

ORGANIZATIONAL BEHAVIOUR

Unit 1 : Organizational Behaviour and Foundations Of Individual Behaviour

MEANING AND DEFINITIONS OF ORGANISATIONAL BEHAVIOUR

Organisational behaviour is directly concerned with the understanding, prediction and control of human behaviour in organisations. It is an area of study that investigates the impact that individuals, groups and structure have on behaviour within organisations.

Some important definition of organizational behavior are as follows:

According to L. M. Prasad, "Organisational behaviour can be defined as the study and application of knowledge about human behaviour related to other elements of an organisation such as structure, technology and social systems."

According to K Aswathappa, "OB is the study of human behaviour in organisational setting, of the interface between human behaviour and organisation and of the organisation itself."

According to Davis and Newstrom,

"Organisational behaviour is the study and application of knowledge about how people act within organisations."

Importance of Organisational Behaviour

1. Skill Improvement:

Study of Organisational Behaviour helps to improve skills.

This includes the ability of employees and use of knowledge to become more efficient. It also improves managers, as well as other employees, work skill.

2. Understanding Consumer Buying Behaviour:

It also an important part to improve the marketing process by understanding consumer (buying) behaviour.

3. Employee Motivation:

OB helps to understand the basis of Motivation and different ways to motivate employees properly.

4. Nature of Employees:

Understanding of personnel and employee nature is important to manage them properly. With the help of OB, we can understand whether employees or people are Introvert, Extrovert, Motivated, Dominating etc.

5. Anticipating Organisational events:

The scientific study of behaviour helps to understand and predict organisational events.

For example Annual Business Planning, Demand Management, Product line management, Production Planning, Resources Scheduling, Logistics etc.

6. Efficiency & Effectiveness:

Study of organisational behaviour helps to increase efficiency and effectiveness of the organisation

7. Better Environment of Organisation:

OB helps to create a healthy, ethical and smooth environment in an organisation.

8. Optimum or Better Utilization of Resources:

Study of OB helps to understand employees and their work style and skill better way.

By understanding this, management can train and motivate employees for optimum utilization of resources.

9. Importance of OB in the Goodwill of organization:

Organisational Behaviour helps to improve Goodwill of organization.

This is all about the significance and importance of organisational behaviour and its impact on overall business activities. Ultimately OB helps to increase efficiency and productivity. This may lead to an increase in the profit of the organisation.

Foundations of OB

The subject OB is based on a few fundamental concepts which are explained below

1. Individual Differences

Each person is different from one to another in intelligence, physique, personality, diction, or any such trait. Individual differences mean that management can cause the greatest motivation among employees by treating them differently. If it were not for individual differences, some standard, across-the-board way of dealing with all employees could be adopted and minimum judgement would be required thereafter. It is because of individual differences that OB begins with the individual. Only a person can take responsibility and make decisions, a group, by nature, cannot do so. A group is powerless until individuals therein act.

2. A whole Person

When an individual is appointed, his or her skill alone is not hired, his/her social background, likes and dislikes, pride and prejudices are also hired. A person's family life cannot be separated from his or her work life. It is for this reason that managers should endeavour to make the workplace a home away from home. They not only strive hard to develop a better employee out of a worker, but also a better person in terms of growth and fulfillment.

3. Caused Behaviour

The behaviour of the employee is caused and not random. This behaviour is directed towards some one that the employee believes, rightly or wrongly, is in his/her interest. The manager must realize this basic principle and correct this behaviour and tackle the issue as its root.

For ex: when a worker comes late to his or her work, pelts stones at a running bus, or abuse the supervisor, there is a cause behind it.

4. Human Dignity

This states that people want to be treated with respect and dignity. Every job, however simple, entitles the people who do it to proper respect and recognition of their unique aspirations and abilities. The concept of human dignity rejects the old idea of using employees as economic tools. Organizational behaviour always involves people, ethical philosophy is involved in one way or other in each action. Human decisions cannot and should not be made devoid of values.

5. Organizations are Social systems

Organizations are social systems; consequently activities therein are governed by social as well as psychological laws. The people are also have social roles and status. Their behaviour is influenced by their group as well as by their individual drives.

The existence of a social system implies that the organizational environment is one of dynamic change, rather than a static. All parts of the system are interdependent and are subject to influence by any other part.

6. Mutuality of Interest

Organizations are formed and maintained on the basis of mutuality of interest Among their participants i.e. organizations need people and people also need organizations. People see organizations as a means to help them reach their goals, while, at the same time, organizations need people to help attain Organizational objectives. Mutual interest provides a superordinate goal that united the variety of needs that people bring to organizations.

7. Holistic Concept

This concept interprets people-organization relationships in terms of the whole person, whole group, whole organization, and the whole social system. It takes an all-encompassing view of people in organizations in an effort to understand as many of the possible factors that influence their behaviour. Issues are analyzed in terms of the situation affecting them rather than in terms of an isolated event or problem.

INDIVIDUAL BEHAVIOUR

MEANING OF INDIVIDUAL BEHAVIOUR

Individual behavior can be defined as individuals behaves react and response in a given environment.

Each individual has their own personality which defines their behaviour.

No two individuals behave in the same manner in a particular work environment.

Study of human behaviour is very important factors which add to the productivity of the organisation.

FACTOR AFFECTING INDIVIDUAL BEHAVIOUR

1. PERSONAL FACTORS
2. ENVIRONMENTAL FACTORS
3. ORGANISATIONAL FACTORS

1. PERSONAL FACTORS:

It can be classified into two categories:

a)Biographical Characteristics

- Physical Characteristics
- Age
- Gender
- Ability
- Marital Status

b)Learned Characteristics

- Personality
- Perception
- Attitudes
- Values

a)Biographical Characteristics:

Physical Characteristics-

These Characteristics are related to height, skin, complexion, vision, shape, weight, size of nose etc.All these factors have an impact on the performance of the individuals.

Age-

Has impact on performance, turnover, absenteeism, productivity and job satisfaction level.

Young people are expected to be more energetic, innovative, adventurous, ambitious and risk taking.

Where as old people are supposed to be more conservative, set their own way and less adaptive.

Gender-

Being a male or female is genetic in nature and it is an inherited feature. It has impact on absenteeism and turnover.

Ability-

Refers to an individual capacity or capability to perform various tasks in a given job.

- Intellectual ability- performing mental activities are called intellectual
- Physical ability - It include a person's stamina and strength require to perform particular job.

Marital status-

Not enough studies to draw any conclusion as to whether there is any relationship between marital status and his performance at work.

Research has consistently indicated that as marriage imposes increased responsibilities, to have a steady job becomes more valuable and important. Married employees have fewer absences, less turnover and more job satisfaction as compared to unmarried workers.

b) Learned Characteristics:

Personality-

It is a dynamic concept describing the growth and development of a person's whole psychological system. It refers to the personal traits.

Perception-

Perception is the viewpoint by which one interprets a situation. the process by which information enters our minds and is

interpreted in order to give some sensible meaning to the world around us.

Attitude-

Attitude means the way person feels about something , a person, a place, a thing, a situation and or an idea. It expresses an individual's positive

or negative feeling about some object.

Value-

Value carries an individual's idea as to what is right and what is wrong. They are very important to study of organisational behaviour.

2. ENVIRONMENTAL FACTORS

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

1. Economic Factors.

The behaviour of an individual is affected to a large extent by the economic environment. A few economic factors which directly or indirectly affect the

individual behaviour are as follows,

- Employment Level
- Wage Rates
- General Economic Environment
- Technological Development

2. Socio-cultural Factors.

The social environment of an individual includes his relationship with family members, friends, colleagues, supervisors and subordinates. The behaviour of other people not with the individual, but in general, is also a part of his social environment. Similarly, every individual has a cultural background,

which shapes his values and beliefs. Work ethics achievement need, effort-reward expectations and values are important

cultural factors having impact on the individual behaviour.

3. Political Factors.

Political environment of the country will affect the individual behaviour not directly, but through several other factors. In a politically stable country there will be a

steady level of employment (both in quantity and quality) and high level of capital investment. Whereas companies are reluctant to invest large sums of money in a politically instable country.

The political ideology of a country affects the individual behaviour through the relative freedom available to its citizens. A country can have a controlled society or less controlled society. The relative freedom available to the individuals can affect their career choice, job design and performance.

4. Legal Environment.

Rules and laws are formalised and written standards of behaviour. Both rules and laws are strictly enforced by the legal system. Laws relate to all the members

of the society e.g. Murder is a crime which is illegal and punishable by law and applies to all the people within the system. Observing the laws voluntarily allows for predictability of individual behaviour.

3.ORGANISATIONAL FACTORS

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

1. Physical Facilities.

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

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

behaviour and performance of the individual is influenced by where that person fits into the organisational hierarchy.

3. Leadership.

The system of leadership is established by the management to provide direction, assistance, advice and coaching to individuals. The human behaviour is

influenced to a large extent by the behaviour of the superiors or leaders. Behaviour of the leaders are more important than their qualities.

4. Reward System.

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

PERSONALITY

MEANING AND DEFINITION OF PERSONALITY

Personality:

The word personality is derived from Latin word called "persona" means a "mask" or "personare" means "to speak through".

Personality is the characteristics, qualities, skills, competencies and outward appearances of individuals.

In other words, personality is a way to respond people, situations, and things that are consistent (more or less).

In short, Personality is the psychological factor that influences individual behavior.

Definition:

According to Gordon Allport – "personality is the set of traits and behaviors that characterise an individual".

According to Stephen Robbins – “Personality is a dynamic and organized set of characteristics possessed by a person that uniquely influences his or her cognitions, motivations, and behavior in various situations”.

According to Lawrence Ervin – “Personality is the relatively stable set of psychological attributes that distinguish one person from another”.

According to R B Cattell –

“Personality is that which permits a prediction of what a person will do in a given situation”.

NATURE OF PERSONALITY

Some of the fundamental nature of personality include :

Consistency.

There is generally a recognisable order and regularity to behaviours. Essentially, people act in the same ways or similar ways in a variety of situations.

Psychological and physiological. Personality is a psychological construct, but research suggests that it is also influenced by biological processes and needs.

Impact behaviours and actions. Personality does not just influence how we move and respond in our environment; it also causes us to act in certain ways.

Multiple expressions.

Personality is displayed in more than just behaviour. It can also be seen in our thoughts, feelings, close relationships and other social interactions.

Uniqueness.

Personality refers to internal as well as external qualities, some of which are quite general. But it is unique to each individual. It is not possible for a person to reproduce or imitate the qualities of the personality of another person.

Persistence.

Personality is mainly composed of the persistent or permanent qualities that exhibit themselves in form of social behavior and attempt to make an adjustment with the environment.

Social interactions.

Personality is not an individual quality. It is a result of social- interaction. When people come in contact with other members of the society, they acquire certain qualities while they exhibit certain others. All these come to form personality.

Dynamic and social predisposition.

In personality, various qualities are not put together. They are, in fact, integrated into one. This integration is nothing but a result of organisation which may be different from man to man. The behavior of a person directed towards one particular individual may differ from the behavior of another person.

DETERMINANTS OF PERSONALITY

Different theories propose different factors that determine an individual personality. However the major determinants of personality are heredity, environment and situation.

I.Environment Factors

Environment refers to the surroundings in which the individuals are brought up. The environmental factors relating to the formation of personality includes culture, family, society upbringing and experiences.

a)Family factor

Family is one of the significant factors that have an impact on personality development. Families influence the behavior of a person especially in the early stages. The nature of such influence will depend upon the following factors:

- Socio-Economic level of the family
- Family size
- Birth order

- Race
- Religion
- Parent's education level
- Geographic location.

Empirical evidence also suggests that the home and family environment, created by the mother and the father as well as their own behavior is highly influential on personality development.

b) Socialisation Process

Socialization is a process by which an infant acquires from the enormously wide range of behavior potentialities that are open to him/her at birth, those behavior patterns that are customary and acceptable to the family and social groups. Initially socialization starts with the contact between mother and her new infant. Later on other members of the family also influence the socialisation process.

c) Identification Process

The identification process occurs when a person tries to identify himself/herself with some person to whom he/she feels ideal in the family.

d) Cultural-factor

It is a unique system of perception, belief, values, norms, pattern of behavior of individual in a given society.

Culture is the factor which determines the decision-making power of an individual. It generally determines attitude towards independence, aggression, competition and cooperating.

e) Situational factor

Situational factors also play a very important role where situation exerts an important press on the individual. It exercises constraints and may provide push. This aspect is very important for organization because manager has control over the organizational situation.

2) Biological factor

The study of biological contribution to personality can be divided into 3 major categories:-

a. Heredity

Heredity is the transmission of qualities from the ancestor to descendent through a mechanism primarily lying in the chromosomes of the germ cell.

b. Brain

The structure of the brain determines personality though no conclusive proof is available so far about the role of brain in personality formation.

c. Physical features

The third biological factor determining personality formation is physical characteristics and rate of maturation. An individual external appearance, which is biologically determined, is an important ingredient of personality.

THE "BIG FIVE" PERSONALITY TRAITS or TRAITS OF PERSONALITY

The Big Five Model In recent years, a body of researchers have identified five basic personality dimensions - Extroversion, Emotional stability, Agreeableness, Conscientiousness and Openness. All these five traits are so important and underlie all other traits that they are more popularly referred to as the big five personality traits.

These traits are discussed as follows :

1. Extroversion.

This personality trait reflects a person's comfort level with relationships.

Extroverts tend to be sociable, lively, assertive, outgoing and talkative. The opposite of extrovert is introvert which refers to those who are quite, reserved and less assertive.

2. Emotional Stability.

This trait captures a person's ability to withstand stress. People with

high emotional stability tend to be calm, confident and secure. A person with low emotional stability, on the other hand, tends to be nervous, depressed, anxious and insecure.

3. Agreeableness.

Agreeableness refers to a person's ability to get along with others. Highly agreeable people are cooperative, emphatic and caring. However, people who score low on this trait are cold, uncooperative and self centred.

4. Conscientiousness.

This personality trait is a measure of reliability. It refers to people who are dependable, responsible, organised and systematic. People with low conscientiousness tend to be unreliable, irresponsible, careless and disorganized.

5. Openness.

The personality trait reflects a person's interests and creativity. Extremely open people are creative and innovative. They are willing to listen to new ideas and to change their own idea. They are flexible and curious. However, those who score low on this trait are less receptive to new ideas, more fixed in their ways and conventional.

PERCEPTION

MEANING AND DEFINITION:

According to dictionary meaning, perception means “act of faculty of perceiving”. Perception means perceiving i.e. giving meaning to the environment around us. For example: Looking at a sculpture some may perceive it as beautiful, the others as ugly.

According to Uday Pareek and others, perception can be defined as “the process of receiving, selecting, organizing, interpreting, checking, and reacting to sensory stimuli or data”.

According to Stephen P Robbins, “A process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment”.

By analyzing the above definitions we can say that the term perception involves the following:-

- Deciding which information to notice,
- How to categorize this information,

- How to interpret it within the frame work of our existing knowledge.

FACTORS INFLUENCING PERCEPTION

I. INTERNAL FACTORS

The internal factors include the following:-

1) Learning

Learning may play the single biggest role in developing perceptual set. It is a cognitive awareness by which the mind organizes information and forms images and compares them with previous exposures to similar stimuli. Learning creates an expectancy in an individual and expectancy makes him see what he wants to see which means perceptions and interpretations of people depend upon their previous exposure.

2) Motivation

Motivation also has a vital impact on perceptual selectivity where it creates a urge and activates the inner stimuli of individuals.

For example:-a) a hungry person will be more sensitive to the smell or sight of food than a non-hungry person;

b) When a person walks into the lunch room, he may go to the table where several of his co-workers are sitting, rather than a table which is empty or on which just one person is sitting.

3) Personality

Behavior, values and even age of an individual may also affect the people perceive the world around them.

For example, the older senior executives often complain about the inability of the new young manager to take tough concerning terminating and paying attention to details and paper work. The young managers, in turn,complain about the 'old guards' resisting change and using paper and rules as ends in themselves. Further, the generation gap witnessed definitely contribute to different perceptions.

II. EXTERNAL FACTORS

External factor includes the following:-

1) Size

Size always attracts the attention, because it establishes dominance. The size may be the height or weight of an individual, sign board of a shop, or space devoted to an advertisement in the newspaper. The bigger the size of stimulus, the higher is the probability that is perceived.

For example:-A full page advertisement will always catch attention as compared to a few lines in the classified section.

2) Intensity

Intensity attracts to increase the selective perception. In other words it is an activity involves concentrating a lot of effort or people on one particular task in order to try to achieve a great deal in a short time.

Example: Yelling or whispering, very bright colors or very dim colors etc.

The term also includes behavioral intensity. For instance, if office order says "Report to the boss immediately," it will more intense as compared to "Make it convenient to meet the boss today".

3) Repetition

Repetition refers to make others to pay attention by stimulating their inner urge through repeated stimulus.

In other words, it states that a repeated external stimulus is more attention drawing than a single one. Because of this factor, supervisors make it a point to give the necessary directions again and again to the workers.

For example:-Product shown again and again on TV grabs more attention as compared to an advertisement which is shown once a day.

4) Status

High status people can exert greater influence on the perception of the employees than the low status people.

For example:-There will always be different reactions to the orders given by the foreman, the supervisor or the production manager.

5) Contrast

An object which contrasts with the surrounding environment is more likely to be noticed than the object which blends in the environment.

For example:-In a room if there are twenty men and one woman will be noticed first because of the contrast; EXIT SIGN in cinema halls which have red lettering on a black background are attention drawing.

6) Movement

This principle states that a moving object receives more attention than an object which is standing still.

For example:-A moving car among the parked cars catch attention faster.

7) Novelty and Familiarity

This principle states that either a novel or a familiar external situation can serve as an attention getter. This principle helps the managers to change the workers jobs from time to time, because it will increase the attention they give to their jobs.

For example:-A familiar face on a crowded railway platform will immediately catch attention.

8) Nature

This principle states that whether it is a visual, auditory or pictures of people or animals that will attract more attention than words.

For example:-Video attracts more attention than still pictures.

PERCEPTUAL PROCESS

1) Receiving

Receiving is the first stage in the process of perception. It is the initial stage in which a person collects all information and receives the information through the sense organs.

2) Selecting

Selecting is the second stage in the process. Here a person doesn't receive the data randomly but selectively. A person selects some information out of all in accordance with his interest or needs. The selection of data is dominated by various external and internal factors.

3) Organizing

Keeping things in order or say in a synchronized way is organizing. In order to make sense of the data received, it is important to organize them. Usually data can be organized through grouping them on the basis of their similarity, proximity, closure, continuity.

4) Interpreting

Finally, we have the process of interpreting which means forming an idea about a particular object depending upon the need or interest. Interpretation means that the information we have sensed and organized, is finally given a meaning by turning it into something that can be categorized. Usually one's interpretation may subject to certain errors which is discussed below.

PERCEPTUAL ERRORS

1) Halo effect

The halo effect refers to the tendency of judging people on the basis of a single trait which may be good or bad, favorable or unfavorable. The halo effect is a very common type of error committed by the managers while evaluating the subordinates. Where a manager judge the employees based on his or her first impression.

For example:-If a manager considers that an employee has good skills in analyzing a problem, he comes to a conclusion that he can also solve the problem. But solving the problem involves the choosing of the alternatives followed by the decision-making process in which the employee may not be "PROFICIENT".

2) Selective Perception

Selective perception is also known as "Selective attention". It comprises traits

and characters of individual based on sex, age, culture, socio-economic status etc. People selectively perceive objects or things that interest to them most in a particular situation and avoid others. In other words, selective perception is the personal filtering of what we see and hear so as to suit our own needs.

For example:-Employee of production department may be concentrating to the skill/work which he is doing and may ignore others.

3)Stereotyping

It is a process in which the individuals are judged based on the group to which they belong. In other words, stereotyping means judging someone on the basis of one's perception of the group to which that person belongs.

For example:-General notion about gender i.e. "Males have high ego, Women are sensitive".

4)Perceptual defense

It is the inability to perceive that is threatening to the perceiver. A consequence of perceptual defense is that employees that are fired often express shock and maintain that they were never told about this poor performance.

For example:-A person performing poorly at work may be unable to get the warning of his manager.

5)Primacy effect

'First impression is the best impression'. Errors based on this type of perception are called as primacy effect. It is the tendency of the individuals to make an opinion based on the first impression.

For example:-Not sociable and soft spoken concluded as introvert.

6)Recency effect

Individuals tend to remember the recent happening and based on that, come to a conclusion on a particular event. The recent happenings or incidents remain in our short-term memory and it dominates the other incidents when the perception takes place.

MANAGING PERCEPTION

1) Knowing oneself accurately

One of the powerful ways to minimize perceptual distortions is know oneself. People normally misperceive others because they fail to perceive themselves accurately. The more accurately a person understands himself, the more accurately he can perceive others.

2) Empathize with others

Empathy refers to a person's ability to understand and be sensitive to the feelings of others. Empathy is a natural phenomenon and develops within an individual by itself. By empathizing with other person, one can perceive the other individual more aptly.

3) Have a positive attitude

Attitudes have a strong and long lasting effect on perception. If one holds a negative attitude towards someone or something, our perception is undoubtedly going to be distorted. We should make effort to have a positive attitude and should not let our personal biases to crop in and hinder the perceptual powers.

4) Postpone Impression Formation

Forming judgments about an individual by first impression or by first meeting is absolutely wrong. A much better strategy is to postpone the impression formation until more information about the individual and the situation is collected.

5) Communicating openly

Inadequate or one way communication leads to misperception. Utmost care should be taken, so that the message reaches the right person, at the right time and in the right manner.

6) Comparing one's perceptions with that of others

Another useful strategy to reduce perceptual errors is to compare one's perception with the perception of other person about the same object. By sharing perceptions we come across different point of views and potentially gain a much better understanding of the situation and the object.