



[Academic Script]

Introduction to Organizational Behaviour

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Academic Script

1. Introduction

Hello friends, welcome to one of the most interesting session wherein we will be discussing about organizational behavior. Let me first ask you some questions if you have ever thought of them or would have crossed your mind at some point of time. Why do people behave in a certain way in an organizational environment? What factors affect job performance, employee interaction, job commitment, leadership and managerial styles? Individuals have studied this very topic for decades in order to find ways of increasing organizational performance. **Organizational behavior** is the study of both group and individual performance and activity within an organization. This area of study examines human behavior in a work environment and determines its impact on job structure, performance, communication, motivation, leadership, etc.

Concept of Organization

A social unit of people that is structured and managed to meet a need or to pursue collective goals. All organizations have a management structure that determines relationships between different activities and the members, and subdivides and assigns roles, responsibilities, and authority to carry out different tasks. Organizations are open systems--they affect and are affected by their environment.

2. Concept of OB

Organizational behavior studies the impact individuals, groups, and structures have on human behavior within organizations. It is an interdisciplinary field that includes sociology, psychology, communication, and management. Organizational behavior complements organizational theory, which is in focused area on everyday business practices.

Organizational behavior is particularly relevant in the field of management due to the fact that it encompasses many of the issues managers face on a daily basis. Concepts such as leadership, decision making, team building, motivation, and job satisfaction are all facets of organizational behavior and responsibilities of management. Understanding not only how to delegate tasks and organize resources but also how to analyze behavior and motivate productivity is critical for success in management.

Organizational behavior also deals highly in culture. Company or corporate culture is difficult to define but is extremely relevant to how organizations behave. For example a stock-trading company will have a drastically different work culture than an academic department at a university. Understanding and defining these work cultures and the behavioral implications they set in an organization is also a main topic in organizational behavior.

3. Management Roles

In the late 1960s, a graduate student at MIT, Henry Mintzberg, undertook a careful study of five executives to determine what these managers did on their jobs. Based on his observations of these managers, Mintzberg concluded that managers perform

ten different highly interrelated roles, or sets of behaviors, attributable to their jobs. These ten roles can be grouped as being primarily concerned with interpersonal relationships, the transfer of information, and decision making.

INTERPERSONAL ROLES All managers are required to perform duties that are ceremonial and symbolic in nature. When the president of a college hands out diplomas at commencement or a factory supervisor gives a group of high school students a tour of the plant, he or she is acting in a figurehead role. All managers have a leadership role. This role includes hiring, training, motivating, and disciplining employees. The third role within the interpersonal grouping is the liaison role. Mintzberg described this activity as contacting outsiders who provide the manager with information. These may be individuals or groups inside or outside the organization. The sales manager who obtains information from the personnel manager in his or her own company has an internal liaison relationship. When that sales manager has contacts with other sales executives through a marketing trade association, he or she has an outside liaison relationship.

INFORMATIONAL ROLES All managers will to some degree, receive and collect information from organizations and institutions outside their own. Typically, this is done through reading magazines and talking with others to learn of changes in the public's tastes, what competitors may be planning, and the like. Mintzberg called this the monitor role. Managers also act as a conduit to transmit information to organizational members. This is the disseminator role. Managers additionally perform a

spokesperson role when they represent the organization to outsiders.

DECISIONAL ROLES Finally, Mintzberg identified four roles that revolve around the making of choices. In the entrepreneur role, managers initiate and oversee new projects that will improve their organization's performance. As disturbance handlers, managers take corrective action in response to previously unforeseen problems. As resource allocators, managers are responsible for allocating human, physical, and monetary resources. Lastly, managers perform a negotiator role, in which they discuss and bargain with other units to gain advantages for their own unit.

4. Management Skills

Still another way of considering what managers do is to look at the skills or competencies they need to successfully achieve their goals. Robert Katz has identified three essential management skills: technical, human, and conceptual.

Technical skills encompass the ability to apply the ability to apply specialized knowledge or expertise. When you think of the skills held by professionals such as civil engineers, tax accountants, or oral surgeons, you typically focus on their technical skills. Through extensive formal education, they have learned the special knowledge and practices of their field. Of course, professionals don't have a monopoly on technical skills and these skills don't have to be learned in schools or formal training programs. All jobs require some specialized expertise and many people develop their technical skills on the job.

The ability to work with, understand, and motivate other people, both individually and in groups, describe **human skills**. Many people are technically proficient but interpersonally incompetent. They might, for example, be poor listeners, unable to understand the needs of others, or have difficulty managing conflicts. Since managers get things done through other people, they must have good human skills to communicate, motivate, and delegate.

Managers must have the mental ability to analyze and diagnose complex situations. These are **conceptual skills**. Decision making, for instance, requires managers to spot problems, identify alternatives that can correct them, evaluate these alternatives, and select the best one. Managers can be technically and interpersonally competent, yet still fail because of an inability to rationally process and interpret information.

5. Effective vs. Successful Managerial Activities

Fred Luthans' and his associates looked at the issue of what managers do from a somewhat different perspective. They asked this question: Do managers who move up most quickly in an organization do the same activities and with the same emphasis as those managers who do the best job? You would tend to think that those managers who were the most effective in their jobs would also be the ones who were promoted fastest. But that's not what appears to happen.

Luthans and his associates studied more than 450 managers. What they found was that these managers all engaged in four managerial activities:

1. Traditional management: Decision making, planning, and controlling.
2. Communication: Exchanging routine information and processing paperwork.
3. Human resource management: Motivating, disciplining, managing conflict, staffing, and training.
4. Networking: Socializing, politicking, and interacting with outsiders.

The “average” manager studied spent 32 percent of his or her time in traditional management activities, 29 percent communicating, 20 percent in human resource management activities, and 19 percent networking. However, the amount of time and effort that different managers spent on these four activities varied a great deal. Specifically, managers who were successful (defined in terms of the speed of promotion within their organization) had a very different emphasis than managers who were effective (defined in terms of the quantity and quality of their performance and the satisfaction and commitment of their subordinates). Networking made the biggest relative contribution to manager success; human resource management activities made the least relative contribution. Among effective managers, communication made the largest relative contribution and networking the least.

This study adds important insights to our knowledge of what managers do. On average, managers spend approximately 20 to 30 percent of their time on each of the four activities: traditional management, communication, human resource management, and networking. However, successful managers don’t give the same emphasis to each of these activities as do effective

managers. In fact, their emphasis is almost the opposite. This challenges the historical assumption that promotions are based on performance, vividly illustrating the importance that social and political skills play in getting ahead in organizations.

6. Disciplines that contribute to OB

Organizational behaviour is an applied behavioural science that is built upon contributions from a number of behavioural disciplines. The predominant areas are psychology, sociology, social psychology, anthropology, and political science

Psychology

- Psychology is the science that seeks to measure, explain, and sometimes change the behaviour of humans and other animals.
- Usage of psychological and organizational theory and research to improve organizational effectiveness and the work life of all individuals would be quite effective.
- Psychologists concern themselves with studying and attempting to understand individual behaviour

Earlier it only included topics like fatigue, boredom, learning, perception, personality, emotions, training, leadership effectiveness, needs and motivational forces, job satisfaction, decision-making process, performance appraisals, attitude measurement, employee selection techniques, work design and job stress

Sociology

- Sociologists study the social system in which individuals fill their roles

- Sociology studies people in relation to their fellow human beings to improve organizational performance.
- Here we study the group behavior in organisations, group dynamics, design of work teams, organisational culture, formal organisational theory and structure, organisational technology, communications, power and conflict

Social psychology

- An area within psychology that blends concepts from psychology and sociology and that focuses on the influence of people on one another.
- Major area: change – how to implement it and how to reduce barriers to its acceptance
- Study areas: measuring, understanding and changing attitudes, communication patterns, building trust, the ways in which group activities can satisfy individual needs, group decision-making processes

Anthropology

- The study of societies to learn about human beings and their activities.
- Study on culture and environment has helped us understand differences in fundamental values, attitudes, and behaviour between people in different countries and within different organisations

Political science

- The study of the behaviour of individuals and groups within a political environment

- Study areas: structuring of conflicts, allocations of power, how people manipulate power for individual self-interest

7. Challenges and Opportunities of Organizational Behavior

The following are some of the significant problems:

- Improving People Skills
- Improving Quality and Productivity
- Managing Workforce Diversity
- Responding to Globalization
- Empowering People
- Coping with Temporariness
- Stimulating Innovation and Change
- Emergence of the e-organization
- Improving Ethical Behavior

Improving People Skills:

Technological changes, structural changes, environmental changes are accelerated at a faster rate in business field. Unless employees and executives are equipped to possess the required skills to adapt to those changes, the achievement of the targeted goals cannot be achieved in time. There two different categories of skills – managerial skills and technical skills. Some of the managerial skills include listening skills, motivating skills, planning and organizing skills, leading skills, problem solving skill, decision making skills etc.

These skills can be enhanced by organizing a series of training and development programmes, career development programmes, induction and socialization etc.

Implications for Managers: Designing an effective performance appraisal system with built-in training facilities will help upgrade the skills of the employees to cope up the demands of the external environment. The lower level cadre in management is required to possess more of technical skills. As they move towards upward direction, their roles will be remarkably changed and expected to have more of human relations and conceptual skills.

Improving Quality and Productivity:

Quality is the extent to which the customers or users believe the product or service surpasses their needs and expectations. For example, a customer who purchases an automobile has certain expectation, one of which is that the automobile engine will start when it is turned on. If the engine fails to start, the customer's expectations will not have been met and the customer will perceive the quality of the car as poor. Deming defined quality as a predictable degree of uniformity and dependability, at low cost and suited to the market. Juran defined it as fitness for use. The key dimensions of quality as follows.

Performance:

Primary operating characteristics of a product such as signal coverage, audio quality, display quality etc.

Features:

Secondary characteristics, added features, such as calculators, and alarm clock features in hand phone

Conformance:

Meeting specifications or industry standards, workmanship of the degree to which a product's design or operating characteristics match pre-established standards

Reliability:

The probability of a product's failing within a specified period of time

Durability:

It is a measure of product's life having both economic and technical dimension

Services:

Resolution of problem and complaints, ease of repair

Response:

Human to human interface, such as the courtesy of the dealer

Aesthetics:

Sensory characteristics such as exterior finish

Reputations:

Past performance and other intangibles, such as being ranked first.

More and more managers are confronting to meet the challenges to fulfill the specific requirements of customers. In order to

improve quality and productivity, they are implementing programs like total quality management and reengineering programs that require extensive employee involvement.

Total Quality Management (TQM):

It is a philosophy of management that is driven by the constant attainment of customer satisfaction through the continuous improvement of all organizational process. The component of TQM are (a) intense focus of the customer

(b) Concern for continual improvement (c) improvement in the quality of everything the organization does (d) accurate measurement and (e) empowerment of employees.

Reengineering:

This refers to discrete initiatives that are intended to achieve radically redesigned and improved work process in a bounded time frame. Business Process Reengineering employs a structural methodology that reduces work process to their essential composite activist and provides cost performance matrices to facilitate a business case for dramatic improvements. Both functional and cross-functional processes are evaluated through workflow analysis and activity based costing. In many cases, the application of new technology and industries best practices will enable quantum improvement in an organization's cost and performance.

Implications for Managers:

Today's managers understand that any efforts to improve quality and productivity must influence their employees. These employees will not only be a major force in carrying out changes, but increasingly will participate actively in planning

those changes. Managers will put maximum effort in meeting the customer's requirements by involving everyone from all the levels and across all functions. Regular communications (both formally and informally) with all the staff at all levels is must.

Two way communications at all levels must be promoted. Identifying training needs and relating them with individual capabilities and requirements is must. Top management's participation and commitment and a culture of continuous improvement must be established.

Managing Workforce Diversity:

This refers to employing different categories of employees who are heterogeneous in terms of gender, race, ethnicity, religion, community, physically disadvantaged, homosexuals, elderly people etc. The primary reason to employ heterogeneous category of employees is to tap the talents and potentialities, harnessing the innovativeness, obtaining synergetic effect among the diverse workforce. In general, employees wanted to retain their individual and cultural identity, values and life styles even though they are working in the same organization with common rules and regulations. The major challenge for organizations is to become more accommodating to diverse groups of people by addressing their different life styles, family needs and work styles.

Implications for Managers:

Managers have to shift their philosophy from treating everyone alike to recognizing individual differences and responding to those differences in ways that will ensure employee retention and greater productivity while, at the same time not

discriminating. If work force diversity is managed more effectively, the management is likely to acquire more benefits such as creativity and innovation as well as improving decision making skills by providing different perspectives on problems. If diversity is not managed properly and showed biases to favor only a few categories of employees, there is potential for higher turnover, more difficulty in communicating and more interpersonal conflicts.

Ok so these were few of the challenges and opportunities that we discussed and further more will be talked in the next session.

8. Summary

So friends let us summarize today's session. The most important aspect of professional life understands organizational behavior and that is what we got introduced to. We looked into its concept, Managerial roles and skills, effective vs successful managerial activities and also lastly we glanced through some of the challenges and opportunities of organizational behavior. I hope this knowledge would be of quiet a help while you enter the next phase of your career.