Heredity, Environment, Experience, Values



Discussion

Understanding personality and personality traits is important in many fields, including psychology, business, and organisational behaviour, as it helps explain how individuals approach tasks, interact with others, and contribute to teams. The study of personality and personality traits offers profound insights into improving organisational behaviour, increasing productivity, and enhancing employee satisfaction.

1.2.1 Personality – Meaning and Definitions

Personality is a complicated topic with a long history of contentious and intriguing research. It is a term that is freely and commonly used to describe a person's individuality. Philosophers, astrologers, psychologists, social scientists, neuropsychologists, and more have all investigated personality. As a result, there are many ideas and methods for understanding personality.

Personality, in general, refers to “a wide range of distinctive characteristics that set people apart from one another.” Personality traits can evolve and shift over time, influenced by various factors. While some traits may remain relatively stable, they produce predictable patterns of behaviour that are consistent across contexts and circumstances. When we discuss personality, we don't necessarily imply that a person is charming, has a great outlook on life, or is always smiling. When psychologists refer to a person's personality, they are describing a dynamic concept that describes how their entire psychological system grows and develops.

Nearly 70 years ago, **Gordon Allport** created the concept of personality that we use the most today. According to Allport, a person's personality is “*the dynamic organisation inside him of those psychophysical systems that define his particular responses to his environment*”. For our purposes, personality should be viewed as the culmination of an individual's responses to and interactions with others. Most frequently, we define it in terms of the quantifiable characteristics that a person possesses.

Personality is defined by **McCrae and Costa** (1989) as persistent emotional, interpersonal, experiential, attitudinal, and motivational styles that explain behaviour in different situations. Personality, according to **Funder** (2001), is “a person's distinctive pattern of thought, emotion, and behaviour, together with the psychological mechanisms-hidden or not-behind those patterns.”

Hogan (1998) asserts that personality has two distinct definitions. The first, which is visible and verifiable, deals with how others see someone or personality from the observer's point of view. The second is private and must be understood; it deals with the structures, dynamics, processes, and propensities that explain why a person behaves in a particular way.

1.2.2 Measurement of Personality

People who aspire to be more effective, as well as consultants, recruiters, reformers,

and researchers, have all shown an interest in measuring personality. In many B-schools, students have the option to take a personality test to determine their best field of study or suitability for a particular job description made public as part of campus hiring. Recruiters and selectors within organisations could be curious to discover which of the short-listed applicants would be better team players or who would be more diligent.

Research has shown that personality tests are helpful in recruiting decisions and assist managers in predicting who is best for a position, which is the main reason managers need to know how to measure personality. Self-report questionnaires are the most commonly used tool for measuring personality since they allow respondents to rate themselves on a variety of traits, including “I worry a lot about the future.” However, one drawback of self-report questionnaires is that the respondents may fabricate information or use impression management techniques to present themselves in a favourable light. The ratings may not be as accurate if a perfectly qualified individual was not in a good mood when taking the survey. Surveys based on observer ratings offer an unbiased evaluation of personality. Here, the rating is done by a coworker or another observer (sometimes with the subject’s knowledge, sometimes not).

According to studies conducted over the past ten years, the Five Factor Model (also known as the “Big Five” of personality), the Positive and Negative Affectivity Scale (PA/NA), and the Core Self-Evaluations are the three personality assessments that are most frequently employed. Additionally, there is a strong and significant correlation between these measures of personality.

1.2.2.1 The Big Five Personality Model

The Big Five Model’s central claim that five fundamental qualities underpin all others and account for the majority of the variance in human personality is supported by an impressive collection of research. Additionally, test results for these characteristics are highly effective at predicting how people will act in a range of real-life scenarios.

Experts agree that this model, which is based on the Traits approach to personality, is both valid and accurately reflects the important characteristics of personality that are stable over time. The five-factor structure allows for personality measurement through self-reports, peer evaluations, observer ratings, and even assessments from strangers while accounting for cultural differences in socialisation. The following are the Big Five factors;

- a. Extraversion: This refers to how comfortable and engaged an individual is in social relationships.
- b. Agreeableness: It describes a person’s tendency to defer to others and cooperate in social situations.
- c. Conscientiousness: This reflects an individual’s reliability and degree of self-discipline.
- d. Emotional stability: This indicates a person’s capacity to handle stress and



manage emotional reactions

- e. Openness to experience: This speaks to the diversity of interests and the attraction to new experiences or ideas

1.2.2.2 Positive and Negative Affectivity Scale

Affectivity refers to a person's predisposition to experience positive or negative emotions towards various things consistently. Positive Affectivity (PA) and Negative Affectivity (NA) are considered basic dimensions of personality. Positive Affectivity refers to the tendency to experience positive emotions such as joy, enthusiasm, and alertness. People who are high in PA tend to be highly energised, upbeat, enthusiastic, enjoy engaging in activities, and tend to be social and engage positively with others. Negative Affectivity refers to the tendency to experience negative emotions like sadness, anxiety, and irritability. People high in NA may be more prone to experiencing distress or pessimism. High NA, on the other hand, are more likely to experience distress, unpleasant engagement, nervousness, anxiety, and pessimism.

1.2.2.3 Core Self-Evaluations

Core self-evaluations are given as a comprehensive personality construct that draws from various fields of study. Three specific core self-evaluations are;

- a. *Self-esteem*: Self-esteem is a person's overall assessment or opinion of who they are as a person.
- b. *Self-efficacy*: An individual's self-efficacy reflects their confidence in their ability to do a certain activity or group of tasks successfully.
- c. *Locus of Control*: It is a personality trait that reflects how much a person thinks that they, rather than their surroundings, luck, or fate, decide how their life will turn out.

1.2.3 Determinants of Personality

Physical environment, heredity, culture, and experiences all contribute to one's personality in different ways. Here, we go over each determinant of personality in turn.

- i. **Environment**: The physical and mental characteristics of a population are greatly influenced by climate and geography. However, it is important to note that these factors alone do not determine behaviour. Every society contains a range of personality types. A person's physical environment in which he lives can influence the thoughts and attitudes that he develops.
- ii. **Heredity**: Human personality is also influenced by heredity. There is a theory suggesting that some personality traits can be attributed to shared genetic factors. Each group of humans inherited the same basic set of biological requirements and abilities. These shared demands and abilities can explain some of our similarities in personality. However, it is incorrect to assume that someone's



personality is fixed in its path by their genetic makeup.

- iii. **Culture:** Culture plays a significant role in shaping personality. Some scholars argue that culture and personality are deeply interconnected, with culture being a key determinant of the personality types that predominate in a given population. A society's traditions, practices, religion, institutions, moral standards, and social norms can have a profound impact on the development of its members' personalities. From the moment a child is born, the way they are nurtured and socialised within their culture influences their personality.
- iv. **Experiences:** Experiences also play a vital role in shaping personality. These experiences can be categorised into two main types. The first type involves ongoing experiences with groups, such as family, school, or community, which help shape a person's values, behaviours, and social identity. The second type consists of unique, one-off experiences that, while less frequent, can have a lasting impact on an individual's personality. The people a child interacts with regularly, along with significant life events or challenges they face, play a major role in influencing the development of their personality.

1.2.4 Personality Traits

Gordon Allport has combined ideas from many different disciplines, including philosophy, religion, literature, and sociology, in his work. His most important contribution was identifying personality as a distinctive pattern of traits that defines an individual. Personality traits are essentially a person's default way of engaging with the outside world and their typical way of thinking, feeling, and acting. Over time and space, differences between people tend to be rather constant. According to the traits theory, people vary in their levels of dependability, aggression, and anxiety, among other traits.

Sixteen personality traits were constructed by Cattell and Kline (1977), and each feature was given a score between 0 and 10, with 10 being the highest score. Trait theory has been used in a variety of applications more recently. For instance, Miller, in one of the studies uses well-known analytical frameworks to explore the less desirable characteristics of entrepreneurs. The following exhibit shows a gist of personality traits.

Factor	Low Score Description	High Score Description
Warmth	Reserved, detached, formal	Warm, outgoing, participating
Reasoning	Concrete-thinking, lower general mental ability	Abstract-thinking, more intelligent
Emotional Stability	Affected by feelings, emotionally less stable	Mature, emotionally stable

Dominance	Coooperative, submissive, accommodating	Dominant, assertive, competitive
Liveliness	Serious, restrained, introspective	Lively, enthusiastic, cheerful
Rule-Conscientiousness	Expedient, nonconforming, disregards rules	Rule-conscious, dutiful, conforming
Social Boldness	Shy, threat-sensitive, timid	Socially bold, venturesome, uninhibited
Sensitivity	Tough-minded, self-reliant, objective	Tender-minded, sensitive, clinging
Vigilance	Trusting, accepting, unsuspecting	Vigilant, suspicious, distrustful
Abstractness	Practical, grounded, conventional	Abstract, imaginative, absentminded
Privateness	Forthright, unpretentious, genuine, open	Private, discreet, astute
Apprehension	Self-assured, secure, complacent	Apprehensive, self-doubting, worried
Openness to Change	Traditional, conservative	Experimenting, liberal
Self-Reliance	Group-dependent, a "joiner" and sound follower	Self-reliant, solitary, prefers own decision
Perfectionism	Tolerates disorder, impulsive, uncontrolled	Controlled, perfectionists, organised
Tension	Relaxed, tranquil, patient	Tense, frustrated, impatient

1.2.5 Personality Traits Relevant to OB

Although the Big Five features have shown to be quite significant to OB, there are still other traits that can be used to identify a person's personality. We will now examine more specific characteristics that are excellent organisational behaviour predictors



further. The first has to do with our fundamental self-evaluation. The other traits are orientation, narcissism, self-monitoring, risk-taking inclination, and Machiavellianism.

1.2.5.1 Core Self-Evaluation

Those with good core self-evaluations believe in themselves and perceive themselves as competent, effective, and in charge of their surroundings. People who have negative core self-evaluations typically detest themselves, doubt their talents, and believe they have no control over their surroundings. People that exhibit this attribute see more challenge in their work and land more complex positions.

1.2.5.2 Machiavellianism

Niccolo Machiavelli, who wrote about how to acquire and exploit power in the sixteenth century, is the inspiration for the personality trait known as Machiavellianism (sometimes abbreviated as Mach). A person who practises high levels of Machiavellianism is a pragmatist, keeps an emotional distance, and feels that ends can justify means. Numerous studies have revealed that high Machs are more manipulative, more successful, less susceptible to persuasion, and more persuasive than low Machs. They are less satisfied with their occupations, experience more work-related stress, and exhibit more irregular work habits.

1.2.5.3 Narcissism

The term derives from the Greek story of Narcissus, a prideful and conceited man who fell in love with his own reflection. In psychology, narcissism refers to an inflated feeling of self-importance, excessive need for admiration, entitlement, and arrogance in a person. According to evidence, narcissists are more charismatic, which increases their likelihood of becoming leaders. They may even exhibit superior psychological health.

1.2.5.4 Self-monitoring

Self-monitoring refers to a person's capacity to modify their behaviour to situational outside circumstances. People with high self-monitoring rates have significant flexibility in modifying their actions in response to external situation factors. They might behave differently because they are very perceptive to outside signals in various circumstances, occasionally displaying inconsistencies between their private selves and their public selves. Low self-monitors are unable to pass for someone else in that way. As a result, there is a high degree of behavioural consistency between who they are and what they do. They have a tendency to show their actual dispositions and attitudes in every setting.

1.2.5.5 Risk-taking

Different people have varying levels of risk tolerance, which influences how much time and information they need to make a decision. Managers, for instance, engage in simulated hiring decision-making exercises. Compared to managers who take less risk, high risk-takers make choices faster and with less information. It's interesting to note

that both groups' decision accuracy will be the same.

1.2.5.6 Proactive personality

Those with proactive personalities, as opposed to those who passively respond to circumstances, see opportunities, take the initiative, act, and persist until significant change occurs. Regardless of restrictions or difficulties, or sometimes even in spite of them, proactive people bring about positive change in their surroundings.

1.2.5.7 Other orientation

Some people appear to instinctively worry a lot about the feelings and well-being of other people. Others engage in a logical and essentially self-interested manner as "economic actors." These variances are a result of different amounts of other orientations. This personality trait indicates how much social pressure and worries impact our decisions as opposed to our own well-being and results.

1.2.6 Values

Is the death penalty morally justifiable? Is it good or bad if a person likes power? These questions have answers that imply our value system. Some people might contend that the use of the death penalty is proper since it serves as a fitting punishment for crimes like treason and murder. Others would assert, just as vehemently, that no government has the authority to end the lives of anyone.

Values stand for fundamental beliefs that "a particular pattern of behaviour or end-state of life is personally or socially superior to an opposite or converse mode of behaviour or end-state of existence." Because they convey a person's opinions on what is proper, admirable, or desirable, they have a judgmental component. Values have both intensity and content characteristics. According to the content attribute, behaviour is crucial. The intensity characteristic indicates its importance. A person's value system can be determined by ranking their values according to their degree of importance. Everybody has a value system, which is a hierarchy of values. We discover it in the relative weight we give to ideals like self-determination, enjoyment, self-respect, integrity, obedience, and equality.

"Values are fundamental convictions that a particular course of action or goal is preferred over the opposite or reverse, either in terms of personal or societal preference or as a way of acting or reflecting the ultimate reality." A value system is a hierarchy that is built on how strongly someone values various things.

The Rokeach Value Survey was designed by Milton Rokeach (RVS) and consists of two sets of values, each of which has 18 distinct value elements. There are two sets: one is known as the terminal values, and the other is the instrumental values.

The idealised states of existence that one would wish to reach at the end of one's life are known as terminal values. Some examples of terminal values in the Rokeach Value Survey are Prosperity and Economic success, Freedom, Health and Well-being, World

peace, Social recognition, and Meaning in life.

Instrumental values are preferred ways to act or fulfil one's ultimate goals. It determines the prevalent values in today's workforce by comparing generational disparities in values. The types of instrumental values illustrated in RVS are Self-improvement, Autonomy and self-reliance, Personal discipline, kindness, Ambition, and Goal-orientation. Several studies confirm that RVS values vary among groups. People in the same occupations or categories (corporate managers, union members, parents, students) tend to hold similar values.



Recap

- ◊ Personality refers to a wide range of distinctive characteristics that set people apart from one another.
- ◊ Measurement of Personality: Big Five Personality, Positive and Negative Affectivity Scale, Core Self-Evaluations
- ◊ Determinants of Personality: Environment, Heredity, Culture, Experiences
- ◊ Personality traits are essentially a person's default way of engaging with the outside world.
- ◊ Personality traits relevant for OB: Core Self-Evaluation, Machiavellianism, Narcissism, Self-monitoring, Risk-taking, Proactive personality, Other orientation
- ◊ Values are fundamental convictions that a particular course of action or goal is best is preferred to the opposite or the reverse in terms of personal or societal preference or a way of acting or the ultimate reality.
- ◊ A value system is a hierarchy that is built on how strongly someone values various things.
- ◊ Terminal values are desirable end-states of existence; the goals a person would like to achieve during his or her lifetime.
- ◊ Instrumental values are preferred ways to act or ways to fulfil one's ultimate goals.





Objective Questions

1. What are the main determinants of Personality?
2. Outgoing, Talkative, and Social are part of which personality trait?
3. Relaxed and Secure are part of which personality trait?
4. What are Instrumental Values?
5. Trust and Cooperative are part of which personality type?
6. What is the process of acquiring knowledge or skills
7. What term describes the rate at which a person learns?
8. Which theory suggests that people learn through observation?



Answers

1. Environment, Heredity, Culture, Experiences.
2. Extroversion
3. Emotional stability
4. One's ultimate goals
5. Agreeableness
6. Learning
7. Learning Curve
8. Social Learning



Self - Assessment Questions

1. What is personality? How do we typically measure it?
2. What factors determine personality?
3. What are the Big Five personality traits?

4. How do the Big Five traits predict work behaviour?
5. Besides the Big Five, what other personality traits are relevant to OB?
6. What are values, why are they important, and what is the difference between terminal and instrumental values?



Assignments

1. Are you more of an introverted or extroverted leader? What can you do to leverage your personality to be a more effective leader?
2. Under what conditions do you think extroverts make more effective leaders than introverts? What unique abilities of introverts could make them more effective in some situations?



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Unit - 3

Perception



Learning Outcomes

At the conclusion of this unit, the learner will be able to;

- ◊ familiarise the concept of Perception,
- ◊ recognise the importance of perception to OB,
- ◊ describe various factors influencing Perception
- ◊ familiarise with the concept of Learning



Prerequisite

We all have unique likes and dislikes, and we often see and experience the same things in very different ways. These differences in viewpoints, preferences, and attitudes stem from how we perceive the world around us. Perception shapes our understanding of people, situations, and events, influencing how we respond to them.

Have you ever wondered why two people can witness the same event and interpret it completely differently? Or why do some individuals enjoy a task while others dread it? These differences are rooted in perception, the process through which we interpret and make sense of the information we receive from our surroundings.

Social psychologists have long studied how and why people differ in their perceptions and attitudes. They aim to uncover the factors behind our preferences and how these influence our behaviour. In organisations where people work together towards shared goals, understanding perception becomes especially important. Since people are the heart of any organisation, their attitudes and perceptions can significantly impact its overall success.

In this unit, we will explore the concept of perception, how it influences attitudes, and why understanding these ideas is essential in the study of organisational behaviour.



Keywords

Motive, Interests, Experiences, Cognitive, Affective, Behavioural, Value Expressive, Ego-defensive, Social Learning Theory, Learning Curve



Discussion

Imagine you're walking into a room filled with people you don't know. Your perception of the situation might be influenced by several factors: the people's body language, the tone of their voices, the way the room is arranged, or even your personal experiences and expectations. It shapes how we view the world and influences our actions, relationships, and decisions. In organisational behaviour, **perception** is a crucial concept that helps us understand how individuals interpret and make sense of the events and people they encounter in the workplace.

1.3.1 Perception - Meaning and Definitions

Perception is described as a person's view of reality. Perception is a process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment.

The collection of activities that a person engages in order to become aware of and evaluate their surroundings is referred to as perception. Although perception is sometimes referred to as a single process in discussions of behavioural concepts and processes, it actually consists of multiple different processes. Additionally, when we perceive, we take in data in a variety of forms, such as form and movement, spoken words, and visual representations. To comprehend it, the receiver assimilates the various forms of incoming information through perceptual processes.

Perception is the method in which we perceive the world. The information received through the five senses of touch, smell, hearing, vision, and taste is given additional meaning.

Several scholars have defined organisational behaviour in their unique ways:

Stephen P. Robbins (2005)

"Organisational Behaviour is a field of study that investigates the impact that individuals, groups, and structure have on behaviour within organisations, for the purpose of applying such knowledge towards improving an organisation's effectiveness."

Fred Luthans (2005)

"Organisational Behaviour is directly concerned with understanding, predicting, and controlling human behaviour in organisations."



Keith Davis (1981)

“Organisational Behaviour is the study and application of knowledge about how people - as individuals and as groups - act within organisations.”

John W. Newstrom (2015)

“Organisational Behaviour is the systematic study of the actions and attitudes that people exhibit within organisations.”

These definitions collectively highlight the interdisciplinary nature of OB, which draws from fields like psychology, sociology, and management to understand and improve workplace dynamics.

1.3.1.1 Perception - Importance to OB

Managers base their appraisal of a worker's performance on their views of the worker's behaviour. The selection interview is one workplace scenario that emphasises the value of perception. Culture also impacts perception. We tend to view things in certain ways based on our cultural upbringing.

Why is perception important in the study of OB? Simply because people's behaviour is based on their perception of what reality is, not on reality itself. The world, as it is perceived, is the world that is behaviourally important.

1.3.2 Factors Influencing Perception

How can we account for the reality that different people can view the same item and have quite different perceptions of it? Numerous elements influence perception, sometimes skewing it. These elements may be present in the perceiver, the perceived item or target, or the context in which the perception is made. (see figure 2.3.1)

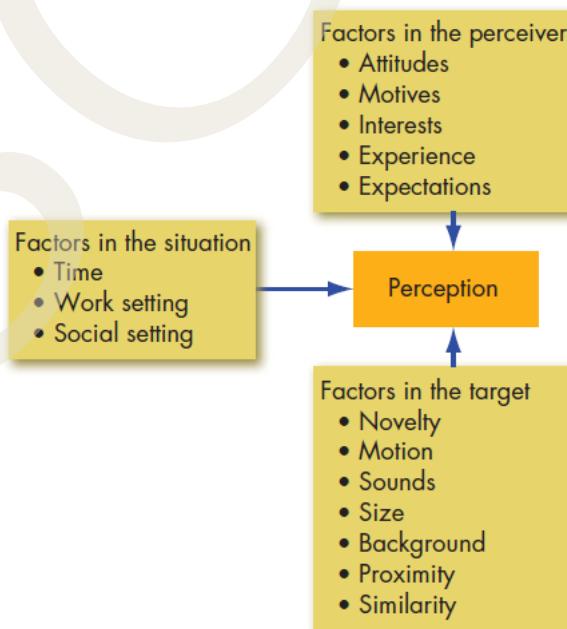


Fig 2.3.1 Factors affecting Perception

1.3.2.1 Factors in the Perceiver:

The perceiver's traits can influence perception in a number of ways. Personal traits of the perceiver have a significant impact on how an individual interprets what they see when they gaze at a target and try to make sense of it. The primary traits of the perceiver that affect perception are;

- ◊ attitudes,
- ◊ personality,
- ◊ motives,
- ◊ interests,
- ◊ past experiences and
- ◊ expectations.

1.3.2.2 Factors in the Target

What is perceived can vary depending on the characteristics of the target being observed. The way we see other people is greatly influenced by their physical appearance. Extremely attractive or unattractive people are more likely to stand out in a crowd than regular people that you like. A target's motion, sound, size, and other characteristics influence how we perceive it.

People, objects or events that are similar to each other also tend to be grouped together. The greater the similarity, the greater the probability we will tend to perceive them as a group.

1.3.2.3 Factors in the Context

Context is also important. Our attention can be affected by the moment we first see an object or an event, as well as by its location, the amount of light and heat, and a variety of other environmental conditions. The following elements can be considered as contextual influencers of perception;

- ◊ time
- ◊ work setting
- ◊ social setting

1.3.3 Learning

Learning refers to the process through which individuals or groups acquire knowledge, skills, attitudes, and behaviours that influence their performance and interactions within the organisation. Learning in OB is often viewed as a key factor in improving job performance and enhancing adaptability. It involves changes in an

individual's knowledge or behaviour as a result of experience, education, training, or reflection. Learning is not only about acquiring information but also about applying it in practice. The ability to transfer knowledge and skills from one context to another is a key aspect of effective learning in OB.

1.3.3.1 Theories of Learning

1. Behavioural Learning Theories

The Behavioural Learning Theories focus on how external stimuli (environmental factors) shape behaviour. These theories emphasise that learning occurs as a result of interactions with the environment, and behaviours are either reinforced or discouraged based on their outcomes. The main premise of these theories is that learning can be measured by observable changes in behaviour rather than by internal thoughts or feelings. The two most prominent behavioural learning theories are Classical Conditioning and Operant Conditioning.

Ivan Pavlov formulated classical conditioning theory, and Pavlov's experiment with dogs is a classic example of classical conditioning. Initially, the sound of a bell (neutral stimulus) did not cause the dogs to salivate. However, when he repeatedly paired the bell sound with the presentation of food (unconditioned stimulus), the dogs began to salivate at the sound of the bell alone. Over time, the bell became a conditioned stimulus that triggered salivation (conditioned response). Classical Conditioning in Organisational Behaviour offers insights into how workplace stimuli can influence employee emotions, behaviours, and attitudes through associations. It is especially useful in designing reward systems, managing stress and shaping behaviour; for instance, if an employee repeatedly receives praise for a certain behaviour, they may begin to associate that behaviour with positive reinforcement and, thus, be more likely to repeat it.

Operant Conditioning, developed by B.F. Skinner expands on this by suggesting that behaviour is shaped by reinforcement or punishment. In an organisational setting, this theory is applied through performance-based incentives, rewards for desired behaviour, or disciplinary actions for undesirable behaviours. Managers can use positive reinforcement to encourage desired behaviours. For example, providing employees with bonuses, praise, or promotions for high performance. Negative reinforcement can also be used if a manager removes unpleasant tasks or tight deadlines once an employee completes a key project or task.

2. Constructivism Learning Theory

Constructivism is a learning theory that emphasises the active role of learners in constructing their own understanding and knowledge through experiences. The theory is grounded in the idea that knowledge is not passively received but rather actively built by the learner as they engage with their environment, interact with others, and reflect on their experiences. Constructivism asserts that new learning is best understood when it connects with existing knowledge. Learners build on their prior experiences and understanding to make sense of new information.

3. Social Learning Theory

The theory formulated by Albert Bandura, states that people learn by observing and imitating others, particularly role models. This form of learning is evident in organisational environments where employees learn from the behaviours of leaders, mentors, or colleagues. Social learning also involves motivation, as individuals are more likely to imitate behaviours they perceive to be rewarded. In OB, this concept is commonly used in mentorship programs or when employees model the behaviours of successful leaders. Bandura identified several key processes involved in observational learning: attention, retention, reproduction, and motivation. First, for learning to take place, the observer must pay attention to the model and the behaviour being demonstrated. Then, the observer must be able to remember the behaviour, storing it for later use. Reproduction refers to the ability to physically or cognitively replicate the observed behaviour, and motivation involves the desire or incentive to engage in the behaviour, often influenced by the anticipated rewards or punishments for doing so.

1.3.3.2 Learning Curve

A learning curve is a visual depiction of how quickly a person or system acquires a new skill or task over time. A learning curve is a graphical representation of the rate at which a person or system learns a new skill or task over time. It demonstrates the connection between practice and performance, usually showing how performance enhances as more practice is accumulated.

The learning curve shows quick improvement at first as a learner gets used to a task, then slows down as they become more skilled. It helps visualise progress over time, showing fast initial learning followed by slower progress as experience grows.

1.3.3.3 Learning and Behaviour

The connection between learning and behaviour lies in the fact that learning shapes and influences behaviour, while behaviour can also reinforce learning. As individuals learn, their behaviour changes in response to new information or skills. For example, when someone learns a new task, their behaviour initially involves mistakes or trial-and-error, but over time, with practice, their actions become more efficient or automatic.

While learning influences behaviour, ongoing behaviour can also impact the learning process. For example, the more an individual practices a skill or behaviour, the more efficient and automatic their performance becomes, eventually leading to mastery. However, if a behaviour is not reinforced or the individual does not continue to practice, the learning may plateau, and the behaviour may weaken over time.



Recap

- ◊ Perception is the process by which we become aware of objects and events in the external world.
- ◊ Perception is determined by three sets of factors namely, factors in the Perceiver, factors in the target, and factors in the context.
- ◊ Factors in the Perceiver: Personal traits like attitudes, personality, motives, past experiences, and expectations influence how we perceive things.
- ◊ Factors in the Target: The characteristics of what is being perceived, such as appearance, size, motion, and similarity, shape our perception.
- ◊ Factors in the Context: External factors like time, environment, social setting, and culture impact how we interpret situations and people.
- ◊ Learning refers to acquiring knowledge, skills, attitudes, and behaviours that influence performance and adaptability in an organisation
- ◊ Constructivism emphasises the active role of learners who build on their previous experiences and knowledge to create new understanding.
- ◊ Social Learning Theory, formulated by Albert Bandura, asserts that individuals learn by observing others and imitating behaviours, especially those that are rewarded.



Objective Questions

1. What is perception?
2. What are the major contextual factors influencing perception?
3. What factor can influence how we interpret what we see?
4. What is the primary process in Social Learning Theory?
5. What process involves remembering and storing observed behaviours?



Answers

1. A person's view of reality.
2. Time, Work setting, Social setting

3. Past Experiences
4. Observation
5. Retention



Self - Assessment Questions

1. Define perception.
2. What are the major factors influencing the perception of individuals?
3. Explain the importance of perception to OB
4. Explain the theories of Learning.
5. What is Social Learning?
6. Explain the functions of attitude in detail.



Assignments

1. Identify an example which is perceived differently by you and one of your friends. Try to find out the possible factors that influenced your perception.
2. How does social learning theory explain the influence of media on younger generations' behaviour? Provide an example of how they might learn behaviours by observing others in media.



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BLOCK - 02

Organisational Behaviour: Attitude, Group Behaviour, Organisational Culture and Organisational Change & Development

Unit -1

Attitude and Group Behaviour



Learning Outcomes

This unit will enable the learner to;

- ◊ familiarise with the concept of Attitude
- ◊ familiarise with the concept of Group Behaviour
- ◊ understand the different stages of group formation
- ◊ discuss the different types of Groups.



Prerequisite

Group formation is like laying the foundation of a house; it provides the base for everything else. Imagine a sports team coming together. Each player has a specific role, like the defender, forward, or goalkeeper, just as each group member has their own responsibilities. The team's structure, like a game plan, helps everyone understand their part and work towards the same goal.

The way a group interacts and works together is like the smooth passing of a ball or the coordinated movements of players on the field. In business, a well-organised group, where everyone is focused on a common objective, has a better chance of success and growth. To understand how groups work effectively, we need to look at the attitudes of individuals and how they influence group behaviour. This helps us create stronger teams, overcome challenges, and achieve shared goals. Let's explore this connection further.



Keywords

Attitude, Group Behaviour, Group formation, Performance Management, Workplace, Leader



Discussion

In any workplace, we often work as part of a team to reach shared goals. But have you ever noticed that not all teams work smoothly? Some people naturally take charge, others may be quiet, and sometimes there can be tension. This is all part of group behaviour, which is how people act, interact, and influence each other in a team. Understanding group behaviour helps us work better together and create a more positive work environment.

2.1.1 Attitude – Meaning and Definition

Attitude is an important variable in human behaviour which helps in a person's personality traits i.e., optimistic or pessimistic, negative or positive etc. In other words, reporting an attitude involves making a decision concerning liking vs. disliking, approving vs. disapproving or favouring vs. disfavouring a particular issue, object or person.

According to Michael Hogg, "An attitude is a negative or positive evaluation of an object which influences human's behaviour towards that object".

Martin Fishbein defined "An attitude is a learned predisposition to respond favourably or unfavourably towards people, an object, an idea or a situation".

According to Stephen P Robbins, "Attitudes are evaluative statements, either favourable or unfavourable concerning objects, people or events."

2.1.2 Components of Attitude

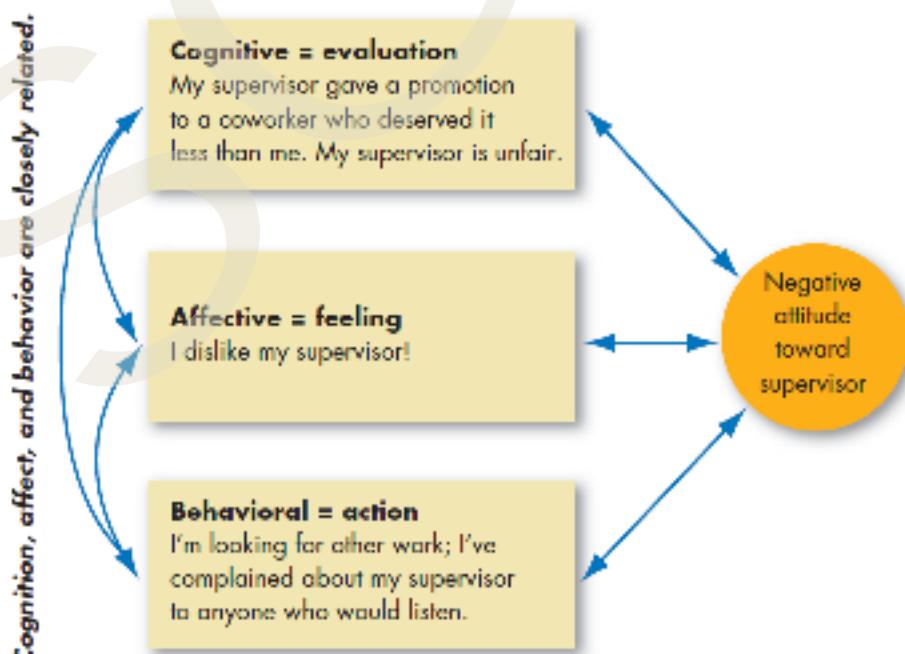


Fig 2.1.1 Components of Attitude

- a. **Cognitive:** This refers to our thoughts, beliefs, or ideas about something. For example, when thinking about a group of people, the cognitive aspect often involves stereotypes, like the belief that “welfare recipients are lazy.”
- b. **Affective:** This involves the emotions or feelings something triggers, such as fear, sympathy, or hate. For instance, someone might feel dislike toward welfare recipients.
- c. **Behavioural:** This is the tendency or inclination to act in certain ways toward something. It focuses on what we are inclined to do, rather than what we actually do, as intentions and actions can differ.

2.1.3 Characteristics of Attitude

- a. Attitudes are learnt: Attitude is learnt through experiences or social interaction or encounter of an event. It is not an inborn phenomenon.
- b. Attitudes are predispositions: These are already formed opinions or are predetermined on the basis of prior experience or information.
- c. Attitude has an object: It has an object (object can be an idea, a person or a situation) which is favoured or disfavoured or analysed as positive or negative.
- d. Attitude has an emotional component: Attitude is having an emotional aspect in the form of like or dislike, positive or negative.
- e. Attitudes influence human behaviour: Attitude has all the power to mould the behaviour of a person in a positive or negative form.
- f. Attitude is a relatively stable phenomenon: Attitude is basically a stable phenomenon which persists for a while. It does not change so frequently.

2.1.4 Functions of Attitude

“Attitude allows us to respond to the individual or object in a meaningful way or manner.” People adopt certain attitudes because they support them in achieving their fundamental objectives. According to Katz, attitudes fulfil four different types of psychological functions. It is necessary to hold a certain kind of attitude because of the below-mentioned functions:

- a. **Instrumental:** When something helps or benefits us, we acquire positive views toward it. We aim to reduce penalties while increasing rewards. According to Katz, we cultivate attitudes that aid us in achieving this goal. We support political parties that will improve our economic situation; for example, if we own a business, we support the party that will maintain our low taxes, and if we are unemployed, we support the party that will boost social welfare payments. If changing our views will help us achieve our goals or avert negative outcomes, we are more likely to do so.
- b. **Knowledge:** Attitudes create a purposeful, ordered environment. We all look



for some stability, order, and orderliness in our lives. We can develop standards of evaluation with the aid of attitudes. We can bring order and clarity to the intricacies of human life through attitudes like stereotypes.

- c. **Value Expressive:** Reinforce your core principles and your self-image. For instance, if you identify yourself as a Catholic, adopting Catholic principles and values will help you to maintain that identity. For example, we may view ourselves as educated conservatives or militant radicals, and as a result, we nurture attitudes that we think demonstrate such a fundamental belief.
- d. **Ego-defensive:** Certain attitudes shield us from facing fundamental facts about ourselves or the unpleasant realities of life. They act as protective measures. For example, people who experience feelings of inferiority may grow to have a superior mindset.

2.1.5 Types of Attitudes

a) Positive Attitude

A positive attitude means having an optimistic mindset and focusing on the good, no matter the situation. People with a positive attitude tend to see the good in situations, even when faced with challenges. A positive attitude can increase motivation, productivity, and overall happiness. Such people tend to be more successful in both personal and professional aspects of life because they are persistent and handle stress better.

b) Negative Attitude

A negative attitude is marked by pessimism, cynicism, and a tendency to focus on the unfavourable aspects of situations. Negative attitudes can lead to dissatisfaction, poor relationships, and low motivation. They can contribute to feelings of dissatisfaction and stress, making it harder for individuals to cope with challenges. Such attitudes may hinder personal growth and the ability to connect with others effectively.

c) Neutral Attitude

A neutral attitude reflects a lack of strong feelings or opinions towards a particular person, situation, or event. Neutral attitudes suggest that an individual is impartial or unaffected by a situation, often resulting in passivity or indecision.

d) Aggressive Attitude

An aggressive attitude is characterised by hostility, anger, or a desire to dominate or control others. People with an aggressive attitude tend to express their opinions or desires in a forceful or confrontational manner, often disregarding others' feelings or perspectives. While aggressive individuals may get their way in the short term, their behaviour can damage relationships, create unnecessary tension, and lead to resentment.

e) Passive Attitude

A passive attitude is marked by a tendency to avoid conflict, suppress personal

opinions or feelings, and let others take the lead. People with passive attitudes often let others make decisions for them or avoid confronting issues, even when they are unhappy with a situation. While passive attitudes may help avoid immediate conflict, they often lead to internal frustration, resentment, and a lack of fulfilment. People with passive attitudes may struggle to assert themselves, which can prevent them from standing up for their needs or achieving their goals. This can lead to dissatisfaction and a lack of self-confidence.

f. Proactive Attitude

Proactive people are driven, accept accountability for their deeds, and actively seek out methods to make their surroundings better. Unlike aggressive, they need not exhibit force, but are very deterministic in their approach. They have a growth mindset and are willing to take initiative.

g. Reactive Attitude

On the other hand, people with a reactive attitude tend to respond to events passively, letting circumstances dictate their actions rather than taking control. They can easily feel overwhelmed and tend to lay back unless otherwise put to action. They are not willing to take initiative and try to avoid responsibility unless specifically assigned to them.

2.1.6 Measurement of Attitude

Attitude measurement means assessing the attitude using various methods and instruments. Common ways to measure attitude include:

- a. Self-Report Questionnaires:** These are the most common tools for measuring attitudes. Participants respond to a series of questions about their thoughts, feelings, or behaviours regarding a specific topic. Likert Scale can be used. It is a common type of rating scale that measures the intensity of agreement or disagreement with statements.
- b. Projective Techniques:** These are indirect methods often used in psychological testing. Word Association Test is a projective technique in which participants are presented with a stimulus word and are asked to respond with the first word that comes to mind. The associations made can reveal unconscious attitudes, emotions, and thought patterns related to the stimulus word. Thematic Apperception Test (TAT) is another projective technique where participants are shown ambiguous images and are asked to create a story about what is happening in the image. The content of the story may provide insights into the individual's underlying motivations, conflicts, and attitudes.
- c. Behavioural Measures:** These assess attitude by observing actual behaviour, under the assumption that people's actions can reflect their attitudes. Direct observation of behaviours related to the attitude object. For example, it is important to watch how much someone engages with a product, service, or social cause.



- d. **Focus Groups and Interviews:** Focus groups and in-depth interviews provide data about attitudes by allowing participants to express their thoughts and feelings in their own words. Researchers can study deeper into the reasons behind individuals' attitudes and explore the complexities of their views.
- e. **Attitude Change:** It refers to the process by which an individual's beliefs, feelings, or behaviours toward a particular object, person, event, or issue are altered. Attitude change can be influenced by several key factors that shape how people think, feel, and behave toward a particular object, issue, or individual. It is a key aspect of personal growth, social influence, and organisational transformation.

2.1.7 Factors Influencing Attitude Change

- a. **Persuasion:** When people are exposed to convincing arguments or emotional appeals, they may change their attitudes. The effectiveness of persuasion depends on the message content, the credibility of the source, and the medium used to deliver the message.
- b. **Cognitive Dissonance:** When there is a conflict between an individual's beliefs and actions, they may experience discomfort. To reduce this discomfort, they may change their attitudes to align more closely with their behaviours.
- c. **Social Influence:** Attitudes can be influenced by the people around us, including family, peers, or authority figures. Social pressure, conformity, and obedience can all shape an individual's attitude.
- d. **Personal Experience:** Direct interactions or personal experiences with a person, product, or situation often lead to attitude change. For example, having a positive or negative encounter with a product can shape future attitudes toward it.
- e. **New Information:** Exposure to new facts, evidence, or perspectives can cause a shift in attitudes. When individuals are presented with compelling information that contradicts their existing views, they may reconsider their beliefs.
- f. **Emotional Appeals:** Emotions like fear, guilt, happiness, or anger can trigger changes in attitudes. For example, fear-based appeals in advertising can prompt individuals to change their attitude toward certain health behaviours.
- g. **Cultural and Environmental Factors:** The broader cultural context and environment, including media, societal norms, and public opinion, can influence an individual's attitudes. Social trends, political climate, and cultural values also play a role in shaping attitudes.

2.1.8 Group Behaviour

Management and organisations emphasise the importance of group work. Modern organisations are encouraging the use of teams and groups in the workplace. These restructurings have resulted in flatter organisational structures, broader control spans,

and a reduction in the number of management layers. The primary objective of this restructuring is to increase employee empowerment and efficiency. In light of global economic competition, increasing diversity within the workforce, and technology's expanding role, it is essential to develop new ways to work within these teams. In today's increasingly volatile workplace, teamwork appears crucial to achieving organisational objectives, increasing productivity, and ensuring employee satisfaction. Taking into account many factors, the importance of groups and effective teamwork becomes increasingly apparent. This section will discuss the concepts of groups and teams in detail.

2.1.8.1 Concept of Group

Groups can be referred to simply as the number of individuals who consider themselves to be members of them. For instance, if you are part of the 'People and Organisations' or in a seminar or lecture, you are part of a group. However, it is of limited use when examining how effective or ineffective groups are in an organisation.

Schein (1988), defined the group from a psychological perspective, which means a group is any number of people:

- ◊ who interact with one another,
- ◊ who are psychologically aware of one another and
- ◊ who perceive themselves to be a group.

2.1.8.2 Significance of Group Behaviour

- a. **Solving Work Problems:** The use of groups provides an efficient method for resolving the problems that an organisation faces. They allow employees to share job knowledge and make decisions that affect their jobs and the goals of their organisations.
- b. **Better coordination:** Having a good team spirit facilitates the smooth flow of information and quick decision-making, which will contribute to better coordination between various individuals and departments.
- c. **Channel of Communication:** A group acts as a means of filling communication gaps within an organisation. Communication between groups cuts across departmental and hierarchical borders and allows information to be shared more quickly. The management can use groups to share information with workers and understand how they respond to management proposals. If handled properly, communication can be an invaluable tool for an organisation.
- d. **Better Relations:** When an organisation forms groups with its employees, it will be able to establish better relationships with them and can enlist their cooperation to accomplish its objectives.
- e. **Norms of Behaviour:** It is important for groups to develop a set of norms of behaviour that define what is acceptable and unacceptable conduct and what

are legitimate and illegitimate activities. Through these norms of behaviour, discipline and order are brought among employees in the group.

- f. **Developing Future Executives:** It is common for groups to recognise talented workers as their leaders. Management can use these workers in the future to fill positions that become vacant.
- g. **Security:** When a group is established, it helps its members achieve the organisation's common goals. After becoming a member of a group, everyone will feel secure. While life can be incredibly challenging for individuals, living in a group helps them face and solve these challenges. Essentially, the group serves as a security shield for them.
- h. **Status:** The members of each group have their own individuality. When someone joins a renowned group, they feel that their social status is satisfied. Nowadays, it is considered to be a status symbol to be a member of such groups.

2.1.8.3 Formation of Group

There are multiple reasons that prompt people to join groups. Some people join groups in order to satisfy some of their needs or achieve some of their goals. Some people are forced to join groups because they cannot refuse them. In order to achieve an organisation's goal, employees are required to perform tasks assigned by their boss along with others. This is just one example, but several other factors influence group formation.

The following are the factors that influence or govern the formation of groups:

- a. **Personal Traits:** Personal traits primarily determine group formation. People join groups because they share similar interests, beliefs, values, and attitudes. People with similar beliefs, interests, values, and attitudes form groups. The groups foster their interests and beliefs, enabling them to interact more easily with those who share similar values, beliefs, and attitudes.

It is the same principle that governs the formation of political parties. People form groups out of security and affiliations. They feel secure after joining the groups. Employees form unions to ensure that they are protected from termination threats and other dangers of unemployment. After joining a union, they feel safe.

- b. **Identical Objective:** It is natural for people with similar objectives to form groups and come together. Executives pick up individuals and assign them marketing or sales tasks. As a result, people can interact and work together, and they are able to share each other's burdens. They are well acquainted and have the same objectives so that they can form a team.
- c. **Emerging Leadership:** Leaders emerge from the group when people come together. They form a group with a powerful will. As a result, the leader is accepted by the people, and they follow him, believing that their interests will be safeguarded. As groups form, leaders get authority from their followers.

Groups are formed, and people join them who want to become leaders or can emerge automatically as leaders. A leader's role is quite significant to a group's members.

d. **Interaction:** The need for interaction is a very strong driver for people to form groups. They get the chance to interact in a group and join it or form it with others. Through interaction, social relationships form. A desire to have an interaction is a potential reason for forming a group.

2.1.8.4 Stages of Group Development

The formation of a group cannot be completed within a short period of time. It needs to go through several stages before it becomes mature. These stages are known as forming, storming, norming, performing and adjourning.

Stage 1: Forming

Group formation is the first stage of development. It is during this stage that many difficulties arise as a result of setting objectives and goals, framing rules and regulations, gaining the confidence of the members, framing the structure, determining who should be in charge, and resolving differences between members.

Group formation is characterised by uncertainty, which is the group's orientation period. This is a chaotic time when it's crucial to define and redefine the group's purpose, activities and priorities. Members of the group choose their leader or allow an emerging leader to emerge during this stage. When leadership is chosen, another stage occurs, known as storming.

Stage 2: Storming

The storming stage is the time when conflict arises between members of the group. It is the time when group leaders need to pacify and resolve conflicts stemming from interpersonal behaviour.

During storming, tensions and hostility arise among members, while some have strong resistance to certain opinions or issues. The leader must accept the challenge, settle disputes, and get the members to bury their differences. After all such differences have been settled, the third stage is norming, when the group begins to develop.

Stage 3: Norming

Group cohesion develops under this stage as leadership is established. Members of the group start believing in each other, and mutual understanding develops. A sense of belonging and togetherness is strengthened during this stage. There are no conflicts or misunderstandings between members. Consensus over leadership and goals emerges, and members feel cohesive. Members start identifying with the group. This is the norming stage, and the group now moves on to performing.

Stage 4: Performing

The interpersonal relationship among members is booming during the performing



stage and they establish intimacy. They start opening their hearts to each other. They try to ease the tension that arises out of dissatisfaction.

Group members begin to work as a team and interact freely. Members believe that raising minor issues may cause conflict. They want to set aside minor issues. As group members mature, they help each other, understand each other better, and help each other perform better at work. They are aware of their limits and the nature of their involvement and make rational decisions.

Stage 5: Adjourning

Adjourning is the phase where the group dissolves, involving the completion of tasks, the ending of roles, and a reduction in reliance on one another. Members often experience a mix of emotions as they prepare to separate from the group and the leader. They begin to transition toward new relationships and activities as the group comes to an end. Achievements are recognised, and there's pride in what's been done. People share thanks and appreciation, along with sadness about leaving the team. This stage acts as a guide for future projects and ensures a smooth transition for team members.

2.1.8.5 Types of Groups

Groups can be classified in many different ways on various bases. The following are the basic groups based on formal and informal character, purpose, and size.

a. Formal Groups

An organisation's formal groups are created as part of its organisational structure to accomplish organisational tasks. An organisation's work groups are a good example of formal groups. These groups are required by the organisation, which provides a system of rules and regulations for the achievement of organisational goals. They are governed by hierarchical authority within the organisation. They are required to follow the rules, regulations, and policies of the organisation.

According to A.L. Stencombe, "A formal group is said to be any social arrangement in which others plan the activities of some persons to achieve a common purpose".

The formation of formal groups helps achieve goals efficiently and without problems. They facilitate the coordination of activities and assist in forming logical relationships between people and positions. They create unity among the group members. Leonard R Sayles has divided formal groups into command groups and task groups.

- i. **Command Group:** In a command group, subordinates are directly responsible for a supervisor, and the groups are structured according to the organisation. All subordinates in an organisation have a duty to report the official task to the concerned officer. This group is responsible for accomplishing the target allotted by the higher officials. This department is dedicated to this particular task and is very active throughout the completion of the target within the time frame designed by the management.

ii. **Task Group:** Project teams, quality circles, and audit teams are examples of task groups formed to complete a project. The task of these groups is to complete a task within an allotted amount of time. Once a task is completed, they are assigned a new task to complete.

b. Informal Groups

There are informal groups within formal organisations that develop as a result of social needs and individuals' desire to maintain relations with others. Working at an office or plant leads to the formation of informal groups. As a result of their interaction, groups are formed. These groups are spontaneous and emotional in nature. Keith Davis defined an informal group as "the network of persons and social relations which is not established or required for formal organisation."

The organisation has not taken any active interest in the formation of informal groups, which employees form as they work together in the workplace. As explained by M Dalton, "Informal groups are cliques". Cliques are groups of people from different levels of an organisation coming together to achieve a common goal. A clique can be horizontal, vertical, or random. Horizontal cliques are composed of people from the same rank or work area. Vertical cliques are composed of people at different levels of the organisation. A random clique consists of employees from both horizontal and vertical lines who share a common interest.

It is common for managers to view informal groups as detrimental and disruptive to their organisations' interests. Many managers suspect their integrity and view them as virtual threats. Some managers seek assistance in completing tasks quickly and do not consider them threats. Organisational objectives can be accomplished by utilising the strengths of informal groups. Informal groups are categorised into the following categories:

- i. **Interest Group:** In interest groups, employees come together to achieve a common goal, such as bonus payments, salary raises, medical benefits, and other services. People with common interests form interest groups.
- ii. **Friendship Group:** They form clubs and associations based on the friendship between people outside the plant or office who share similar views, tastes, opinions and belong to the same age group.
- iii. **Reference Group:** In general, it is the group that helps shape their ideas, beliefs, values, etc. Often, families are important reference groups for people. In addition, teams of players playing a game are also reference groups.

Apart from the above categories, there is another type called the Membership Group. This group can be formal or informal and refers to an organisation of people who share the same profession and are connected to one another. For example, faculty members at a university form a membership group.

c. Classification based on Purpose of Group



- i. **Vocational Groups:** A group that carries out the same occupation, such as a managers' association, a teachers' association, etc.
- ii. **Instructional Groups:** People enrolling in the same course, such as students doing M Tech in the same field.
- iii. **Government Group:** An association formed to represent the governing body, such as a municipal council or management board.
- iv. **Religious Group:** Formation of a group by people belonging to the same religion.
- v. **Recreational Group:** A group formed for recreation, such as a football team or cricket team.

d. Classification based on the Size of the Group

A group can have any number of members, ranging from two to any number. The size of the group impacts the behaviour of the members. Small groups of two or three require special attention.

- i. **Dyad or Group of Two:** The Dyad consists of only two people. There is no third party present to mediate disagreements or differences in opinion. Therefore, there are frequent quarrels and fights between the two members. However, they maintain agreement and do not engage in quarrels between them. They avoid or set aside disagreements between them. In a Dyad, differing opinions and disagreements are not allowed to surface, so there is no clash. However, disagreements can lead to new ideas, which are useful when making decisions.
- ii. **Triad or Group of Three:** Triads usually consist of three members. However, when two members are in strong agreement with one another while the third is strongly opposed, a problem arises. Managers almost never form trios.
- iii. **Small Group:** They consist of a very small number of people ranging from four, five to forty, fifty or so, and they are quite significant. Examples of small groups include the workforce, task force, committees, teams, and project teams. If there are large number of members in these groups, it will not be easy to interact with them.



Recap

- ◊ An attitude is a negative or positive evaluation of an object which influences human's behaviour towards that object
- ◊ There are mainly three components to attitude: Cognitive, Affective, Behavioural
- ◊ Attitudes fulfil four different types of psychological functions: Instrumental, Knowledge, Value Expressive, and Ego-defensive
- ◊ Persuasion is a key factor that can influence attitude change.
- ◊ Attitude change is essential for personal growth and organisational transformation.
- ◊ Employees performance is influenced by their co-workers and work surroundings as much as by their ability and skill
- ◊ Groups can be referred to simply as the number of individuals who consider themselves to be members of them
- ◊ These stages of group development are known as forming, storming, norming, performing and adjourning.
- ◊ An organisation's work groups are a good example of formal groups
- ◊ Informal groups are spontaneous and emotional in nature



Objective Questions

1. What is Attitude?
2. What are the components of Attitude?
3. What is Positive Attitude?
4. What is the primary objective of the group behaviour restructuring?
5. What is a group?
6. What are the stages of group development?
7. What are the two types of formal groups according to Leonard R. Sayles?
8. What are command groups?

9. What is a task group?
10. What is an informal group?



Answers

1. Attitude refers to an individual's mindset, emotions, beliefs, and opinions towards a specific person, object, event, or circumstance.
2. Cognitive, Affective, Behavioural
3. A positive attitude is marked by optimism, enthusiasm, and a hopeful outlook.
4. The primary objective of the restructuring is to increase employee empowerment and efficiency.
5. Groups are defined simply by the number of people who consider themselves to be members of them.
6. These stages of group development are forming, storming, norming, performing and adjourning
7. Command groups and task groups
8. Command groups consist of subordinates who are directly accountable to their supervisor, and they are organised according to the organisation's structure.
9. The task of these groups is to complete a task within an allotted amount of time.
10. There are informal groups within formal organisations that develop as a result of social needs and individuals' desires to maintain relations with others.



Self - Assessment Questions

1. Explain the components of Attitude.
2. What are the characteristics of Attitude?
3. Explain the significance of Attitude in organisational behaviour.

4. Describe the concept of groups.
5. Write a short note on the significance of group behaviour.
6. What are the motivations behind group formation?
7. Describe the different stages of group development.
8. What are the different types of groups?



Assignments

1. If you suspect someone is lying about their absence from work, do you think it would be appropriate to investigate? If the person is found guilty, what does it reveal about their attitude?
2. Imagine you are working in an organisation and want to form a group. What type of group would you form, and why? Explain the steps you would take to establish the group.



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Unit -2

Organisational Culture



Learning Outcomes

This unit will enable the reader to;

- ◊ describe the concept of organisational culture
- ◊ explain the functions and identify the impact to the organisation
- ◊ familiarise the factors influencing organisational culture



Prerequisite

Mr. Ram has been running his textile business for the past five years, and it has been growing successfully. At first, he had only a small group of employees, but as his business grew, he hired more people. Mr. Ram understands that a strong and positive work culture is very important for his business to keep succeeding. A good culture helps everyone work well together and stay focused on the same goals.

To help his business continue to grow, Mr. Ram has started learning more about how to build a good company culture. He knows that when people feel happy and valued at work, they do their best. So, he is making sure to create a workplace where employees feel respected, motivated, and part of a team. He has started setting clear values for his business, like teamwork and honesty, and encourages activities that bring the employees together. He wants his employees to feel excited to come to work every day. By building a strong culture, he believes his business will keep growing, and everyone will be proud to be a part of it. Let us take a closer look.



Keywords

Organisational culture, Employee Behaviour, Management, Profitability, Leadership, Motivation



Discussion

An organisation's culture is a set of common values held by its people. It is characterised by the norms, values, attitudes, and beliefs that all organisation members have in common. The organisational culture must be established and maintained in a way that fosters a friendly workplace atmosphere. On the other hand, organisational climate is made up of a variety of traits and elements that employees perceive about their company. To increase organisational effectiveness, an organisation must generate a favourable organisational climate. You will study about the idea, fundamental components, roles, influences, and effects of organisational culture in this unit. You will become familiar with the idea of cultural compatibility between people as well as the method through which organisational culture is created.

2.2.1 Concept of Organisational Culture

The centre of any group or society is its culture. It controls how members communicate with each other and with outsiders. According to Stoner, Freeman, and Gilbert, “culture is a complex amalgam of beliefs, practices, narratives, myths, metaphors, and other concepts that come together to define what it means to be a part of a given community”. The study of organisational culture, however, is the exclusive focus of this chapter.

An organisation is said to be institutionalised when it develops a life of its own, separate from any of its members, and gains immortality. When an organisation acquires institutional longevity, its members generally take acceptable behaviour for granted. Therefore, a grasp of what constitutes an organisation's culture and how it is generated, preserved, and learned can improve our capacity to comprehend and foresee employee behaviour. The important understandings that all members of an organisation share, such as norms, values, attitudes, and beliefs, are collectively referred to as the organisation's culture. Recent research on organisational culture has revealed that its fundamental core is a “system of shared meaning among members.”

Elliott Jacques defined organisational culture as the customary or traditional ways of thinking and doing things that are shared to varying degrees by all members of the organisation. In order to be accepted into the workforce of the company, new members must learn and at least partially accept this culture.

2.2.1.1 Components of Organisational Culture

Organisational culture consists of several key elements that shape the way a company operates and how its employees behave.

- ◊ **Values:** These are the core beliefs that an organisation holds dear. They form the foundation of the culture and guide employees' behaviours and decisions.
- ◊ **Beliefs:** These are the assumptions an organisation makes about the world.



Though often unspoken, they strongly influence how employees think and act.

- ◊ **Norms:** These are the unwritten rules that dictate how people are expected to behave within the organisation. They set standards for what is acceptable and what is not.
- ◊ **Symbols:** Symbols represent the organisation's culture and can include logos, dress codes, office design, or even rituals that reflect its identity.
- ◊ **Language:** The way people communicate within the organisation is a reflection of its culture. This can either reinforce the culture or challenge it, depending on how language is used.

These components work together to create the unique culture of an organisation.

2.2.1.2 Functions of Organisational Culture

Organisational culture plays a pivotal role in shaping how members of an organisation interact, perform, and view their work. The functions of organisational culture include various aspects that contribute to the overall health and effectiveness of the organisation. Here's an explanation of each function:

- a. **Defining Identity:** Organisational culture gives the organisation a unique identity by reflecting its values, mission, and way of working. This helps employees feel a sense of belonging and creates a distinct image for stakeholders.
- b. **Setting Boundaries:** Culture defines acceptable and unacceptable behaviours within the organisation. These boundaries guide employees on how to act in various situations, ensuring alignment with organisational norms.
- c. **Generating Commitment:** A strong culture fosters loyalty and dedication among employees, encouraging them to commit to the organisation's goals and vision. It creates a sense of shared purpose.
- d. **Establishing Rules and Standards:** Culture provides informal rules and standards that govern behaviour, complementing formal policies and procedures. This ensures consistency and fairness.
- e. **Promoting Shared Values:** By embedding shared values, culture unites employees around common goals and principles, creating a cohesive and motivated workforce.
- f. **Establishing Order and Consistency:** Culture brings predictability and order to an organisation, helping everyone understand their roles and how things operate. This consistency supports decision-making and operational efficiency.
- g. **Guiding and Motivating Employees:** A well-defined culture provides direction and inspiration for employees, motivating them to perform and align their actions with the organisation's mission.
- h. **Cultivating Team Spirit:** A positive culture fosters collaboration, trust, and

mutual respect among employees, strengthening teamwork and reducing conflicts.

- i. **Facilitating Coordination and Control:** Culture acts as a control mechanism by aligning employees' behaviour with organisational objectives, making it easier to coordinate actions and achieve goals.
- j. **Reducing Uncertainty:** In times of change or ambiguity, culture provides a framework for decision-making and behaviour, helping employees feel secure and focused.
- k. **Providing Stability:** Culture ensures continuity and stability, even during transitions or external disruptions, by maintaining a consistent set of values and practices.
- l. **Guiding Attitudes and Behaviour:** By influencing how employees think and act, culture shapes workplace attitudes, interpersonal interactions, and overall organisational dynamics.

These functions collectively create a cohesive, efficient, and resilient organisation, enabling it to achieve its strategic objectives while fostering a positive work environment.

2.2.1.3 Types of Organisational Culture

Organisational culture can be classified into several types, each shaped by the organisation's values, goals, and operational style. These types define how employees interact, how decisions are made, and how the organisation positions itself within its industry.

- a. **Clan Culture:** Clan culture is people-focused, resembling a close-knit family environment. It emphasises collaboration, mentorship, and employee development, fostering strong relationships, loyalty, and teamwork. With an internal focus and high flexibility, this culture thrives in nonprofits, startups, and small businesses. For example, a company that encourages open communication and team bonding while prioritising employee well-being exemplifies clan culture.
- b. **Adhocracy Culture:** Adhocracy culture values innovation, creativity, and adaptability. It encourages risk-taking and focuses on developing cutting-edge products or services. With an external focus and high flexibility, it is common in technology firms, design agencies, and R&D-driven companies. A tech startup that promotes experimentation and innovation among employees is a typical example of this culture.
- c. **Market Culture:** Market culture is results-driven, prioritising competition, achievement, and measurable success. It emphasises meeting targets, outperforming competitors, and achieving financial results. With an external focus and a high degree of control, this culture is prevalent in sales-driven organisations, financial services, and consulting firms. A company that rewards



employees based on performance metrics like sales targets embodies market culture.

- d. **Hierarchy Culture:** Hierarchy culture is built on structure, stability, and efficiency. It relies on formal rules, processes, and procedures to maintain order and consistency. With an internal focus and high control, this culture is often seen in government agencies, healthcare organisations, and large corporations. A manufacturing company with clearly defined roles and a focus on compliance is an example of a hierarchy culture.
- e. **Purpose-Driven Culture:** Purpose-driven culture revolves around a mission or cause that resonates deeply with the organisation and its employees. It inspires motivation through a commitment to social responsibility or a specific purpose. This culture, which transcends profit goals, is common in charities, sustainability-focused organisations, and mission-driven startups. A nonprofit organisation dedicated to environmental conservation is a clear example.
- f. **Innovative Culture:** Innovative culture is centred on creativity, reinvention, and continuous improvement. It encourages disruptive thinking across all organisational levels. Found commonly in technology, pharmaceuticals, and entertainment, this culture thrives on breakthrough ideas. A company consistently challenging industry norms and exploring new markets typifies an innovative culture.
- g. **Performance-Oriented Culture:** Performance-oriented culture prioritises achieving objectives and rewarding high performance. It fosters competitiveness and personal ambition, focusing more on results than on processes or individual well-being. This culture is prevalent in financial services, sales, and high-stakes sectors. A sales firm where bonuses are tied to targets and recognition is based on results exemplifies this type.
- h. **Customer-Focused Culture:** Customer-focused culture emphasises exceeding customer expectations and prioritising client satisfaction. Employees are trained to deliver exceptional service and foster strong relationships. With an external focus, it is common in retail, hospitality, and service industries. A luxury hotel chain offering personalised guest experiences is a classic example of this culture.
- i. **Safety Culture:** Safety culture is dedicated to minimising risks and ensuring compliance with safety standards. It values precision, reliability, and adherence to protocols, focusing on stability and risk management. This culture is common in industries like healthcare, aviation, and manufacturing. An airline that enforces strict safety protocols exemplifies safety culture.
- j. **Creative Culture:** Creative culture encourages artistic expression and out-of-the-box thinking, fostering originality and individualism. It is common in organisations where innovation and freedom are highly valued, such as advertising, media, and entertainment industries. A film production studio known for its groundbreaking storytelling reflects this type of culture.

These types of organisational culture often overlap, and organisations may exhibit a blend of several types depending on their goals, leadership style, and industry context.

2.2.2 Organisational Change

Organisational change is a vital process that brings significant improvements to a company or institution. It involves making changes to key areas such as structure, culture, processes, systems, strategies, and staff. The aim is to boost performance, efficiency, and adaptability, helping the organisation stay competitive in a fast-changing business world. Change can be driven by internal or external factors and is focused on achieving growth and success. It includes areas like restructuring, cultural shifts, process improvements, new technology, strategy updates, and people-focused initiatives. Successful change requires careful planning, strong leadership, and active involvement from stakeholders. By embracing change, organisations can overcome challenges, seize opportunities, and ensure long-term success.

2.2.2.1 Features/ Nature of Organisational Change

Organisational change is dynamic and involves various characteristics that shape its impact.

- ◊ **Continuous:** Change is an ongoing process, not a one-off event. Organisations must constantly adapt and improve to stay relevant and competitive in a fast-changing world.
- ◊ **Complex:** Change is complex due to the interaction of factors like structure, culture, processes, technology, and people. It involves multiple stakeholders and requires careful management of these interconnected elements.
- ◊ **Multidimensional:** Change affects multiple areas simultaneously, such as structure, culture, strategy, processes, technology, and roles. A broad, holistic approach is needed to address these interdependencies.
- ◊ **Disruptive:** Change disrupts the status quo, challenging routines and mindsets. This can cause uncertainty and resistance, making effective change management crucial to ensure a smooth transition.
- ◊ **Contextual:** Each organisation's change process is shaped by its unique context, including industry, market conditions, regulations, and internal strengths. Strategies must be tailored to fit specific circumstances.
- ◊ **Strategic:** Change is often driven by strategic goals, aligning with the organisation's vision and objectives. It aims to enhance performance, foster innovation, seize opportunities, and address challenges affecting the organisation's position.

These characteristics highlight the dynamic, complex, and context-specific nature of organisational change, requiring thoughtful planning and execution.

2.2.2.2 Need for Organisational Change

Organisational change is essential for ensuring long-term success, growth, and sustainability in an ever-evolving business environment. Here are key reasons that highlight the need for organisational change:

- 1. Adaptability to Market Dynamics:** Rapid changes in market trends, customer preferences, and industry demands require organisations to adapt quickly to stay relevant and competitive. Without change, businesses risk losing their market position.
- 2. Technological Advancements:** The continuous evolution of technology demands organisations to upgrade systems, adopt new tools, and modernise processes. Embracing technological change enhances efficiency, productivity, and innovation.
- 3. Competitive Pressures:** Intense competition and the emergence of new players in the industry compel organisations to rethink strategies, improve products, and streamline operations to maintain a competitive edge.
- 4. Improving Efficiency and Effectiveness:** Identifying inefficiencies, bottlenecks, or performance gaps often highlights the need for change. Restructuring processes, improving systems, or revising workflows can lead to better productivity and operational excellence.
- 5. Organisational Growth or Decline:** Significant changes in scale, whether due to growth or decline, create the need for structural adjustments, resource allocation, or cost optimisation to maintain stability and sustain success.
- 6. Mergers, Acquisitions, and Partnerships:** Integrating new entities, aligning different cultures, and streamlining operations during mergers or acquisitions require substantial organisational changes to achieve synergy and cohesion.
- 7. Regulatory and Legal Compliance:** Changing laws, regulations, and industry standards often mandate organisational adjustments to ensure compliance and avoid penalties or reputational risks.
- 8. Leadership Vision and Strategy:** Changes in leadership or shifts in strategic priorities often necessitate aligning the organisation with a new vision, mission, and goals to achieve long-term objectives.
- 9. Employee and Stakeholder Expectations:** As workforce dynamics and stakeholder demands evolve, organisations must adapt to foster engagement, improve workplace culture, and meet emerging expectations.
- 10. Globalisation and Expansion:** Expanding into new markets or managing a global workforce requires organisations to adjust strategies, processes, and structures to navigate cultural, economic, and operational challenges.

Organisational change is not just about reacting to external pressures but also about proactively seeking opportunities for growth, innovation, and excellence. Embracing change ensures that organisations remain resilient, competitive, and future-ready.

2.2.2.3 Forces of Change

Organisations today work in a setting that is constantly evolving and very dynamic. They must occasionally make the necessary changes to remain competitive, provide better customer service, keep up with new technological advancements, and retain or increase their current level of profitability. In general, two types of forces drive change: internal forces and external forces. Let's get to know them in depth.

a) Internal forces

- i. **Leadership Change:** A change in an organisation's leadership may have an impact on perceptions, strategy, actions, and outcomes.
- ii. **Change in Employee Profile:** There will inevitably be some modifications to an employee's profile due to death, retirement, transfer, promotion, discharge, or resignation. Employment of women is rising.
- iii. **Change in Employee Morale and Motivation:** Changes in leadership, policies, and practices may have an impact on the morale and motivation of the workforce, which could have an impact on productivity, output, and profits.
- iv. **Union Impact:** Despite the implementation of liberalisation policies by many Governments, the influence of the union on many organisations in regards to hiring, service conditions, salary rates, etc. is still discernible. In order to satisfy the union's requests, management will need to make the necessary adjustments.
- v. **Application of New Technology:** Changes in technology affect employee profiles, manufacturing methods, and jobs. Most organisations undergo significant changes as a result of adding technology, automating processes, and implementing reengineering programmes. The Internet has significantly impacted the markets of numerous organisations. Another industry where a lot of products are anticipated to be produced is biotechnology.

b) External forces

- i. **Competition:** There is now international competition. The tendency of mergers and acquisitions has been rising. Organisations must adapt reasonably to the needs of the competition. They need to develop the ability to create new items quickly and market them swiftly. To meet these competitive difficulties, it will be necessary to use flexible and responsive technologies with short product cycles and production runs.
- ii. **Economic Fluctuations:** Organisations have continued to change as a result of fluctuations in the stock market, interest rates, and other financial markets.
- iii. **Social Trends:** Rising college enrolment, young couples delaying marriage, the economic uplift of women and underdeveloped communities, etc., all point to developments that organisations should take into account. All of these factors impact how much these groups' target products are in demand.
- iv. **Global Politics:** Events like the fall of the Soviet Union, Germany's unification, WTO policies, and American attacks on Iraq and Afghanistan have an effect



on the operations of various organisations whose operations are influenced by these changes.

2.2.2.4 Process of Change

Three steps make up a good transition process: recognising the need for change, developing a new behaviour or replacement, and becoming at ease in the new environment. Now, let's look at two popular change process models. Lewin's three-step model is the first. This will be covered below.

A. Lewin's Model

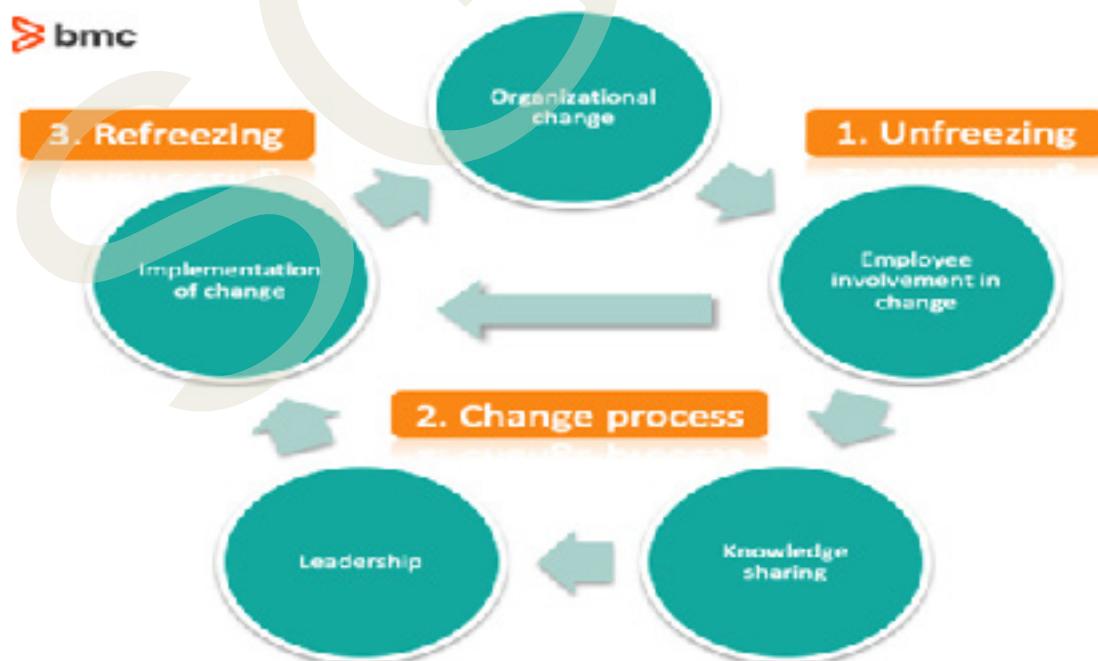
Kurt Lewin suggested that the change process happens in three stages: **Unfreezing**, **Changing (or Moving)**, and **Refreezing**. These steps help organisations manage change effectively.

1. Unfreezing:

This stage helps people realise the need for change. It can be triggered by problems in performance, new opportunities, or recognising that the current way of working is no longer effective. At this stage, efforts are made to reduce resistance to change and encourage acceptance. If this step is skipped, employees may resist or ignore the change.

2. Changing (or Moving):

In this stage, actual changes are made to the organisation. This could involve changes to employees' roles, tasks, the organisational structure, or the technology used. It's about taking action to transition from the old way of doing things to the new.



3. Refreezing:

This final stage makes the changes permanent. New ways of working, technologies, or relationships are stabilised and reinforced. Without this step, changes might be abandoned or only partially implemented, which can lead to confusion or a return to old habits.

Lewin's model highlights the importance of preparing for change, implementing it effectively, and ensuring it becomes part of the organisation's normal way of working.

B. Continuous Process Model

Lewin's model is simple and easy to follow, but it overlooks some important challenges. To address this, the Continuous Process Model was developed. This model focuses on the role of top management in driving change. In this approach, senior management identifies factors or trends that require change and incorporates the issue into the regular problem-solving and decision-making process. They set clear objectives for what the organisation should achieve after the change and evaluate possible alternatives before selecting a feasible option for implementation.

A key aspect of this model is the involvement of a change agent, who manages the change process. The change agent can be an insider familiar with the organisation's culture, tasks, and politics or an outsider who offers a more objective perspective. Under the guidance of the change agent, Lewin's model is used to implement the change within the organisation.

The final stage of the model involves measurement, assessment, and control, where top management evaluates the effectiveness of the change by assessing organisational performance and employee morale. This ensures that the desired outcomes are being achieved.

Transition management is another critical part of this process. Change takes time, especially for employees to adapt to complex transformations. During the transition period, the organisation operates in a state between the old and the new, but business continuity must be maintained. Transition managers, typically members of the regular management team, work with the change agent to coordinate activities and ensure smooth operations. A vital element of transition management is effective communication, which keeps employees informed and engaged throughout the change process.

The Continuous Process Model provides a structured and adaptive approach to managing change, ensuring that organisations can evolve while maintaining stability and productivity.

2.2.3 Resistance to Change

An attitude or behaviour that demonstrates opposition to a particular change is known as resistance to change. For change to be successful, it must be overcome. Resistance to change can occasionally act as a signal to re-evaluate the change that is being proposed. Thus, resistance to change can also work in the organisation's favour.



The key to overcoming resistance constructively is to take into account the issues brought up, make the necessary adjustments, and inform the staff of the suggested change. The types of resistance include overt, tacit, instantaneous, and varied. When it is overt and urgent, management can deal with such opposition right away by taking corrective action. Implicit resistance can lead to diminished commitment, diminished drive, more errors, more absences, etc. Over time, equally varied opposition poses challenges for management, especially when significant resources have already been used to implement the change. Change resistance can come from the *organisation, the individual, or both*.

A. Organisational Resistance

- i. **Structural Inertia:** Stability maintenance processes or systems are incorporated into every organisation. It might involve education, other societal tactics, or formulation processes. The individuals are chosen, trained, and moulded to exhibit particular behaviours. Existing employees might reject changes that are suggested to any of these systems and practices.
- ii. **Limited Change Focus:** Organisations are made up of interconnected subsystems. Without affecting the other, we cannot modify one. The technical change is unlikely to be approved if management wants to alter the process without altering the organisational structure.
- iii. **Group Inertia:** Group norms can occasionally operate as a barrier to changing behaviour, even when individuals wish to.
- iv. **Threat to Expertise:** Individuals and groups may find their specialised knowledge at risk if the organisation undergoes a transformation. They are therefore inclined to be against the change.
- v. **Threat to Established Power Relations:** Any transfer of decision-making ability may put people's relationships with others at risk in terms of power and cause animosity.
- vi. **Resource Allocation:** The organisational groups in charge of allocating resources frequently view change as a threat.

B. Individual Resistance

Individuals' resistance can be attributed to fundamental human traits, including perceptions, personalities, and needs. The six causes of individual resistance to change are listed below.

- i. **Habit:** People tend to perform their daily tasks in the same manner. Any new steps added to the task at hand make them feel as though the job has grown more challenging. They thus oppose this reform.
- ii. **Security:** People who require their jobs to be secure are more inclined to reject change since it could make them feel less secure. The implementation of new technological innovations within an organisation may cause employees to

believe that their jobs are in danger.

- iii. **Economic factors:** Employees might believe that the suggested modifications will result in a decrease in their monthly salary. They therefore object to such modifications.
- iv. **Fear of the Unknown:** When a change is offered, it aims to replace an existing, well-known scenario with one that is unclear and unpredictable, which may not sit well with the staff. They consequently have a hostile mindset toward the suggested adjustment.
- v. **Lack of Knowledge:** People may not be aware of the advantages of the suggested changes, and as a result, they may oppose them out of ignorance.
- vi. **Social Factors:** Individual employees may be resistant to change due to the influence of their union or group. They might believe that if those changes are approved, their co-workers or the union leaders will make fun of them.

2.2.3.1 Overcoming Resistance to Change

The management must take the necessary action to overcome opposition to change when it arises. The six methods listed below have been offered for overcoming opposition to the change:

- i. **Through education and communication:** This is the initial strategy for overcoming opposition. This method involves educating the staff about the change prior to its implementation. This aids in their comprehension of the benefits and logic of the shift. When opposition is based on false or inadequate information, this strategy works well.
- ii. **Participation and Involvement:** By involving the affected employees in the decision-making process, resistance to change can be greatly lessened. They believe it to be their own idea, so they stand by it.
- iii. **Facilitation and Support:** This entails offering financial, training, and emotional support to employees who are struggling with change.
- iv. **Negotiation and Incentives:** Using this strategy, you can negotiate with worried employees and provide incentives to persuade people to accept the change.
- v. **Manipulation and Co-optation:** This strategy involves attempting to persuade the staff members and, more specifically, the decision-makers by offering them some unique advantages or more enticing information or by keeping unfavourable information secret.
- vi. **Coercion:** This is the use of direct threats or physical force against the opposition. Threats could include being transferred, losing a promotion, being laid off, etc.

2.2.3.2 Managing Change

Finally, we take into account the variables affecting the effective management of

organisational change. The following six elements need to be taken into account in this situation:

- i. **Environmental Influences:** The environment plays a significant role in organisational change. When making the modification, the needs of the environment must be taken into account. The complexity of the environment grows as the organisation's operations expand to the local, regional, national, and worldwide levels. Furthermore, there are significant regional and cultural differences in how well people accept change. Additionally, the methods to be used for managing change vary from nation to nation.
- ii. **Comprehensive View of the Organisation:** Managers must always consider the organisation as a whole when recommending change. A distorted perspective can harm the reform endeavour.
- iii. **Top Management Support:** The support of top management is crucial to the success of any transformation initiative. Top management may get complaints regarding local/regional managers' change plans. Therefore, issues could occur and the local/regional management could fail to implement the change without prior notification to the top management and assurance of their support.
- iv. **Employee Involvement:** Workers or their representatives may be asked to take part in talks about the suggested change. They are more willing to work with management to implement the change if they are given a say in how it is created.
- v. **Open Communication:** Managing the transformation requires open communication between management and employees. Employees are likely to have some misconceptions about the change, so the change efforts are likely to fail unless accurate information is delivered through an open communication system.
- vi. **Incentives and Rewards:** Workers who are in charge of the effective implementation of the change should be acknowledged and properly rewarded. Sometimes, those who oppose the change from the start or who continue to do so are given more weight than those who support it from the start. Employees who actively promote change and assist others in adjusting to change deserve particular acknowledgement in the form of a press release, special consideration in performance reviews, a salary raise or a promotion, etc.

Organisational transformation is the process of replacing an old system with a new one. It might lead to some chances, difficulties, and challenges. Both internal and external factors influence the process of transformation in an organisation. Three steps make up a successful transition process: recognising the need for change, developing new behaviours, and becoming at ease in the new environment. The process of the change is explained by Lewin's model and the continuous process model.

A change may encounter resistance from the organisation's members as it is implemented.

Individuals and organisations may both push back against the shift. Organisations may use coercion and manipulation to overcome opposition to change, but change processes need to be handled carefully and methodically.



Recap

- ◊ An organisation's culture is a set of common values.
- ◊ The centre of any group or society is its culture.
- ◊ An organisation's strategic control tool is its culture.
- ◊ Three factors are crucial in maintaining a culture: top management's actions, selection practises, and socialisation techniques.
- ◊ An organisation's culture is viewed as a confluence of objective factors with either a high or low strength or somewhere in between.
- ◊ Culture has a significant impact on how well an organisation performs.
- ◊ There are two types of forces that drive changes in any organisation: internal forces and external forces.
- ◊ Three steps make up a good transition process: recognising the need for change, developing a new behaviour or replacement, and becoming at ease in the new environment.
- ◊ Kurt Lewin claimed that there are three stages to the change process: unfreezing the status quo, moving on to the next stage, and refreezing the new change to make it permanent.
- ◊ The process of methodically organising, planning, and implementing change is known as transition management.
- ◊ An attitude or behaviour that demonstrates opposition to a particular change is known as resistance to change.



Objective Questions

1. What do you mean by organisational culture?
2. What is culture?
3. What is the fundamental core of an organisational culture?
4. What are the two types of forces that drive change?
5. What are the three stages of Kurt Lewin's change process?
6. What do you mean by Kurt Lewin's unfreezing stage?
7. What do you mean by Kurt Lewin's refreezing stage?
8. What do you mean by "transition management"?
9. What do you mean by resistance to change?
10. What are the two types of resistance?



Answers

1. Organisational culture is characterised by the norms, values, attitudes, and beliefs that all organisation members have in common.
2. According to Stoner, Freeman, and Gilbert, "culture is a complex amalgam of beliefs, practises, narratives, myths, metaphors, and other concepts that come together to define what it means to be a part of a given community".
3. System of shared meaning among members.
4. Internal forces and external forces
5. Unfreezing the status quo, moving on to the next stage, and refreezing the new change to make it permanent.
6. Unfreezing is the method used to make people realise they need to change.
7. Refreezing, which involves making the new duties, technology, and relationships relatively permanent, is the last stage in the change process.
8. The process of methodically organising, planning, and implementing change is known as transition management.

9. An attitude or behaviour that demonstrates opposition to a particular change is known as “resistance to change”.
10. Organisational resistance and individual resistance.



Self - Assessment Questions

1. Discuss and explain what organisational culture means.
2. Explain the concept of organisational culture.
3. Discuss the functions of organisational culture.
4. What are the forces of change in an organisation?
5. Explain the process of change.
6. What is the resistance to change?
7. Explain how we can overcome the resistance to change.
8. Write a short note on managing change.



Assignments

1. Explain the concept of organisational culture and its significance in shaping employee behaviour and organisational effectiveness. Discuss the key components of organisational culture as described in the text.
2. Describe the primary functions of organisational culture. How do these functions contribute to creating a cohesive and efficient organisation? Provide examples to illustrate your points.
3. Compare and contrast the various types of organisational culture, such as clan, adhocracy, market, and hierarchy cultures. How can understanding these types help organisations improve their operations and achieve their goals?
4. Explain the need for organisational change and its dynamic nature. Discuss the factors that drive change and the features that make change a continuous, complex, and multidimensional process.

5. Define resistance to change and identify its organisational and individual causes. Discuss strategies for overcoming resistance and the role of communication, participation, and leadership in managing change effectively.



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Unit - 3

Organisational Development



Learning Outcomes

This unit will enable the learner to;

- ◊ describe the concept of Organisational Development
- ◊ examine the Organisational Development process
- ◊ familiarise with Organisational Development approaches
- ◊ identify Organisational Development strategies



Prerequisite

Numerous analysts argue that businesses are currently facing unprecedented levels of instability and chaos, and that only a management revolution can help them navigate these challenges. The forces driving change in organisations are shaped by three key trends: the intersection of managerial innovation, globalisation, and information technology. Addressing these challenges requires a revolutionary transformation in an organisation's culture, processes, and behaviours to effectively adapt to these evolving trends. This process is commonly referred to as Organisational Development (OD). This unit explores the concept of Organisational Development in detail.



Keywords

Organisational Development, Behaviour, Human resources, Plan, Interventions, Management Grid



Discussion

2.3.1 Organisational Development

Organisational development is a planned, supervised, and systematic process to alter an organisation's culture, procedures, and behaviour in order to address issues and accomplish goals. While structural and technological changes are frequently a part of OD, its primary focus is on individuals and the quality of their working relationships. Consequently, organisational development is the contemporary method for managing change for the advancement of human resources. It focuses on aspects of people, such as customs, standards, attitudes, interpersonal connections and organisational culture. According to Dale S. Beach, organisational development is a sophisticated educational strategy intended to promote organisational effectiveness and wealth by planned intervention by a consultant using applied behavioural service theory and techniques.

2.3.2 Features

Organisational development (OD) is a systematic and planned approach to improving an organisation's effectiveness and its members' ability to adapt to changes in the external environment. It is a management practice that helps organisations improve their performance and adapt to changes in their environment. Some of the key features of OD include:

- ◊ **Collaborative approach:** It involves working together with employees, managers, and other stakeholders to identify problems, develop solutions, and implement changes. This ensures that everyone has a voice in the change process and is committed to making it a success.
- ◊ **Focus on people and processes:** OD recognises that organisations are made up of people and that processes and systems should support and empower them. This means that management practices should be designed to support employees rather than the other way around.
- ◊ **Systemic perspective:** It takes a systemic perspective that views organisations as complex systems. Changes in one area can have far-reaching effects throughout the organisation. So, it is essential to consider the broader impacts of changes before implementing them.
- ◊ **Continuous improvement:** OD emphasises that change is an ongoing process rather than a one-time event. Organisations should continually assess and improve their processes, systems, and practices to stay ahead of the curve.
- ◊ **Data-driven:** Its interventions are based on objective data and analysis rather than assumptions or personal biases. This ensures that changes are evidence-based and have a higher likelihood of success.
- ◊ **Participatory:** OD encourages everyone in the organisation to take an active

role in the change process. By involving all stakeholders, there is greater ownership and commitment to making change happen.

- ◊ **Empowering:** It empowers employees and builds their capacity to take on new challenges and opportunities. This means that management practices should enable employees to take more responsibility and make decisions that benefit the organisation.

2.3.3 Objectives of Organisation Development

The objectives of Organisational Development (OD) are focused on improving the overall effectiveness of an organisation. These are some of the key objectives of OD:

- ◊ **Enhancing organisational performance:** These interventions aim to improve the performance of an organisation by enhancing productivity, quality, and efficiency. This can help organisations achieve their goals more effectively and efficiently.
- ◊ **Encouraging collaboration:** OD interventions encourage teamwork and collaboration among employees, managers, and stakeholders. This can lead to better communication, problem-solving, and decision-making, which can improve the organisation's overall effectiveness.
- ◊ **Developing leadership capabilities:** These interventions can help develop the leadership capabilities of managers and leaders within the organisation. By improving their leadership skills, managers and leaders can better motivate, engage, and lead their teams to achieve organisational goals.
- ◊ **Improving organisational culture:** OD interventions aim to improve the organisational culture by creating a more positive work environment that fosters innovation, creativity, and continuous learning. This can enhance employee engagement, job satisfaction, and retention.
- ◊ **Building change management capabilities:** OD interventions can help organisations build their change management capabilities so that they can adapt quickly to changing circumstances. This can help organisations stay ahead of the curve and respond effectively to market trends and customer needs.
- ◊ **Enhancing employee development and growth:** OD interventions can help employees develop new skills, knowledge, and abilities that enhance their performance and career growth within the organisation. This can lead to greater employee satisfaction, engagement, and retention.

2.3.4 OD Models

a) Lewin's Change Model

Kurt Lewin's Change Model provides a foundational framework for managing change in organisations. It consists of three stages: **Unfreezing**, **Changing**, and **Refreezing**. In the **Unfreezing** stage, the focus is on preparing the organisation for change by creating



awareness of the need to move away from the status quo. This involves breaking existing mindsets and behaviours, often by demonstrating the inefficiencies or risks of maintaining the current system. During the **Changing** stage, new behaviours, processes, or systems are implemented. Employees are supported with training and resources to adapt to the new ways of working, and experimentation is encouraged to ensure smooth adoption. Finally, in the **Refreezing** stage, the changes are solidified and integrated into the organisational culture. Policies, rewards, and performance metrics are aligned with the new system, ensuring that the improvements become sustainable and permanent.

b) Action Research Model

The Action Research Model is an iterative process designed to diagnose organisational issues, plan interventions, implement changes, and evaluate outcomes. It begins with **Diagnosis**, where data is collected through surveys, interviews, and observations to identify root causes of problems. Once the issues are understood, the **Action Planning** phase involves developing strategies and creating detailed plans for improvement, including timelines and resource allocation. During the **Implementation** phase, the planned changes are executed, with careful monitoring to address challenges as they arise. Finally, in the **Evaluation** phase, the effectiveness of the interventions is assessed by measuring outcomes against objectives and gathering feedback. This cyclical process ensures continuous improvement and adaptability to emerging issues.

c) Kotter's 8-Step Model

John Kotter's 8-Step Model provides a structured approach for managing large-scale organisational change. It begins with **Establishing a Sense of Urgency** by highlighting the need for change and communicating the risks of inaction. Next, a **Guiding Coalition** of influential leaders and stakeholders is formed to drive the change effort. In the **Develop a Vision and Strategy** phase, a clear vision and roadmap are created to guide the organisation. This vision is widely shared during the **Communicate the Vision** phase to ensure alignment and understanding. The next step, **Empowering Employees for Action**, involves removing obstacles and enabling employees to participate fully in the change process. To build momentum, **Generating Short-Term Wins** focuses on achieving and celebrating early successes. These gains are leveraged during the **Consolidate Gains** phase to drive further changes and address lingering resistance. Finally, in the **Anchor Changes in Culture** phase, the new behaviours and systems are embedded into the organisational culture, ensuring long-term sustainability.

d) Burke-Litwin Model

The Burke-Litwin Model emphasises the interconnections between various organisational factors and their impact on performance. It identifies 12 key drivers of change, including **External Environment, Leadership, Culture, Structure, Systems, and Work Unit Climate**. The model highlights how external factors, such as market trends or competition, influence internal elements like leadership style and organisational culture. For example, effective leadership can drive positive cultural shifts and motivate employees, while structural changes can improve communication and efficiency. This model provides a comprehensive framework for diagnosing areas of misalignment and

designing interventions that address both systemic and cultural challenges to achieve desired outcomes.

e) Appreciative Inquiry Model

The Appreciative Inquiry Model takes a positive, strength-based approach to change by focusing on what an organisation does well. It follows a 4D process: **Discovery**, **Dream**, **Design**, and **Destiny**. In the **Discovery** phase, the organisation identifies its strengths by gathering stories of success and excellence from employees. During the **Dream** phase, stakeholders envision the organisation's future possibilities by imagining what could be achieved if these strengths were fully leveraged. In the **Design** phase, strategies and plans are co-created to build on these strengths, ensuring inclusivity and alignment with the organisation's vision. Finally, in the **Destiny** phase, the plans are implemented, and efforts are made to sustain the changes through ongoing learning and celebration of successes. This model fosters a positive, collaborative environment for driving organisational growth.

2.3.5 OD Intervention

An Organisation Development (OD) Intervention is a planned, structured activity or series of activities designed to address specific organisational challenges, improve performance, and promote positive change. These interventions are intentional and systematic efforts, typically informed by behavioural science, that aim to enhance the effectiveness of an organisation and the well-being of its members.

OD interventions are tailored to the unique needs and objectives of an organisation, and they can address issues at various levels—individual, group, or organisational. They are implemented as part of the OD process to facilitate change, resolve problems, and improve processes, relationships, and overall organisational functioning.

2.3.5.1 Characteristics of OD Interventions

1. **Planned and Structured:** Interventions are carefully designed with clear objectives and methodologies.
2. **Goal-oriented:** They focus on achieving specific outcomes, such as improved teamwork, better communication, or higher productivity.
3. **Systematic:** Interventions consider the organisation as a whole, addressing interconnected elements like culture, structure, and processes.
4. **Behavioural Science-Based:** They leverage principles from psychology, sociology, and organisational behaviour to inform design and execution.
5. **Collaborative:** Successful interventions often involve active participation from employees at all levels.
6. **Change-Focused:** The ultimate aim is to drive meaningful and sustainable change within the organisation.



2.3.5.2 Objectives of OD Interventions

- ◊ Enhance organisational performance and effectiveness.
- ◊ Build employee engagement, satisfaction, and morale.
- ◊ Foster better communication and collaboration within teams.
- ◊ Address and resolve conflicts or dysfunctional behaviours.
- ◊ Improve adaptability to external environmental changes.
- ◊ Align individual, team, and organisational goals.
- ◊ Support cultural transformation and innovation.

2.3.5.3 OD Intervention Techniques



Fig 2.3.1 OD Intervention Techniques

1. Sensitivity Training

Sensitivity Training, also known as Human Relations Training or T-Group (Training Group), is a valuable approach used in both personal and organisational development. It aims to enhance self-awareness, interpersonal skills, and empathy towards others. By creating a supportive group setting, sensitivity training facilitates experiential learning and encourages individuals to explore their thoughts, emotions, and behaviours within the context of interpersonal dynamics. The main objective of sensitivity training is to foster personal growth and self-reflection. Through engaging in group activities and open discussions, participants are encouraged to examine their own biases, attitudes, and assumptions, while considering the impact these have on others.

The sensitivity training process involves several essential steps that contribute to creating a constructive and inclusive learning environment. While the specific approach may vary, here is a general outline of the process:

- ◊ Formation of a Small Group: A small group of individuals, typically around ten to twelve participants, is carefully selected to ensure effective interactions and meaningful discussions.
- ◊ Skilled Trainer or Facilitator: A knowledgeable and experienced facilitator, often a behavioural scientist or trained professional, guides the training sessions. Their role is to act as a catalyst, creating a supportive atmosphere and facilitating the learning process.
- ◊ Informal Group Meetings: The group gathers in a relaxed and informal setting, where participants are encouraged to engage in open and respectful discussions. There is no rigid agenda, allowing for organic conversations and the exploration of various topics.
- ◊ Expression of Thoughts and Feelings: Participants are provided with a safe space to express their thoughts, ideas, and emotions freely. The focus of discussions often revolves around behaviour, but participants have the flexibility to discuss other relevant subjects of interest.
- ◊ Constructive Feedback: The facilitator plays a crucial role in providing constructive feedback to each participant. This feedback aims to offer insights into individual behaviours and their impact on others within the group. It helps participants gain a deeper understanding of themselves and promotes personal growth.

The main **benefits** of sensitivity training are as follows:

- ◊ Increased self-reflection and self-awareness.
- ◊ Development of empathy and tolerance towards others.
- ◊ Improved understanding of group dynamics and listening skills.
- ◊ Enhancement of interpersonal skills and communication abilities.

While sensitivity training can be a valuable tool for personal and organisational development, it is important to acknowledge its limitations. Some of the limitations of sensitivity training include:

- ◊ Limited long-term impact without ongoing support.
- ◊ Individual differences in learning styles and needs.
- ◊ Difficulty in applying training skills to real-world situations.
- ◊ Potential resistance and defensiveness from participants.
- ◊ Time and resource-intensive nature of the training.

2. Process Consultation

Process Consultation is a valuable approach that focuses on the dynamics within and



between groups. The consultant collaborates with individuals and groups, assisting them in gaining insights into human and social processes and effectively addressing related challenges. The primary objective is to support clients in perceiving, understanding, and taking action regarding the process events that unfold in their environment.

Process Consultation encompasses specific areas of emphasis, such as communication, functional roles within groups, problem-solving and decision-making, group norms, and growth, leadership and authority dynamics, as well as inter-group cooperation and competition. By addressing these areas, the consultant facilitates learning, problem-solving, and overall improvement in how individuals and groups function. The approach emphasizes empowering clients to develop a deeper understanding of the underlying processes, enabling them to overcome challenges and enhance their effectiveness in collaborative efforts.

Process Consultation encompasses a series of key steps to facilitate effective collaboration and problem-solving. These steps include:

- ◊ Building a Consultative Relationship: The consultant establishes trust and collaboration with the client, understanding their needs.
- ◊ Diagnosing the Situation: The consultant thoroughly assesses the current situation or problem.
- ◊ Feedback and Reflection: The consultant provides feedback and encourages the client to explore new perspectives.
- ◊ Joint Problem-Solving: The consultant and client collaborate to identify and address the problem or improvement opportunity.
- ◊ Skill Development and Capacity Building: The consultant helps the client enhance their skills and knowledge.
- ◊ Implementation and Evaluation: The consultant supports the client in implementing solutions and evaluates their effectiveness.
- ◊ Closure and Follow-Up: The consultant ensures a smooth transition and may provide recommendations for continued support.

The primary objective of Process Consultation is to foster effective problem-solving, collaboration, and organisational development. It is designed to assist individuals, groups, and organisations in gaining a deeper understanding of their processes, enhancing their interactions, and achieving their desired outcomes. Process Consultation strives to empower clients by promoting self-awareness, facilitating learning, and nurturing positive transformations within the organisation. Its ultimate aim is to help clients build their capacity to tackle challenges, improve processes, and achieve long-term success.

3. Transactional Analysis

Transactional Analysis (TA) offers a practical and enjoyable pathway for self-exploration and gaining a deeper understanding of others. It involves analyzing interpersonal behaviour to uncover valuable insights about oneself. TA incorporates

instructional explanations, individual self-analysis, and group discussions to facilitate learning and personal growth. The primary focus is on examining the ego states involved in communication and interactions, aiming to cultivate positive values and mature perspectives. By engaging in TA, individuals can develop enhanced self-awareness, improve their interpersonal skills, and foster personal growth.

4. Grid Training

Grid training is rooted in the work of Blake and Mouton's Managerial Grid, which serves as a framework to understand various organisational roles and styles. Its objective is to strive for an “ideal” management style that effectively combines task completion with fostering positive interpersonal relationships. The Grid employs several tools to facilitate self-assessment for individuals and groups, helping them identify strengths and weaknesses. The ultimate goal is to enhance the functioning of individuals, groups, and the organisation as a whole. By utilizing these instruments, Grid training aims to achieve a balance between achieving tasks and maintaining strong interpersonal connections, leading to improved organisational performance.

The Grid OD program consists of six distinct phases:

- ◊ Grid Seminar: This engaging one-week seminar delves into the theory of managerial effectiveness that forms the foundation of the Grid program.
- ◊ Team Development: Leaders and their teams harness the collaborative environment to explore and analyze their managerial styles and group processes like problem-solving and communication.
- ◊ Inter-group Development: Building upon the insights gained in phase two, this phase expands the focus to encompass the interrelationships between different organisational units.
- ◊ Ideal Strategic Model: Top management collaborates with other groups to envision an ideal corporate model for the organisation's future management.
- ◊ Implementation of the Ideal Strategy: Leveraging the knowledge and tools from phase one, participants develop practical tactics to steer the organisation towards the ideal model.
- ◊ Systematic Critique: This critical phase evaluates achievements to identify and address any weaknesses that may hinder progress.

Grid OD is a comprehensive and structured program that empowers the client system to make informed decisions. It has a proven track record of enhancing productivity and overall organisational effectiveness. Grid-trained managers can bring about transformative cultural shifts within their organisations. However, it's important to note that Grid OD may not align perfectly with the principles of contingency theory in management.

5. Survey Feedback

Survey feedback is a valuable process that enables organisations to gather insights



and promote open communication. It involves collecting feedback from individuals through surveys or questionnaires, covering topics like job satisfaction, communication effectiveness, leadership, and organisational culture. Once the surveys are completed, the data is carefully analyzed to identify patterns and areas for improvement. The findings are then shared with participants and stakeholders in feedback sessions or reports. It serves multiple purposes and provides individuals with a platform to express their thoughts and suggestions in a structured manner. It also helps organisations gain valuable insights into the experiences and perceptions of their employees or members, enabling them to identify strengths and areas that need attention.

This OD technique involves a systematic approach with the following steps:

- ◊ Data Collection: Comprehensive data is gathered through a questionnaire that covers various aspects of the organisational climate, such as decision-making, coordination, employee satisfaction, leadership, and more. The questionnaire is designed to provide valuable insights.
- ◊ Feedback: The collected information and key findings are shared with the participants constructively. Group discussions and problem-solving sessions create a supportive environment for feedback sharing.
- ◊ Action Plan Development: Based on the diagnosis, a collaborative action plan is developed to address the identified issues. Participants actively contribute their insights and expertise, ensuring a sense of ownership and commitment.
- ◊ Follow-up: The action plan is put into action, and its progress is continually monitored. Regular check-ins and evaluations provide opportunities for course correction and improvement. If needed, a follow-up survey can be conducted to measure the effectiveness of the interventions.

By following these steps, organisations can gather valuable data, provide meaningful feedback, foster collaborative problem-solving, and ensure the implementation of targeted action plans. This approach empowers participants, promotes organisational growth, and facilitates positive change.

6. Third-Party Peace-making

This inter-group intervention aims to facilitate conflict resolution between groups through the involvement of a third party, often a consultant. The consultant plays a critical role as a mediator by conducting a thorough analysis of the problem and effectively gathering information from both groups. They then ensure that the information is conveyed suitably, promoting understanding and dialogue between the conflicting parties. In the final phase, the groups or their representatives come together to collaboratively address and resolve the inter-group issues. The consultant's guidance and expertise help steer the discussions toward a productive and positive outcome.

The concept of third-party peace-making, pioneered by Richard Walton, centres around employing a management consultant to diagnose and resolve conflicts between two individuals. This approach is particularly relevant when conflicts arise due to substantive issues such as policies and procedures. In such cases, the involvement of a

neutral third party is essential for facilitating bargaining and problem-solving, leading to a mutually beneficial resolution.

Four operational strategies may be adopted for handling the conflict:

- ◊ Parties can mitigate conflict by reducing the frequency of meetings and discussions centred around contentious issues. This approach encourages individuals to exercise restraint in expressing their views, fostering a calmer and more harmonious atmosphere.
- ◊ During meetings, participants can be encouraged to practice self-restraint when sharing their opinions. This promotes active listening and thoughtful communication, reducing the likelihood of conflicts escalating.
- ◊ Employing coping mechanisms like showing empathy and exploring alternative approaches within the organisation can help prevent conflicts from intensifying. By considering different perspectives and finding alternative ways to accomplish tasks, parties can avoid unnecessary friction.
- ◊ A comprehensive analysis of the factors influencing the conflict, including the emotions and concerns of the involved parties, is conducted. Based on this analysis, a consultant can facilitate an open and constructive dialogue between the parties, aiming to find a resolution to the conflict.

By implementing these strategies and seeking guidance from a consultant, parties can effectively manage and resolve conflicts, leading to improved collaboration and a more harmonious work environment.

7. Team Building

Team building is a valuable intervention applied at the group level to support the growth and effectiveness of work teams. Its purpose is to help team members understand, diagnose, and improve their collaborative dynamics. By fostering a cooperative and supportive atmosphere, team building aims to enhance the group's overall performance. The essence of team building lies in cultivating mutual trust and understanding among team members. Through various activities and exercises, team-building programs focus on clarifying roles, resolving conflicts, strengthening interpersonal relationships, and enhancing problem-solving capabilities.

In a typical team-building initiative, employees belonging to the same workgroup come together to engage in collaborative exercises that promote communication, teamwork, and unity. By embracing team building, organisations strive to create a positive work environment that nurtures effective teamwork, fosters innovation, and boosts productivity.

There are the following stages in the life cycle of a team:

- ◊ Forming – In this initial stage, team members are introduced to each other, fostering a sense of familiarity and connection. They begin to share personal information and show interest in the group's tasks. Interaction among members is frequent, particularly if they are new to each other.



- ◊ Storming – During this stage, team members engage in interactions aimed at achieving the team's goals. However, these interactions may also lead to some levels of anxiety and tension within the group.
- ◊ Norming – As the team progresses, a sense of cooperation emerges. Members start working together, finding a balance between different perspectives. They align their behaviour with group norms and develop a cooperative atmosphere.
- ◊ Performing – In the performing stage, team members have acquired problem-solving skills and work together efficiently to accomplish tasks. They demonstrate high levels of collaboration and synergy, leading to effective performance.
- ◊ Adjourning – This stage occurs when a team formed for a specific purpose completes its mission. The team is disbanded, and members may move on to other endeavours. In the case of ongoing teams, there might be some changes in membership, but the work continues.

8. Management by Objective

Management by Objectives (MBO) is a comprehensive managerial philosophy that promotes collaborative goal-setting and integration of individual and organisational objectives. It serves as a valuable OD intervention by providing a framework to address interpersonal and inter-group challenges. The essence of MBO lies in joint goal definition, clear delineation of responsibilities, and specific outcome expectations. Through this approach, superiors and subordinates work together to enhance performance, foster accountability, and cultivate a results-driven culture. MBO creates a structured pathway for assessing progress and aligning efforts with organisational goals, thereby contributing to improved performance and overall organisational effectiveness.



Recap

- ◊ Organisational Development (OD) is a systematic and planned approach aimed at improving organisational effectiveness, focusing on people and their relationships.
- ◊ OD emphasises cultural, procedural, and behavioural changes to address issues and achieve organisational goals.
- ◊ Key features of OD include a collaborative approach, systemic perspective, continuous improvement, and being data-driven.
- ◊ OD interventions use behavioural science-based techniques to implement and sustain organisational change.
- ◊ Objectives of OD include enhancing organisational performance, fostering collaboration, developing leadership, and improving organisational culture.
- ◊ Key OD models include Lewin's Change Model, Action Research Model, Kotter's 8-Step Model, Burke-Litwin Model, and Appreciative Inquiry Model.
- ◊ OD interventions are categorised into techniques like sensitivity training, process consultation, transactional analysis, and survey feedback.
- ◊ Team building and management by objectives (MBO) are vital OD interventions to improve collaboration and alignment of individual and organisational goals.
- ◊ Effective OD interventions are characterised by being planned, goal-oriented, systematic, and collaborative.
- ◊ The ultimate goal of OD is to build a resilient, adaptive, and high-performing organisation.



Objective Questions

1. What does OD primarily focus on?
2. Which model has the Unfreezing, Changing, and Refreezing stages?
3. Name one goal of OD interventions.
4. What is the primary focus of Appreciative Inquiry?

5. What does the Burke-Litwin model emphasise?
6. Which OD intervention technique focuses on self-awareness in groups?
7. What phase comes after “Dream” in Appreciative Inquiry?
8. Name one limitation of sensitivity training.
9. What does MBO emphasise?
10. Which model uses Diagnosis, Action Planning, Implementation, and Evaluation?



Answers

1. People and relationships
2. Lewin’s Change Model
3. Enhancing organisational performance
4. Strengths and successes
5. Interconnections between organisational factors
6. Sensitivity training
7. Design
8. Limited long-term impact without ongoing support
9. Collaborative goal-setting
10. Action Research Model



Self-Assessment Questions

1. Define Organisational Development (OD).
2. What are the key features of Organisational Development?
3. What are the main objectives of OD interventions?
4. Describe Lewin’s Change Model and its stages.

5. How does the Action Research Model work in OD?
6. What are the benefits of sensitivity training in OD?
7. Explain the Burke-Litwin Model of OD.
8. Discuss the role of survey feedback in OD interventions.



Assignments

1. Prepare a detailed report on the different OD models, highlighting their similarities and differences.
2. Analyse the effectiveness of various OD intervention techniques in resolving workplace conflicts.
3. Develop a case study that demonstrates the implementation of the Action Research Model in an organisation.

SGOU





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1. Beach, D. S. (1980). *Personnel: The management of people at work*. Macmillan.
2. Blake, R. R., & Mouton, J. S. (1964). *The managerial grid: The key to leadership excellence*. Gulf Publishing.
3. Kotter, J. P. (1996). *Leading change*. Harvard Business Review Press.





QP CODE:

Reg. No :

Name :

Model Question Paper- set-I

THIRD SEMESTER BACHELOR OF BUSINESS ADMINISTRATION(BBA) EXAMINATION

Skill Enhancement Course -1- B21BB01SE - Organisational Behaviour
(CBCS - UG)

2023-24 - Admission Onwards

Time: 3 Hours

Max Marks: 70

Section A

(Answer any 10, each carry 1 mark)

(10×1=10 marks)

1. What is Personality?
2. Name one of the five personality traits.
3. What does the term learning curve refer to?
4. Write one method of measuring personality.
5. What is meant by instrumental values?
6. Define social learning.
7. What are the components of Attitude?
8. Define Group Dynamic.
9. What does emotional stability refer to in personality traits?
10. What is the significance of conscientiousness in the workplace?
11. What is the first stage of group development?
12. Define acceptability in the context of organisational interventions.

13. What is the role of trust in personality types?
14. What does feasibility refer to in organisational development?
15. Name one approach to organisational development.

Section B

(Answer any 5 each carry 2 marks) (5×2=10)

16. Explain the concept of extroversion in personality traits.
17. Describe the storming stage of group development
18. What are the implications of using self-report questionnaires for personality assessment?
19. Discuss the importance of agreeableness in team dynamics.
20. What are the characteristics of formal groups?
21. What are the factors which influence Perception?
22. Describe the Big Five Personality Model.
23. What is the significance of observer ratings in personality assessment?
24. Discuss the role of interaction in group formation.
25. Explain the concept of management of organisational processes.

Section C

(Answer any 4 each carry 5 marks) (4×5=20)

26. Discuss the different strategies/interventions of organisational development.
27. Explain the Kurt Lewins Model of change.
28. Explain the relationship between personality traits and job performance.
29. Analyze the impact of culture on personality development.
30. Discuss the various approaches to measuring personality in the workplace.
31. Explain the stages of group development and their significance.
32. Discuss the role of leadership in group dynamics.
33. Analyze the importance of trust and cooperation in organisational behaviour.

Section D

(Answer any two each carry 15 marks) $(2 \times 15 = 30)$

34. Critically evaluate the Big Five Personality Model and its application in organisational settings.
35. Discuss the concept of organisational development, including its goals, processes, and challenges.
36. Analyze the impact of personality on team performance and organisational culture.
37. Discuss the various models of organisational behaviour and their relevance in contemporary management practices.





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Reg. No :

Name :

Model Question Paper- set-II

THIRD SEMESTER BACHELOR OF BUSINESS ADMINISTRATION(BBA) EXAMINATION

Skill Enhancement Course -1- B21BB01SE - Organisational Behaviour

(CBCS - UG)

2023-24 - Admission Onwards

Time: 3 Hours

Max Marks: 70

Section A

(Answer any 10, each carry 1 mark)

($10 \times 1 = 10$ marks)

1. What does norming refer to in group development?
2. What is the primary goal of studying organisational behaviour?
3. Name one characteristic of conscientiousness.
4. Define learning in the context of organisational behaviour.
5. What is the significance of dependability in personality traits?
6. Name any one type of informal group.
7. What is meant by Value?
8. What is the role of emotional stability in workplace interactions?
9. Name one factor that influences personality development.
10. What is the last stage of group development?
11. What is meant by Perception?

12. What does cooperation signify in team settings?
13. What is the importance of self-assessment in personality measurement?
14. What is the role of feedback in the learning process?
15. Name one approach to personality assessment.

Section B

(Answer any 5 each carry 2 marks) (5×2=10)

16. Explain the significance of trust in organisational behaviour.
17. Describe the performing stage of group development.
18. What are the advantages of using observer ratings for personality assessment?
19. Discuss the implications of emotional stability in leadership.
20. What are the characteristics of informal groups?
21. Explain the concept of social learning with an example.
22. What is Autocratic Model?
23. Discuss the importance of learning curves in employee training.
24. Explain the role of interaction in group dynamics.
25. What are the key components of the organisational development process?

Section C

(Answer any 4, each carry 5 marks) (4×5=20)

26. What is the significance of studying Organisational Behaviour?
27. Discuss the different approaches to organisational development and their effectiveness.
28. What are personality traits relevant for Organisational Behaviour?
29. Explain the stages of Group development?
30. What are the various determinants that influence Personality?
31. Discuss the significance of personality assessments in recruitment and selection.



32. What are the factors that influence Attitude Change ?

33. Analyze the importance of communication in organisational behaviour.

Section D

(Answer any 2 each carry 15 marks) (2x15=30)

34. Critically assess the role of personality in influencing organisational behaviour and performance.

35. Discuss the various models of organisational behaviour, highlighting their strengths and weaknesses.

36. Analyze the process of organisational development, including key strategies and interventions.

37. Evaluate the impact of group dynamics on organisational effectiveness and employee satisfaction.

സർവ്വകലാശാലാഗീതം

വിദ്യയാൽ സ്വത്രന്തരാകണം
വിശ്വപ്പരതയി മാറണം
ഗഹപ്രസാദമായ് വിളങ്ങണം
സുരൂപ്രകാശമേ നയിക്കണേ

കൂദിരുട്ടിൽ നിന്നു തെങ്ങങ്ങളെ
സുരൂവാമിയിൽ തെളിക്കണം
സ്നേഹദീപ്തിയായ് വിളങ്ങണം
നീതിവെജയയന്തി പാറണം

ശാസ്ത്രവ്യാപ്തിയെന്നുമെകണം
ജാതിഭേദമാകെ മാറണം
ബോധരശ്മിയിൽ തിളങ്ങുവാൻ
അതാനകേന്ദ്രമേ ജൂലിക്കണേ

കുരീപ്പും ശ്രീകുമാർ

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