



[Frequently Asked Questions]

Introduction to Organisational Behavior Part-2

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Frequently Asked Questions

Q1. How is globalisation responded as a part of challenge and opportunity of ob?

A1. Today's business is mostly market driven; wherever the demands exist irrespective of distance, locations, climatic conditions etc. The business operations are expanded to gain market share and to remain in the top rank. Business operations are no longer restricted to a particular locality or region. Company's products or services are spreading across the nations using mass communication, internet, faster transportation etc. An Australian wine producer now sells more wine through Internet than through outlets across the country. More than 95% of Nokia hand phones are being sold outside of their home country, Finland. Japanese cars are being sold in different parts of globe. Sri Lankan tea is exported to many cities across the globe. Executives of Multinational Corporations are very mobile and move from one subsidiary to another more frequently.

Q2. Explain the implications of globalisation to managers.

A2. Globalization affects managerial skills in at least two ways: i) an expatriate manager have to manage a workforce that is likely to have very different needs, aspirations and attitudes from the ones that they are used to manage in their home countries. ii) Understanding the culture of local people and how it has shaped them and accordingly learn to adapt ones management style to these differences. This is very critical for the success of business operations. One of the main personality traits required for expatriate managers is to have sensitivity to understand the individual differences among people and exhibit tolerance to it.

Q3. How is Empowering people a part of challenge and opportunity of ob?

A3. The main issue is delegating more power and responsibility to the lower level cadre of employees and assigning more freedom to make choices about their schedules, operations, procedures and the method of solving their work-related problems. Encouraging the employees to participate in work related decision will sizably enhance their commitment at work. Empowerment is defined as putting employees in charge of what they do by eliciting some sort of ownership in them. Managers are going considerably further in this area by allowing employees full control of their work. An increasing number of organizations are using self-managed teams, where workers operate largely without boss. Due to the implementation of empowerment concepts across all the levels, the relationship between managers and the employees is reshaped. Managers will act as coaches, advisors, sponsors, facilitators and help their subordinates to do their task with minimal guidance.

Q4. What are managerial implications of empowering people?

A4. The executive must learn to delegate their tasks to the subordinates and make them more responsible in their work. And in so doing, managers have to learn how to give up control and employees have to learn how to take responsibility for their work and make appropriate decisions. If all the employees are empowered, it drastically changes the type of leadership style, power relationships, the way work is designed and the way organizations are structured.

Q5. How do managers cope up with temporariness?

A5. In recent times, the Product life cycles are slimming, the methods of operations are improving, and fashions are changing very fast. In olden days, the managers needed to introduce major change programs once or twice a decade. Today, change is an ongoing activity for most managers. The concept of continuous improvement implies constant change. In yester years, there used to be a long period of stability and occasionally interrupted by short period of change, but at present the change process is an ongoing activity due to competitiveness in developing new products and services with better features. Everyone is facing some or other kind of temporariness in the organizations today. The actual jobs that workers perform are in a permanent state of flux. So, workers need to continually update their knowledge and skills to perform new job requirements.

Q6. How do managers stimulate innovation and change?

A6. Today's successful organizations must foster innovation and be proficient in the art of change; otherwise they will become candidates for extinction in due course of time and vanished from their field of business. Victory will go to those organizations that maintain flexibility, continually improve their quality, and beat the competition to the market place with a constant stream of innovative products and services. For example, Compaq succeeded by creating more powerful personal computers for the same or less money than IBM or Apple, and by putting their products to market quicker than the bigger competitors. Amazon.com is putting a lot of independent bookstores out of

business as it proves you can successfully sell books from an Internet website.

Q7. What is the growth rate of e-bussiness?

A7. The application of Internet operations initially covered a small part of the business. At this point, their e-commerce operations were secondary to their traditional business. An increasingly popular application of e-business is merely using the Internet to better manage an ongoing business. Later, there are millions of firms that are now selling anything over the Internet, but they are using e-business applications to improve communications with internal and external stakeholders and to better perform traditional business functions. Some companies are putting maximum effort in improving its internal efficiency and providing support to its wide-reaching dealer network and to on-line sellers by creating a shared and integrated network.

Q8. How is ethical behavior improved in an organization?

A8. The complexity in business operations is forcing the workforce to face ethical dilemmas, where they are required to define right and wrong conduct in order to complete their assigned activities. For example, Should the employees of chemical company blow the whistle if they uncover the discharging its untreated effluents into the river are polluting its water resources? Do managers give an inflated performance evaluation to an employee they like, knowing that such an evaluation could save that employee's job? The ground rules governing the constituents of good ethical behavior has not been clearly defined. Differentiating right things from wrong behavior

has become more blurred. Following unethical practices have become a common practice such as successful executives who use insider information for personal financial gain, employees in competitor business participating in massive cover-ups of defective products etc.

Q9. Explain the implication for managers about improving ethical behavior in an organization.

A9. Managers must evolve code of ethics to guide employees through ethical dilemmas. Organizing seminars, workshops, training programs will help improve ethical behavior of employees. Retaining consultants, lawyers, voluntary service organizations to assist the company in dealing with ethical issues will ensure positive ethical behavior. Managers need to create an ethically healthy climate for his employees where they can do their work productively and confront a minimal degree of ambiguity regarding what constitutes right and wrong behavior

Q10. Which are the Organizational behavior determinants?

A10. There are three major factors that affect OB. These are:

- People
- Structure
- Technology