

## Organization Behavior

**Module-I** - Fundamentals of OB :- Definition, scope and importance of OB, Relationship between OB and the individual , Evolution of OB, Theoretical framework(Cognitive, behavioristic and social cognitive), limitations of OB.

Human behaviors what human being think, feel and do. It is of two types

Overt behavior :- It refers to the observable and measurable activity of human beings. It consists of mental process and physical process

Covert behavior :- It refers to behavior that cannot be observed or measured. It consists of attitudes, feelings, perceptions of people.

Human behavior is systematic and orderly. Several factors within and outside a person influence his behavior. A person's behavior is the outcome of the total environment of which he is a part. In other words, a human being is not self-contained entity. Rather he/she is a subsystem of a wider system-Family, group or society. Human behavior can be better be understood in terms of cause and effect relationship rather than in a philosophical terms. Human behavior is the outcome of several interrelated and ever changing factors. Therefore, human behavior cannot be predicted perfectly. Managers can better direct organizations towards goal accomplishment by analyzing the causes of human behavior.

Characteristics of Human Behavior :-

Caused :- Human behavior is caused, not spontaneous or autonomous.

Dynamic :- It is not static or stable. It keeps on changing from one situation or time period to another.

Multidimensional :- Human behavior assumes different forms. Sometimes, it is observable and at other times non-observable.

Complex :- It is very difficult to understand. Complete information about the factors influencing it is not always available.

Partly predictable :- It is not possible to predict human behavior with full accuracy. It is influenced by a large number of variables which keep on changing.

Controllable :- It can be controlled to a great extent by controlling the causes affecting it.

Goal-directed:- People have in order to protect and promote their interests and the interests of their near and dear ones.

What is Organization :-

Organizations are as old as the human race itself. Archaeologists have discovered massive temples dating back to 3500 BC that were constructed through the organized actions of many people. Organizations are sets of people who work together to achieve shared goals.

Life is unlivable without organizations. Organization plays different roles about the usefulness of the society. Specifically organization plays five different roles. These are



It is essential that organizations should function effectively if they are to be useful.

Organizational Behaviors helps firms achieve effectiveness in their activities. Organizations comprise people and OB helps in utilizing these resources for achieving organizational effectiveness. People generally possess physical strength, skill of some kind, executive skills and organizing abilities. OB helps harness these qualities and use them for achieving organizational goals.

Features of OB :-

OB is the study of Human behavior

The study is about behavior in organizations

Knowledge about human behavior would be useful in improving an organization's effectiveness

Combining the above three features, OB may be understood to be the study of human behavior in organizational settings, of the interface between human behavior and the organization, and of the organization itself.

Definition of OB :-

Defn-1-OB refers to the behavior of individuals and groups within organizations and the interaction between organizational members and their external environments.

Defn-2- OB is a field of study that investigates the impact that individuals, groups and structure have on behavior within organizations for the purpose of applying such knowledge towards improving an organization's effectiveness.

OB should not be mistaken as representing the whole management. It represents only the behavioral or people approach to management.

Foundations Of OB:- The subject OB is based on a few fundamental concepts which revolve around the nature of people and organizations. The basic assumptions distinct to the discipline are :

There are Differences between Individuals:- Each individual is different from others in several ways like intelligence, physique, personality, diction etc. Each person is unique from the day of birth and individual experiences after birth make people even more different. Individual differences mean that management can cause the greatest motivation among employees by treating them differently. 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.

A whole person :- When an individual is appointed his/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.

Caused Behaviour :- The behavior of the employee is caused and not random. This behavior is directed towards some one that the employee believes, rightly or wrongly, is in his/her interest.

Human dignity:- People are to be treated differently from other factors of production because they are of a higher order in universe. It recognizes that people want to be treated with respect and dignity and should be treated. The concept of human dignity rejects the old idea of using employees as economic tools.

Organizations are social System :- The activities in an organization are governed by social as well as psychological laws. Just as people have psychological needs, they also have social roles and status. Their behavior is influenced by their group as well as by their individual drives.

Mutuality of Interest :- It is represented by the statement that "Organization need people and people also need organizations". Mutual interest provides a super ordinate goal that unites the variety of needs that people bring to organizations. The result is that people are encouraged to attack organizational problems rather than each other.

Holistic Concept :- This concept interprets people-organization relationship in terms of the whole person, whole group, whole organization and the whole social system.

Need for management :- Management is the attainment of organizational goals in an effective and efficient manner through planning, organizing, leading and controlling organizational resources.

Importance of OB :-

OB provides a road map to our lives in organizations. i.e. how we behave in the organizations.

OB uses scientific research to help us understand and predict organizational life.

OB helps us influence organizational events.

OB helps an individual understand the basis of motivation and what he or she should do to motivate subordinates.

OB helps an individual understand himself/herself and others better.

The field of OB is useful for maintaining cordial industrial relations.

It is also useful in the field of marketing to know the consumer choice behavior, products, creativity etc.

It helps the managers to motivate the subordinates towards higher productivity.

OB is interdisciplinary in focus. It is an applied behavioral science, such as psychology, sociology, anthropology, political science etc.

Psychology :- Personality, Perception, Attitudes, Learning, Motivation, Job satisfaction, Training, Leadership effectiveness, Performance appraisal, Employee selection, Work design, work stress.

Sociology :- Group Dynamics, Communication, Leadership, Power and politics, Conflict, Organizational structures, Formal and informal organizations, Organizational culture, Organizational Change.

Social Psychology :- Behavioral Change, Attitude Change, Communication, Group Process, Group decision making

Anthropology :- Individual Culture, Organizational Culture, Organizational environment

Political Science :- Organizational Power, Politics, Conflicts

Scope of OB :- It is the study of human behavior.

Intrapersonal behavior :- It covers such aspects as personality, attitudes, perception, learning, opinion, motivation, job satisfaction and stress management.

Interpersonal behaviors :- It covers such aspects as group dynamic, team dynamics, intergroup conflict, leadership, communication, Transaction Analysis.

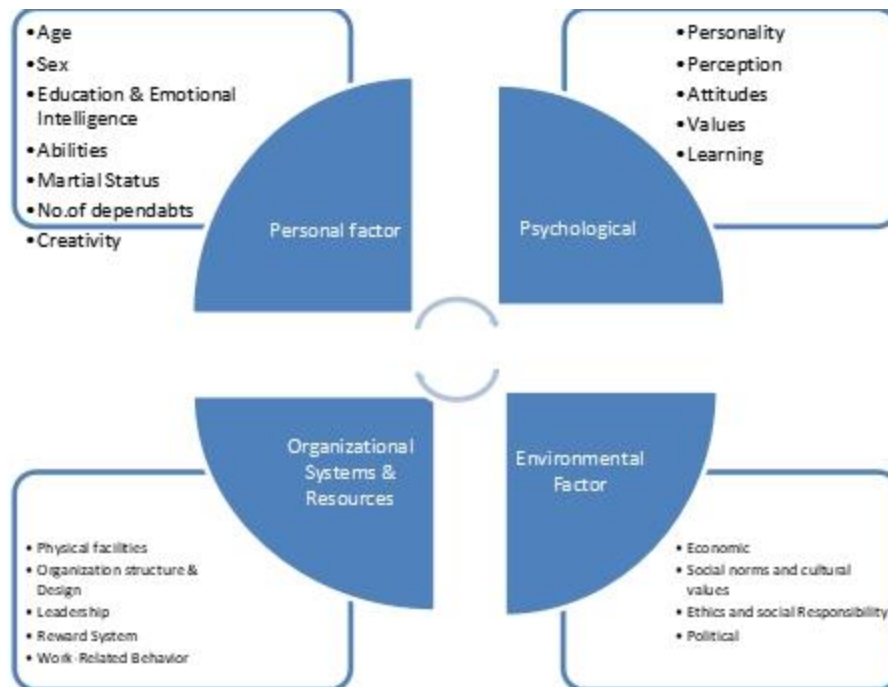
About Organizations :- It covers such aspects as their formation, Structures, effectiveness and formal & informal organizations.

**OB Model**

Personality, Perception, Learning, Attitudes & attribution, Motivation	Individual Behavior	Organizational Effectiveness
Group Dynamics, Team Dynamics, Power & Politics, Communication, Conflict	Group Behavior	
Organizational Culture, Human Resource Policies & Practices, Work Stress, Organizational Change and Development	Organization	

**The Individual Behavior :-**

The behavior of an individual is influenced by many factor. A study of these is useful for a better understanding of OB.



### **Personal Factor :-**

**Age :-** It has impact on performance, turnover, absenteeism, productivity and satisfaction

**Sex:-** In our male-dominated society, the presence of women employees in organization is not appreciated or encouraged.

**Education :-** The level of education serve to increase or decrease an individual's expectations about positive or negative outcomes.

**Emotional Intelligence :-** Emotions are an affective state of consciousness in which joy, sorrow, fear, hate, love, surprise and anger are expressed. EI helps us monitor and shape our emotional responses and those of others.

**Ability :-** It refers to an individual's capacity (i.e. skills intellectual and physical) to perform various tasks in a job

**Marital Status :-** This has an influence on absenteeism, turnover and satisfaction.

**Number of dependants :-** There is correlation between the number of dependants an employee has and his or her absence and satisfaction.

**Creativity :-** It refers to the cognitive activity that results in a new or novel way of viewing or solving a problem.

**Organizational Systems And Resources :-** *Individual behavior is also influenced by physical facilities, organization structure and design, Leadership, and reward system*

Facilities :- Physical facilities such as lighting, ventilation, air-conditioning, décor, space provided for each employee, equipment and the like, have an influence on employee performance.

Organization Structure & Design :- These consists of the set up, the way in which the reporting is done, relationship and lines of communications are established among different positions in the organizations. The behavior and performance of an individual is influenced by where that person fits into the overall structure and design of the organization.

Reward Systems :- The behavior and performance of an individual is influenced by the reward system his or her organization has established.

Work and Related Behavior :- An individual's behavior is influenced by what stage he/she occupies in an organization. The five stages of the individual's stay in the organization may be distinguished, i.e. Joining the organization, Remaining with the organization, Minimum work attendance, Performing required tasks, Exhibiting organizational citizenship.

**Environmental Factors :-** *These factors are mainly external and will influence individual behavior considerably*

Economic Environment :- It is a synthesis of factors like employment level, wage rates, economic outlook and technological change.

Ethics and Responsibility :- Ethics is a sense of right and wrong, and goodness and badness of actions and the motives and the consequences of these actions. It is the study of good and evil, right and wrong, and just and unjust actions of business people. Social responsibility also called corporate social responsibility(CSR) is understood as the obligation of decision-makers to take actions that protect and improve the welfare of the society as a whole, along with their own interest

Political Factor :- Stability of the government can affect employment opportunities, both in quantity and quality. The political ideology of a country affects individual primarily through the relative freedom available to its citizens. The relative freedom available can affect career choice, job design, motivation methods and finally individual performance.

**Psychological factor :-**

Personality :- It refers to the set of traits and behaviors that characterize an individual. It is the personal traits, such as aggressiveness, persistence, dominance etc.

Perception :- It means the viewpoint by which a person interprets the given situation. An individual's behavior is influenced not by what the situation really is but by how the individual perceives it.

Learning :- The behavior of a person depends upon his ability which is the outcome of learning. A person learns through education, training and experience.

Attitudes :- It refers to the way a person feels about anything in his environment. It indicates a person's positive or negative feelings.

Values :- It is the global beliefs that guide actions and judgments across a variety of situations.

Process of Human Behavior :-

Assuming that human behavior is caused, it can be explained in the form of a process. These are :-

S – R(Stimulus-Response) Model :- It suggests that human behavior(Response) is caused by a stimulus or certain variables. A stimulus is an agent such as heat, cold, light, information etc. that directly influences the activity of a person. Stimulus is the total situation in which a person happens to be. Environmental forces or the situations shape and determine the behavior of an individual at any given point of time.

S-O-R(Stimulus-organism-Response) Model :- In the previous model the person(Organism) is treated as passive and immobile. But in the S-O-R model, Organization(o) mediates between the stimulus and the response. It scans its surroundings, monitors its own actions, seeks certain conditions and avoid others and performs maintenance and adjustments functions.

Maintenance organs are of three types i.e. Receptors(Sense Organs), Connectors(nervous Organs)and effectors(muscles and glands). In the adjustment function, the organism monitors its activities to satisfy its needs and overcomes obstacles.

S-O-B-C(Situation-Organism-Behavior pattern-Consequence) Model- Here the situation represents the situation which consists of all aspects of the environment i.e. stimulus, socio-cultural environment, physical environment etc. Organism consisting of both physical and psychological being. Behavior pattern including both covert and overt behavior. Consequences is for both overt and covert behavior.

Understanding of human behavior is necessary for managers because they have to channelize individual behavior towards organizational objectives. Such Channelization requires a good person-job fit. An organization can achieve a good person-job fit by satisfying these needs fully and taking advantages of job-related behaviors of each employee. In order to understand and predict human behavior managers must understand the factors that influence individual behavior.

### **Evolution of OB :-**

Now, the contemporary managers have come to appreciate the value of history, and also glean insights from Mahabharata, Iliad and other great works. Concern for the welfare of workers in management of business enterprises has been in existence since ages. Kautilya's Arthashastra states that there existed a sound base for systematic management of human resources as early as the 4<sup>th</sup> century B.C. As early as



1800 B.C. “Minimum wage rate” and “incentive wage plan” was included in the Babylonian code of Hammurabi.

Prior to 19<sup>th</sup> century the condition of the employee was miserable. The working condition in factories were brutal and back breaking. People worked from dawn until dusk under intolerable conditions of disease, filth, danger and scarcity of resources. They had to work this way to survive, so that they had little time to improve job satisfaction.

The experts of human behavior have tried to chronicle the growth of the subject only from the beginning of the 19<sup>th</sup> century. The early part of the 19<sup>th</sup> century is significant because it was during this period that the Industrial Revolution took place that resulted in the total transformation of the then industrial environment.

Industrial Revolution brought about materialism, discipline, monotony, boredom, job displacement, impersonality, work interdependence and related behavioral phenomena. The Industrial Revolution was responsible for planting the seed for potential improvement. Industry created surplus of goods and knowledge that eventually gave workers increased wages, shorter hours and more work satisfaction.

In this connection Robert Owen a young Welsh factory owner, refused to employ young children and taught his workers cleanliness and temperance and improved their working conditions and also advise his employees to devote as much attention to “Vital Machines” as to “inanimate machines. . His methods entitled him to be called the “Father of Personnel Management”. This could hardly called modern organization behavior.

Scientific Management brought by Taylor converted broad generalization into practical tools. He is appropriately called the “Father of scientific Management”. Taylor advocated the selection of right people for the right jobs, Training them adequately, placing them in jobs for which they were best suited, and remunerating them handsomely. He was also responsible for awakening interest in workers in the 1900s.

Taylor published his major work Principle of scientific Management in 1911. During that decade, interest in human conditions at work was accelerated by world war I

Scientific management was criticized by employees and theorist for its over emphasis on task accomplishment and monetary incentives at the cost of respect for human beings.

The Human Relations Movements was born after the failure of scientific management which emphasizes on employee cooperation and morale. Under this, people were to be treated as human beings and not machines, listening to their needs and problems and involving them in decision making in matters relating to working conditions.

The great depression in 1929 where unemployment, decline of purchasing power, collapse of markets and lowering of the standard of living of people brings a positive outcome that management began to

realize that production alone could not be its major function. Marketing, finance and personnel were also required in order for a business to survive and grow. Personnel department gives more emphasis and most managers began to develop a new, awakened view of the human aspects of work.

Labor movement gives birth to strong union which protects the employees from exploitation and have effect on management. Management began to place primary emphasis on employee relations, and secondary attention was given to wages, hours of work and conditions of employment.

Hawthorne Studies gave academic status to the study of organizational behavior. The studies were carried out at the Western Electric Company's Hawthorne works in Cicero, a suburb of Chicago, and are closely linked with the name of Elton Mayo. This studies reflected management tradition of seeking greater efficiency by improving the tools and methods of work. The research involved three sets of studies.

**Illumination Studies :-** It is conducted on the illumination of light and the researcher concluded that the illumination about the factors of production affects the output of the employee.

**The Relay Assembly Room Study :-** It was conducted in the Royal Assembly Test room on electrical Rays. The researcher concluded that the change in the supervisory arrangement was the major reason for the increase in the productivity. They realized that the physical changes such as rest pauses, free lunches and incentive payment were of lesser importance.

**The Bank Wiring Room Study:-** It was conducted at a bank on telephone wiring, The researcher concluded that the behavioral norms set by the work group had a powerful influence over the productivity of the group. The higher the norms, the greater the productivity and vice versa. The power of the peer group and the importance of group influence on individual behavior and productivity.

There was serious criticism on Human relation movement because they found that it is on the theory of "Being nice to people" and "keep Them happy". In course of time, the term lost its flavor, although it continues to be used especially at the operating level-because of its appropriateness. As the field became more mature and research based, the new term arose to describe it was "Organizational Behavior".

OB has made considerable strides since 1960s, although there have been occasional steps backward as well. Managers increasingly recognize the value of human resources and strive to better understand people and their role in complex organization and competitive business situations. This realization has come from the subject, *Organizational Behavior*.

**Theoretical Frame work of OB :-**

*Cognitive framework of OB* :- Cognition means the mental action or process of acquiring knowledge and understanding through thought, experience and the senses. As per cognitive framework of OB, before the behavior of a person cognition starts and giving and giving input to the thinking, perception and problem solving of the person. This framework is based on the concept of expectancy, demand and intention of the human being. If we use this to represent cognitive framework it simply means every individual set his goal and he also know the behavior will take him to achieve the goal.

*Behaviouristic framework* :- Pioneer behaviouristic Ivan Pavlov and Jon B. Watson insist that it is advisable and fruitful to study the behavior of the human being which is visible than studying the mind which is elusive in nature. The concept of Behaviouristic framework of OB can be explained with the help of stimulus and response

Stimulus is the force of action or motivation and response is the reaction or the behavior. A human can project different behavior for the same stimulus and he exhibit a response depending on environmental consequences. Overall it can be said that behavioural framework based on observable behavior observable environmental variables.

*Social Cognitive framework* :- This is a framework which will give a base to understand the human behavior. The social cognitive framework in Organizational Behavior states that the person and the external situations are interdependence with each other along with the behavior it self to determine the behavior. It means that along with cognitive and external situation the experiences faced through relevant past event determines what a person becomes and this will create an impact in subsequent behavior.

The person and the environmental situation do not function as independent units but in conjunction with behavior itself, reciprocally interact to determine behavior. It means that cognitive variables and environmental variables are relevant, but the experiences generated by previous behavior also partly determine what a person becomes and can do, which, in turn, affects subsequent behavior.

Bandura developed social learning theory into the more comprehensive social cognitive theory(SCT). Have identified five basic human capabilities as a part of SCT.

Symbolizing: people process visual experiences into cognitive model. They help in future action.

Fore thought : People plan their action

Observational :- People learn by observing the performance of the referent groups(Peers, supervisors and high performers) and the consequences of their action.

Self Regulatory :- People self regulate their actions by setting internal standards(aspired level of performance)

Self Reflective :- People reflect back on their actions(How did I do ?) and perceptually determine how they believe then can successfully accomplish the task in the future given the context(Probability of success between 0 to 100% is estimated).

## Limitations of OB :-

At OB helps an individual to understand human behavior only at workplace or s/he may be a failure at domestic front.

OB has not contributed to improved interpersonal relations in an organization, jealousies, back stabbing, harassments go side by side with rewards, lectures, discussions, smiles etc.

OB is selfish and exploitative. With emphasis on motivation, efficiency, productivity there exists a kind of competition among workers and they are not able to live in harmony.

OB will not totally abolish conflict but it can only reduce it.

Behavioral Bias :- It is a condition which is a reflection of tunnel vision, in which people have narrow view points, as if they were looking through a tunnel. They see only the tiny view at the other end of the tunnel while missing the broader land scape.

Diminishing Returns Law :- It places overemphasis on an OB Practice may produce negative results.

## **Module- II-**

Attitude :- Importance of attitude in an organization, Right Attitude, Components of attitude, Relationship between behavior and attitude, Developing Emotional intelligence at the work place, job attitude, Barriers to changing attitudes.

Personality and values:- Definition and importance of personality for performance, The Myres-Briggs Type Indicator and the Big five personality model, Significant personality traits suitable to the workplace(personality and job-fit theory), Tests and their practical applications.

Perception :- Meaning and concept of perception, factors influencing perception, Selective perception, Attribution theory, perceptual process, Social perception(stereotyping and halo effect).

Motivation :- Definition & Concept of Motive & Motivation, The content Theories of Motivation(Maslow's Need Hierarchy & Herzberg's Two Factor Model Theory), The process theories(Vroom,s expectancy Theory & Porter Lawler Model), Contemporary Theories – Equity Theory of work Motivation.

**Attitude:-** Attitude are understand as the belief, feelings, opinion and action tendencies of an individual or group of individuals towards ideas, objects, person and situation. Attitude influences an individual's choice of action, and responses to challenges,, incentives and rewards(together called stimuli).

Four major components of attitudes are

- Affective :- Emotions or Feelings
- Cognitive :- Belief or opinions held consciously
- Connative :- Inclination for action
- Evaluative :- Positive or negative response to stimuli.

Definition :- An attitude is mental state of readiness, learned and organized through experience, exerting a specific influence on person's response to people, object and situations with which it is related.

What is Right Attitude :- Attitude plays a part in virtually every phase of our life. A poor attitude gets more people fired than any other single factor, and a good attitude gets people jobs and helps them keep those jobs more than any other factor.

Attitude affects many people, from the family to the stranger you smile. Your attitude is particularly important when you face seemingly hopeless situations. The right attitude can be accessed

Choose optimism over Pessimism:- A pessimist looks for difficulty in the opportunity, whereas an optimist looks for opportunity in the difficulty. Pessimism muddies the water of opportunity. You cannot do anything to change the fact that a problem exists, but you can do a great deal to find the opportunity within that problem. You are guaranteed a better tomorrow by doing your best today and developing a plan of action for the tomorrows that lie ahead.

Choose optimism over Cynicism :- Cynics are believes that somebody will pushed so that they can get the success, because they believes that success cannot work. Much cynicism is caused by unrealistic expectations, i.e. expecting great things to happen with no effort. High expectation is an important part of success, but one must develop a solid goals program to make those expectations a reality

Turn interruptions into opportunities :- When interruptions came, do not go away with it, rather enjoy the moment and utilize the time by doing some productive work, e.g. in the traffic jam if you find that it will take 30 minutes to clear, then use this 30 minutes by doing some work like listening informational news, making grocery list etc. In that regards A.P.J.Abdul Kalam has wrote that

F.A.I.L – Further attempt in learning, N.O- Next Opportunities and E.N.D – Effort never dies.

When all employees in an organization have positive attitudes, benefits will be many. For example, Positive attitude –

- Increases productivity
- Fosters team work
- Solves problems
- Improves quality
- Makes for congenial atmosphere
- Breeds loyalty
- Increases profits

Fosters better relationships with employees,, employers and customers  
Reduce stress  
Make for a pleasing personality.

Components Of Attitude:- In general, attitudes comprises three elements. They are :

An affective Component :- The feelings, moods and emotions about some idea, person, event or object.

A Cognitive element :- The beliefs, Opinion, knowledge or information held by the individual

A behavioral component :- The predispositions to get on a favorable or unfavorable evaluation of something



These three components do not exist or function separately. An attitude represents the interplay of a person's affective, cognitive and behavioral tendencies with regard to a person, group, an event or an issue.

This is otherwise called ABC Model, The significance of the model is that to thoroughly understand an attitude, one must assess all the three components.

Work related Components of attitude:

Stimuli(Work Related factors)	Managerial style, Technology, Noise, Peers, Reward System, Career opportunities	
Cognition	Beliefs and values	1.My supervisor is unfair,  2. Having a fair supervisor is important to me
Affect	Feelings and emotions	I don't like my supervisor
Behavior	Intended behavior	I am going to request a transfer

## Formation of Attitudes :-

**Direct Experience with the Object :-** Attitudes can develop from a personally rewarding or punishing experience with an object. Employees form attitudes about jobs on their previous experiences.

**Classical Conditioning :-** The same classical conditioning processes that make Pavlov's dogs salivate at the sound of a bell can explain how attitudes are acquired. People develop association between various objects and the emotional reactions that accompany them.

**Operant Conditioning :-** It is a learning process, which underlies acquisition. Attitudes that are reinforced, either verbally or non-verbally, tend to be maintained.

**Vicarious Learning :-** this refers to formation of attitudes by observing behavior of others and consequences of that behavior.

**Family and peer group :-** A person may learn attitudes through imitation of parents. Attitudes towards the opposite sex, religion, tolerance or prejudice, education, occupations, Political parties and almost all other areas where attitudes are capable of expression are the result of our accepting or rejecting the attitudes held by members of our family.



**Neighborhood :-** The neighbourhood we live in has a certain structure in terms of its having cultural facilities, religious groupings and possibly ethnic differences.

**Economic status and Occupations :-** Our economic and occupational positions also contribute to attitudes formation. They determine, in part, our attitudes towards unions and management and our belief that certain laws are "good" or "bad".

**Mass Communication :-** All varieties of mass communications-television, radio, newspapers and magazines feed their audience large quantities of information. The audience selects the specific form of mass communication that best reflects its attitudes on various subjects, the items of interest shapes the attitude.

## Developing Emotional Intelligence in work place :-

Employees today are much more aware of whether or not they are a good fit in their workplace culture and they want their leaders to be more mindful of their needs. Leaders are so focused on remaining relevant for their own personal gain that they have forgotten to be more sensitive about how to best serve their employees. In the end, leaders become more valuable when they can prove to increase productivity, employee engagement and results by creating a teamwork environment that gets the best performance from every one. This requires leaders to be strong mentors as well as sponsors who can help their colleagues better navigate workplace opportunities and catapult their careers.

**Care About People :-** Caring is a simple thing to do, but not always expressed or genuine in its delivery or tone. Leaders need to balance the head and the heart. Leaders can't always be so intense about what is required from their employees. Intensity requires proper timing and focus to build and keep momentum. As leaders, we need to show maturity along with our passion, and be more compassionate in order to balance what the job requires with the human spirit. Employees don't want to feel like a herd of cattle- but as people who are being appreciated for their hard work and effort.

**Embrace Differences to make a Big Difference :-** People want to be authentic and appreciate those who embrace their differences. Today's leaders must be more sensitive about how to manage and leverage differences in people to assemble great teams and assign unique talents and abilities to certain situations.

**Help Employees Experience Significance :-** Allow your employees to appreciate and experience the human side of what success can bring to their families and life outside of work. Today people want to feel as if they are creating an impact, that they can make a mark for themselves and those around them. Lead your employees in ways that allow them to be both successful and significant at work.

**Be Accountable Like everyone Else:-** As a leader you must hold yourself equally accountable and enforce the same rules of engagement that you expect from your employees. Employees appreciate leaders who share their perks and privileges. They want their leaders to be more integrated part of the team, more available and less mysterious.

**Be Mindful of Their Needs :-** If your employees are not working at or close to their capacity, then you are not doing your job as a leader. Everyone has the ability to improve and increase their performance and productivity. However, improvements are a consequence of continuous feedback, recommendations and suggestions. Be a better leader and get the most production from your employees by being more mindful of their needs. Just because the department's performance has exceeded the plan doesn't mean that each employee can't continue to grow and mature in their work. Be more sensitive about your employees and their needs-open your eyes wider and begin to see opportunities previously unseen.

**Developing Positive Attitude :-** Development of positive attitudes among employees is in the interest of both the employees and the organization. Some of the methods which managers use to develop positive attitude in employees are :-



**Setting Challenging Targets:-** targets must not be just castles in the air. These must be based on reality keeping in view the strengths and weaknesses of the individual as well as the situation under which the work is performed.

**Building Positive Self-Esteem :-** Developing positive self-esteem is helpful in inculcating positive attitudes. The practice of helping others rather than merely serving self-interest can build positive self-esteem. People who consider themselves capable, successful and worthy individuals have better attitudes.

**Role Clarity :-** Clearly defining each employee's role make the employee sure about what is expected of him.

**Performance Feedback :-** Immediate giving feedback about the performance develops the positive attitude.

**Participation :-** Participation in decision-making process boost the attitudes of the employee.

**Reward System :-** Reward must be closely tied with individual or group performance.

**Considerate Supervision :-** Listening employee with empathy and refrain from attacking negative attitudes.

**Continuous Learning:** It is the process of acquiring new behavior. Managers can make learning an integral part of an employee's work both on the job and off the job.

**Job Attitude :-** It is a set of evaluations of one's job that constitute one's feelings toward, beliefs about, and attachment to one's job. It can be conceptualized by two ways. Either as affective job satisfaction that constitutes a general or global subjective feeling about a job, or as a composite of objective cognitive assessment of specific job facets, such as pay, conditions, opportunities and other aspects of a particular job. Employees evaluate their advancement opportunities by observing their job, their occupation, and their employer.

**Types of Job Attitude :-**

**Global Job Attitude :-** It is developed towards a job through the organization, working environment, affective disposition, aggregate measures of job characteristics and the social environment. They depend on the broad totality of work conditions.

**Job Involvement :-** Identifying with one's job and actively participating in it, and considering performance important to self-worth.

**Organizational Commitment :-** Identifying with a particular organization and its goals, and wishing to maintain membership in the organization

**Perceived Organizational support(POS) :-** The degree to which employees feel the organization cares about their well-being.

**Employee Engagement :-** An individual's involvement with, satisfaction with, and enthusiasm for the organization.

**Barriers to Changing attitudes :-**

**Prior to Commitments**

Strong Commitments  
Insufficient information.  
Publicly Expressed Attitude  
Low Credibility  
Degree of fear

### **Personality and Values :-**

The term has been derived from the latin term “Persona” which means to “Speak Through”. The latin word denotes the mask worn by actors in ancient Greece and Rome. Therefore a very common meaning of the term personality is the role which person displays to the public.

Definition :- Personality includes external appearance and behavior, inner awareness of self as permanent organizing force and the particular pattern or organization of measurable traits, both inner and outer.

Determinants of personality:-

Environment	Culture	Personality	Heredity
	Family		
	Social		
	Situational		

Heredity :- So many times we use the term “Like Father Son”. Heredity is generally more important in determining a person’s temperament than his values and ideals. The heredity approach argues that the ultimate explanation of an individual’s personality is the molecular structure of the genes, located in the chromosomes.

Environment :- If all personality traits are determining by heredity, they would be fixed at birth and would not be changed throughout the life. But environment comprises of culture, family, social, situational factors plays a important role in the development of personality of a person.

Culture :- Persons belonging to different cultural groups generally have different attitudes towards independences, aggression, Competition, Cooperation, artistic talent etc.

Management must recognize and understand these differences while dealing with the people in the organization.

Family :- Families influence the behavior of a person especially in early stage. The nature of such influence will depend upon the following factors :-

Socio-Economic level of the family

Family Size

Birth Order

Race

Religion

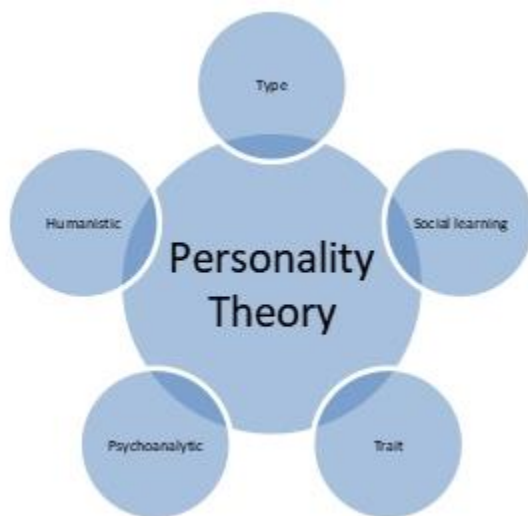
Parent's educational level

Geographic location

Social :- Initially, socialization starts with the contact of the infant with the mother when he grows up. Contacts with the other members of the family and social groups influence his socialization process. These social groups include school mates, friends, then friends or colleagues at work place, groups to which an individual belongs.

Situational :- A situation exerts an important place on the individual. It exercises constraints and may provide a push. In certain circumstances, it is not so much the kind of person a man is, as the kind of situation in which he is placed that determines his action.

Theories of Personality :-



Type Theories:- According to this theory people are grouped into identifiable categories. The basis for clarifying personalities is the structure of the body. In this theory, a relationship was sought to be established between features of face or body and personality.

A short plump person(endomorph) was said to be sociable, relaxed and even tempered.

A tall, thin person(endomorph) was characterized as restrained, self-conscious and fond of solitude

A heavy-set muscular individual(Mesomorph)was described as noisy, callous and fond of physical activity.

Type theories are simple as they are based on physical attributes or psychological factors for categorization of personalities. But the theories fail to reveal all complexities of a personality.

**Trait Theory :-** A personality trait is understood as being an enduring attribute of a person that appears consistently in a variety of situations. Trait theory is an improvement over the type theory. The type theories unrealistically attempt to place personality into discrete, discontinuous categories. The trait theory on the other hand gives recognition to the continuity of personalities. The theory has also contributed to personality ratings and factor analysis techniques in behavioral science.

**Psychoanalytic Theory :-** according to Sigmund Freud personality comprises id, ego and super ego.

**The id :-** The word “id” is the Latin word for “it” and refers exclusively to the innate component of personality. The id is the mental agency containing everything inherited, present at birth and fixed in the individual’s constitution, especially instincts.

**The Ego :-** The ego is the conscious and logical part of the human personality. While id represents the unconscious, ego is conscious and based on reality. Ego keeps the id in check through intellect and reason. ID wants immediate pleasure while ego requires postponement to a more appropriate time and place.

**The Super Ego :-** The super ego represents personal and social norms. It represents the conscience and acts as an ethical constraint on behavior. The super ego determines what is right or wrong.

**The Social Learning Theory :-** According to this theory, the actions of an individual in a given situation depend as much on the individual’s appraisal of the situation as on the specific characteristics of the situation. Much of human behavior is either learnt or modified by learning. Through learning one acquires knowledge, language, attitudes, values, manual skills, fears, personality traits and self insight. This theory focuses on behavior pattern and cognitive activities in relation to the specific condition that evoke, maintain or modify them.

**Humanistic Approach :-** It includes a number of theories which, although different in some respects, share a common emphasis on man’s potential for self direction and freedom of choice. They are concerned with the “Self” and the individual’s subjective experiences. Their emphasis is also on the “Here and now” rather than on events in early childhood that may have shaped the individual’s personality.

**Determinants of Personality :-** There are many variables, cognitive and physiological process are responsible for personality. The determinants of personality can be grouped into the five broad categories



**Heredity :-** It refers to those factors that were determined at conception. Physical stature, Facial attractiveness, Sex, temperament, Muscle composition and reflexes, energy level and biological rhythms are characteristics that are generally considered to be imported either completely or substantially from one's parents.

**Environment:-** It is a broad term and includes such factors as culture which influence norms, attitudes, and values that are passed along from generation to the next and creates consistencies over time.

**Family :-** The family has considerable influence on personality development, particularly in the early stages. The parents play an important role in the identification process which is important to an individual's early development.

**Socialization :-** It involves the process by which a person acquires, from the enormously wide range of behavioral potentialities that are open to him or her, starting at birth, those behavior patterns that are customary and acceptable to the standards of, initially, the family and later the social group and the employing organization.

**Situational Considerations :-** Situations will influence an individual's personality, Situations seem to differ substantially in the constraints they impose on behavior.

**The Myers-Briggs Type indicator :-** In the year 1940 Myres and Briggs sisters develop Myres-Briggs type Indicator(MBTI). It is mainly used in the employee hiring process. It measures how people prefer to focus their attention i.e.(extroversion versus introversion), Collect information i.e.(Sensing vrs intuition), Process and evaluate information i.e.(Thinking vrs feeling) and orient themselves to the other world i.e.(judging vrs perceiving)

**Introversion and extroversion:-** Introverts are basically shy, prefer to be alone and have difficulty in communication. On the other hand, extroverts are gregarious and sociable. These two types of people have different career orientations and require different types of work environment to maximize performance. Introverts are more likely to excel at tasks that require thought and analytical skills. Extroverts are more suitable for managerial positions and other jobs that require considerable interaction with others.

**Sensitivity and Intuition :-** Sensing type use an organized structure to acquire factual and preferably, quantitative details. These people synthesizing large volumes of data & draw quick conclusion. Intuitive people collect information non-systematically. These people rely more on subjective evidence as well as on their intuition and even inspiration. The work of management demands a combination of intuitive and sensing abilities.

**Thinking and Feeling:-** Thinking types rely on the rational cause-effect logic and scientific method to make decisions. They weigh the evidence objectively and unemotionally. Feeling types, instead consider how their choices affect others. They weigh the options against their personal values more than on rational logic.

A good manager uses both mind(Thinking) and heart(Feeling). It is well known that how one feels about a decision can determine the success of its implementation just as much as the logic of that decision.

**Judging and Perceiving :-** Some people prefer order and structure in their relationship with their outer world. These judging types enjoy the control of decision-making and want to resolve problem quickly. Perceiving types are more flexible. They like to adopt spontaneously to events as they unfold and want to keep their opinion open.

#### The “ Big Five Personality Traits” :-

Personality is composed of external traits and no two individuals possess identical characteristics. The potential value of this framework lies in the fact that it encompasses and integrates a set of traits that appear to be valid predictors of certain behaviors in certain situation.

<b><i>Dimension</i></b>	<b><i>Characteristics of a person scoring positively on the dimension</i></b>
Extroversion	Outgoing, talkative, sociable, assertive
Agreeableness	Trusting, Good natured, Cooperative, Softhearted
Consciousness	Dependable, Responsible, Achievement-oriented, persistent
Emotional Stability	Relaxed, Secure, Unworried
Openness to Experience	Sensitive, intellectual, imaginative, curious, broadminded

**Extroversion :-** This traits reflects a person’s comfort level with relationship. Extrovert tend to be sociable, lively, assertive, outgoing and talkative and open to establish new relationship. Introverts are less sociable, less talkative, less assertive and more reluctant to begin relationships.

**Agreeableness:-** This 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 centered.

**Emotional Stability :-** This captures a person's ability to withstand stress. People with high emotional stability tend to be calm, confident and secure. A person with low stability on the other hand, tends to be nervous, depressed, anxious and insecure.

**Consciousness :-** This trait is a measure of reliability. It refers to people who are dependable, responsible, organized and systematic. People with low consciousness tend to be unreliable, irresponsible, careless and disorganized.

**Openness :-** 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. Those who score low on this traits are less receptive to new ideas, more fixed in their way and conventional.

#### Other Significant Traits :-

**Authoritarianism :-** It is a generic term used to describe an individual who has a strong belief in the legitimacy of established mechanism of formal authority, views obedience to authority as necessary, exhibits a negative philosophy of people, adheres to conventional and traditional value systems, is intellectually rigid and opposes the use of subjective feelings. They tend to be rigid in their positions, place high moral value on their beliefs and are strongly oriented towards conformity to rules and regulations.

**Locus of Control :-** This refers to an individual's belief that either events are in one's control or not (internal locus of control) or are determined by forces beyond one's control (External locus of control). It is noted that those who believe that events are determined by external forces are less satisfied with their jobs, have high absenteeism rates, are more alienated from work setting. Those who believe that events are within one's control have more control over their own behavior and are more active in seeking information to make decision.

**Machiavellianism :-** This term derived from the writings of Nicolo Machiavelli, refers to individual's propensity to manipulate people, Machiavellians would be prone to participate in organizational politics. They also adopt an interpersonal game playing, power tactics and identifying influence systems in organizations.

**Achievement Orientation :-** Employee with high need to achieve, continually strive to do things better. They want to overcome obstacles, but they want to feel that their success or failure is due to their own actions.

**Self esteem :-** It refers to the feeling of like or dislike of one-self. This trait, naturally varies from person to person. It is directly related to the desire for success. People with high self esteem believe that they have abilities to undertake challenging jobs.

**Risk taking :-** People differ in their willingness to take chances. Their propensity to assume or avoid risk has been shown to have an impact on how long it takes managers to make a decision and how much information they require before making their choice. High risk taking managers made more rapid decisions and used less information in making their choices than did low risk taking managers.

**Self Monitoring :-** It refers to the individual's ability to adjust his or her behavior to external factors. High self monitors are capable of presenting striking contradictions between their public, personal and private selves. Low self monitors cannot deviate their behavior. They tend to display their true dispositions and attitude in every situation.

Type A and Type B Personality :- type A personality typifies a person who is always in a hurry, is extremely competitive and is often hostile and irritable. Type B personality who is relaxed, incompetent and easy going

Type A	Type B
Are always moving, walking and eating rapidly	Never suffer from a sense of time urgency with the accompanying impatience
Feel important with the rate at which most events takes place	Feel no need to display or discuss either their achievements or accomplishments unless such exposure is demanded by the situation
Strive to think or do two or more things at once	Play for fun and relaxation rather than to exhibit their superiority at any cost.
Can cope with leisure	Can relax without guilt
Are obsessed with numbers, measuring their success in terms of how much of anything they acquire.	

Significant personality traits suitable to the workplace(Job-fit Theory):-

Internally Driven :- A person must have something inside that pushes to succeed, that pushes to achieve and excel. The things we work hardest for in life are things that are important to us.

Proud :- Having pride in work and selves elevates the expectations and pushes to achieve perfection. Being prideful can hurt, but it is important to keep a good balance and not confuse the two.

Devoted :- It allows other people to have confidence in you, Being committed sprouts trust in the employee by co workers and bosses. Putting in extra hours when necessary, following through with things and sticking it out through thick and thin makes a more dependable person and an asset to the company.

Loyal :- The first thing is think of being positive. Being loyal is about not saying negative things about the company you work for. It is about spreading a good image of it and not a bad one. Be proud of your position and be loyal to your organization.

Honest :- Honesty is so important to have in a healthy work environment. It is a basic trait that employers look for in their employees because it means you are trustworthy. The business world can get complicated with politics but it is essential that you remain honest.

Focused :- Be focused every single day. Do not spend your time at the office on facebook or texting your friends to plan your weekend. You are at work for a purpose in which you are being rewarded for. It is a slap in the face of your employer to be unfocused and to use your time frivolously. Work is work.

Personality Tests(Measurement of Personality ) :-

The main methods used to measure personality are :-



**Observation Method :-** Under this method, an individual's personality is assessed by observing his behavior in different situations. This method is based upon the proposition that the behavioral pattern of a person reflects his personality.

**Interview Method :-** A formal and in depth conversation with an individual can reveal his personality characteristics. In an exhaustive interview, questions are asked on various dimensions of personality. In stress interview an attempt is made to find out how the individual behaves in a stressful situation.

**Case History Method :-** In this method, information is collected from different sources to appraise the personality characteristics of an individual, personal letters, diaries, his family members, relations and friends, work groups etc.

**Personality Inventories :-** Under this method both internal and external features of the individual are measured, observations are used to measure external characteristics while internal characteristics are judged through questionnaire and other technique. The two main personality inventories are :-

**Minnesota Multi phasic Personality Inventory(MMPI):-** It contains 550 items each having three alternative answers—True, False and not known. Scoring is done on the basis of answers given by the individual.

**Sixteen Personality factor Questionnaire :-** in this test 16 personality traits are measured. Factor analysis is used to analyze the obtained scores.

**Projective Method :-** In this method an attempt is made to identify the basic personality structure of an individual by allowing him to respond to stimuli in a free manner. There is no perceived system of correct or incorrect answers for reference. Two widely used techniques are :

**Rorschach ink Blot Test :-** This test is used to measure the cognitive, corrective and affective aspects of personality. The test consists of ten standardized cards. Five cards have black & white blots and the other five cards have colored blots. An individual perceives these blots according to his personality structures. The personality characteristics of the person are identified on the basis of his perception of these blots. This test is quite effective in diagnosing personality and related problems. Motives, repressed desires, feelings and unconscious mind can also be studied with this test.

**Thematic Appreciation Test(TAT) :-** This test is based on the fact that when confronted with an ambiguous situation, a person is likely to project and reveal his personality. The test consists of 31 cards of which 30 cards contain semi-structured pictures, one card is left blank. The personality characteristics are judged on the basis of how the individual describes the various pictures. The test may be administered on individual basis or group basis. This test is designed to reveal the traits that underlie individual behavior as well as needs. The reliability coefficient of this test is 0.91. An Indian version of the test containing 14 pictures is now available.

**Perception :-** It is a process through which the information from outside environment is selected, received, organized and interpreted to make it meaningful to you. This input of meaningful information results in decisions and actions.

**Definition :-** Perception may be defined as a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment.

In simple word we can say that perception is the act of seeing what is there to be seen. But what is seen is influenced by the perceiver, the object and its environment.

Perception is determined by both physiological and psychological characteristics of human beings. Thus perception is not just what one sees with the eyes it is a much more complex process by which an individual selectively absorbs or assimilates the stimuli in the environment, cognitively organizes the perceived information in a specific fashion and then interprets the information to make an assessment about what is going on in one's environment.

Importance of Perception :-

It is important to understand the human behavior, because every person perceives the world and approaches the life problem differently. Thus it is because of perception, we can find out why one individual find a job satisfying while another one may not be satisfied with it.

If people behave on the basis of their perception, we can predict their behavior in the changed circumstances by understanding their present perception of the environment.

With the help of perception, the needs of various people can be determined, because people's perception is influenced by their needs.

Perception is very important for the managers who wants to avoid making errors when dealing with people and events in the work setting.

Perceptual Process :- It is defined that perception is composed of various sub process viz. receiving, selecting, organizing, interpreting, checking and reacting to stimuli. Through perception people process information input into decisions and actions. In other words, it is screen or filter through which information passes before having an effect on people. The model is



### Factors of Perception :-



**Selective Perception :-** All the stimuli received by the human organism are not accepted by the human beings. Some stimuli are noticed and others are screened out. The process of filtering information received by our sense is called selective stimuli or selective perception. E.g. A boy may always need a transistor to be on while he is reading or writing. He happily concentrates on her lessons even as the electronic device plays the songs.

Several factors influence selective attention. Some of them are external and others are internal to the body.

### External Factor :-

**Nature :-** By nature we mean whether the object is visual or auditory and whether it involves picture, people or animals. It is well known that pictures attract attention more readily than words.

**Locations :-** The best location of a visual stimulus for attracting attention is directly in the front of the eyes and in the centre of a page. In news paper or a magazine, a position in the upper

portion of a page is more favorable than one in the lower portion and the left hand side receives more attention than the right hand side.

Colors :- it is used to attract attention and portray realism, color can be used to emphasize the attractive features of a product such as features of a product or to create a suitable atmosphere.

Size :- Generally objects of larger size attract more attention than do smaller ones.

Contrast :- Opposite color and size attract more .

Movement :- The moving object receives more attention, drawing than an object that is stationary.

Repetition :- External stimulus is more attention drawing than a non-repetitive one, e.g. advertisements.

Novelty & Familiarity :- New objects in familiar settings or familiar objects in new settings will draw the attention of the perceiver. Anything novel i.e. humor, animation and unusual graphics in an advertisements stand out and are noticed.

Internal Factor influencing Selection :- It includes learning, psychological needs, age differences, interests etc.

Learning :- It creates expectancy in people. People tend to perceive what they want to perceive. In organizations, managers' and employees' past experiences and learning strongly influence their perceptions.

Psychological Needs :- If there is a need, then unreal things often looks real.

Age Difference :- Older, senior executives complain about the inability of the new young ones, where young managers complain against the "old guards".

Interest :- The person with a particular interest has a need to involve himself in activities pertaining to it.

Ambivalence :- It is a mixed feelings about a situation.

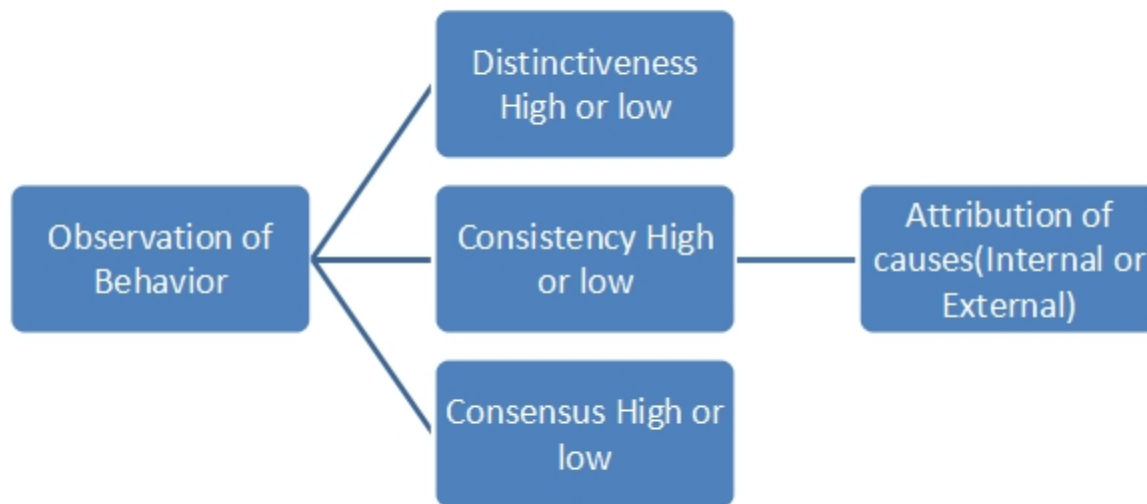
Paranoid perception :- It is the characteristics of the emotionally disturbed person that his perceptual field differs from that of reality and personalized interpretations. His self concept is poor and he is very insecure, as result of which he behaves in an inflexible manner,

Attribution Theory :- Fritz Heider and H.H. Kelly are well known contributor to the attribution theory. These theory suggests that we observe behavior and then attribute cause to it. This theory points that the behavior of others can be examined on the basis of its distinctiveness, consistency and consensus.

Distinctiveness is the degree to which a person behaves similarly in different situations.

Consistency is the degree to which a person engages in the same behavior at different times.

Consensus is the degree to which other people are engaging in the same behavior. Under conditions of high consistency, high distinctiveness and high consensus, the perceiver will tend to attribute the behavior of the perceived person to external causes, when distinctiveness and consensus are low, the perceiver will tend to attribute the behavior to internal causes.



Sociological Perception :-

Stereotyping :- It is the tendency to assign attributes to someone solely on the basis of a category of people to which that person belongs, the process of stereotyping helps individuals assign meaning to a mass of data. Some examples of common stereotypes are women, doctors, professors, software engineers etc.

It is a four-step process. It begins by categorizing people into groups according to various criteria such as age, sex, race and occupation. Next, we infer that all people within a particular category possess the same traits.

Then we form expectations of others and interpret their behavior according to our stereotyping.

Finally, stereotypes are maintained by

- Over estimating the frequency of stereotypic behavior exhibited by others.
- Incorrectly explaining expected and unexpected behaviors.
- Differentiating minority individuals from oneself.

Halo Effect:- The halo effect refers to tendency of perceiving people in terms of good and bad, and ascribing all good qualities to one who is liked and all bad qualities to another who is disliked. In organizations, the halo effect often occurs when superiors rate subordinates in a formal appraisal. In this context, a manager evaluating one of his employees on certain dimensions may assume that some one who is good in one dimension must also be good at other things and rate the person highly on other aspects.

**Motivation :-** To improve the overall performance in a business it become essential to increase the efficiency of human beings. The performance of persons depends upon two factors i.e.

Ability to work , ii. Motivation

Both these factors taken together, will increase the efficiency of human beings. If a person does not have the capability or ability to do a work then he cannot increase his efficiency on the other hand, even then his performance will be low.

**Definition :-** Motivation refers to degree of readiness of an organism to pursue some designated goal and implies the determination of the nature and locus of the forces, including the degree of readiness.

**Nature of Motivation :-** The need satisfying ego motivates a person to do better than he normally does. The inferences of motivations are :-

- Motivation is an inner feeling which energizes a person to work more.
- The emotions or desires of a person prompt him for doing a particular work.
- There are unsatisfied needs of a person which disturb the equilibrium.
- A person moves to fulfill his unsatisfied needs by conditioning his energies.
- There are dormant energies in a person which are activated by channelizing them into actions.

**Types of Motivation :-** Generally there are two types of motivation. These are :-

**Positive Motivation :-** It is based on reward. The workers are offered incentives for achieving the desired goals. The incentives may be in the shape of more pay, promotion, recognition of work etc. Positive motivation is achieved by the cooperation of employees and they have a feeling of happiness.

**Negative Motivation :-** It is based on force or fear. Fear causes employees to act in a certain way. In case, they do not act accordingly then they may be punished with demotions or lay-offs. The fear acts as a push mechanism. In spite the drawback of negative motivation, this method is commonly used to achieve desired result.

**Importance of Motivation :-** management tries to utilize all the sources of production in a best possible manner. The motivated employees become an asset to the organization. The importance of motivation are :

**High Performance :-** Motivated employees will put maximum efforts for achieving organizational goals. The untapped reservoirs, physical and mental abilities are tapped to the maximum motivation will act as a stimulant for improving the performance of employees.

**Low Employee turn over and Absenteeism :-** When the employees are not satisfied with their job then they will leave it whenever they get an alternative offer. The dissatisfaction among employees also increases absenteeism when the employees are satisfied with their jobs and

they are well motivated by offering them financial and non-financial incentives they will not leave the job and the rate of absenteeism will also be low because they will try to increase their output.

**Better Organizational Image :-** Those enterprise which offer better monetary and non monetary facilities to their employees have a better image among them. Such concerns are successful in attracting better qualified experienced persons.

**Better Industrial Relations :-** A good motivational system will create job satisfaction among employees. There will be an atmosphere of confidence among employers and employees. So motivation among employees will lead to better industrial relations.

**Acceptability to Change :-** The changing social and industrial situation will require changes and improvements in the working of enterprises. When the employees are given various opportunities of development then they can easily adapt to new situations. They will think of positive side of new changes and will co-operate with the management. Motivation will ensure the acceptability of new changes by the employees.

**Motivation & Behavior :-** Motivation causes goal oriented behavior. If a person strongly feels the need of something he will behave in such a way that he tries to satisfy himself. So that he does not feel the lack of that particular thing.

A human needs creates tension in the mind of the individual and this needs transforms itself into want depending upon the environment.

Again there will be tension in the mind which will be satisfied only by a particular behavior of the individual which satisfy the tension.

That particular behavior may be caused by the incentives, which exists to satisfy the need. Satisfaction of one need will lead to the feeling of another different need or the same need at a interval of time. Thus, the process is a continuous one. Some common forms of behaviors are :-

**Aggression :-** A person who is denied the need satisfaction may become aggressive. Different forms of aggression may be

**Displacement**(attacking the source of frustration or towards some other object)

**Negativism**(Passive resistance operating consciously or unconsciously)

**Fixation**(non-adjustive reaction)

**Withdrawals :-** Withdrawing from the scene physically or psychologically

**Compromise :-** Compromise with the situation.

**Theories of Motivation :-** So many experiments has done to motivate the human beings and to manage the human force for productive work. Traditionally it was considered that human beings are just as machines who do not have any inner feelings.

In the late 1920s and early 1930s, it was opined that there was no direct relationship between productivity and economic rewards. The experiments proved that human beings are not machines.

Money is a necessary condition but not sufficient one for motivating people to work. People have social and psychological needs also.

Maslow's Need Hierarchy Theory :- Abraham Maslow a clinical psychologist in USA suggested that every individual has a complex set of exceptionally strong needs and the behavior of an individual at a particular moment is determined by his strongest need. People have five basic levels of needs which they tend to satisfy in a hierarchical fashion. The hierarchy of human needs are :-



Physiological needs :- There are basic bodily needs comprising of hunger, thirst, shelter, clothing, air and other necessities of life.

Safety Needs :- the safety & Security needs dwell upon economic and job security, Security of source of income, provision for old age, Insurance against risk.

Social Needs :- Man is a social animal, he wants to belong too a social group where his emotional needs for love, affection, warmth and friendship are satisfied.

Esteem needs :- It is concerned with self respect, self confidence, recognition, appreciation, applause, prestige, power and control. These needs give the individuals a sense of self worth and ego satisfaction.

Self Actualization Needs:- After all his other needs are fulfilled, a man has the desire for personal achievement. He wants to do something which is challenging and since this challenge gives him enough push and initiative to work.



Alderfer's ERG Theory :- Alderfer condenses the five needs given by Maslow into three needs. The ERG word is derived from the first letters of each of these levels of need. The three needs are:-

Existence Needs :- It combines the physiological and safety needs of Maslow's model. These needs include the basic survival needs of human beings, needs for physical and psychological safety from threats to people's existence and well being.

Relatedness Needs :- It includes Maslow's social and esteem needs, which are derived from other people. These needs are satisfied by personal relationships and social interactions.

Growth Needs :- This need involves persons making creative efforts to achieve full potential in the existing environment. These needs will be satisfied only if an individual involves himself in the activities of the organization and searches for new challenges and opportunities.

Herzberg's Theory :- It is commonly known as two factor theory, based on the answers received from 200 people. Herzberg concluded that there are certain factors that tend to be consistently related to job satisfaction and on the other hand, there are some factors, which are consistently related to job dissatisfaction. The two factors theory are:-

Hygiene Factors :- Hygiene factors or the maintenance factors do not motivate people, they simply prevent dissatisfaction and do not produce positive results but prevent negative results.

According to Herzberg there are ten maintenance or hygiene factors.

Company policy and administration

Technical supervision

Inter-personal relations with supervisor

Inter-personal relations with peers

Inter-personal relations with subordinates

Salary,

Job security

Personal life

Working condition

Status.

Motivational Factors :- These factors are intrinsic in nature and are related to job. The motivational factors have a positive effect on job satisfaction and often result in an increase in total output. Herzberg concluded that six factors motivate the employees. These are :-

Achievement,    b. Advancement                      c. Possibility of growth

Recognition,    e. Work itself                                      f. Responsibility

Based on research, Herzberg stated that managers have hitherto been very much concerned with hygiene factors. As a result they have not been able to obtain the desired behavior from the employees. In order to increase the motivation, it is necessary to pay attention to the motivational factors.

The above content theories explained the dynamics of employee needs, i.e. why people have different needs at different times. Process theories describe the process through which needs are translated into behavior. It explains why some one with a particular need engages in a particular direction, intensity and persistence of effort to satisfy the need. The different theories are :-

Vroom's Expectancy Theory of Motivation :- This theory is based on the idea that work effort is directed towards behavior that people believe will lead to desired outcomes. Finally, we direct our efforts towards outcomes that help us fulfill our needs. People think about what they have to do to be rewarded and how much the rewards mean to them before they perform their jobs.

There are four important variables need to be explained to understand the expectancy model.

First level and second level outcomes :- Performance achieved as a result of efforts is the first level outcomes. Performance may be reflected through productivity, absenteeism, quality of work and the like.

Second level outcomes are the rewards(positive or negative) that the first level outcomes are likely to produce. They include pay rise, promotion, peer acceptance and job security.

Expectancy :- The belief that a particular level of effort will be followed by a particular level of performance., i.e. Effort-----to-----Performance(E -----P)

Instrumentality :- This is the perception by a individual that first-level outcomes are associated wit second level outcomes and it is stated as

Performance -----to-----outcome( P-----O)

Valence :- It is an individual's preference for second level outcome. Outs. Valence can have values ranging from negative to positive. Outcomes having a positive valence include being respected by friends and co-workers, performing meaningful work, having job security and earning enough money to support family.

Finally the expectancy theory suggests

Motivation = Expectancy x Instrumentality x Valence

$M = E \times I \times V$

Porter and Lawler's Model :- This model developed an expectancy model of motivation that stretches beyond Vroom's work. This model states that

Identify the source of people's valence and expectancies

Link effort with performance and job satisfaction.

Predictors of Effort :- Effort is perceived as a function of the perceived value of a reward(valence) and the perceived effort reward probability(Expectancy). Employee should exhibit more effort when they believe they will receive valued rewards for task accomplishment.

Predictors of Performance :- Performance is determined more than effort. It indicates that the relationship between effort and performance is moderated by an employee's abilities and traits and role perceptions.

Predictors of Satisfaction :- Performance begets intrinsic and extrinsic rewards to employees. Job satisfaction is determined by employees' perception of the equity of the rewards received. It further shows that job satisfaction affects employees' subsequent valence rewards. Finally employees' future effort reward probabilities are influenced by past experience with performance and rewards.

Equity Theory :- It is based on the assumptions that individuals are motivated by their desire to be equitably treated in their work relationship. When employees work for an organization they basically exchange their services for pay and other benefits. Four terms are important in the theory

Person :-                      The individual

Comparison Other:- Any group or person used by a individual as a referent

Inputs :-                      Characteristics which individuals brings with them to job i.e. education, skill etc.

Outcomes :-                  Pay, Promotions and fringe benefits received from a job.

Equity theory proposes that motivation to act develops after the employee compares inputs/outcomes with the identical ratio of the relevant other.

### Module- III –

Foundations of Group Behavior : The Meaning of Group & Group behavior & Group Dynamics, Types of Groups, The Five-stage Model of Group Development.

Managing Teams :- Why work Teams, Work Teams in Organization, Developing Work Teams, Team Effectiveness & Team Building.

Leadership : Concept of leadership, Styles of leadership, Trait Approach Contingency Leadership Approach, Contemporary leadership, Meaning and significance of contemporary leadership, Concept of transformation leadership, Contemporary theories of leadership, Success stories of today's Global and Indian leaders.

Groups in Organization :-

Introduction:- The behavior of individuals in groups is something more than the sum total of each acting in his or her own way. We can say that individuals behave differently when they are in groups as compared to when they are alone.

It was proved that people behave as members of a groups help to shape their work behavior and attitudes towards the organizations. Management can use the group effectively and successfully for the accomplishment of organizational objectives. According to likert an organization will function best when its personnel function not as individuals but as members of highly effective work groups with high performance goals.

Definitions :- A group is two or more persons who are interacting with one another in such a manner that each person influences and is influenced by each other person.

E.H. schein prescribes three conditions which any number of person to be called a group should satisfy the three conditions :

1. People must interact with one another
2. They must be psychologically aware of one another
3. They should perceive themselves to be a group.

Types of groups :- On the basis of the social behavior of people in the organizations, the psychologists and the sociologists identify types of groups :-

Formal Groups

Informal Group.



Sayels Classification of Groups :-

Sayels Classification of Groups.			
Apathetic Group	Erratic Group	Strategic group	Conservative group.

**Formal group** :- It is defined by organizations structure, with designated work assignment and establishing tasks. It is further subdivided to

**Command Group** :- It is relatively permanent and is specified by the organization chart. It comprises of managers or supervisors and subordinates who meet regularly to discuss general and specific ideas to improve product or service.

**Task Force** :- It is a temporary group representing the employees who are working together to complete a job task or particular job.

**Committee** :- The committees are also setup for some special projects. These can be permanent such as planning committee and may become an integral part of the organizational structure.

**Informal Group :-** Informal groups are natural formations in the work environment that appear in response to the common interests of the organization members. The features of these groups are as follows :-

These are formed by the members of such groups by themselves rather than by management. These groups arise spontaneously in the organization because of social interaction between the people.

These are based on common interests, language, taste, caste, religion, background etc.

Since these groups concentrate on the personal contact between the members, they represent the human side of enterprise as compared to technical side represented by the formal groups.

**Interest and Friendship group :-** This may affiliate to attain a specific objective with each is concerned is called a interest group.

A friendship group includes close friends or relation. These social alliances with frequently extend outside the work situation, can be based on similar age or ethnic heritage or for holding similar political views or for having the same hobbies etc.

**Cliques :-** these groups consists of colleagues or those who commonly associate with each other and observe certain social norms and standards, but the number of members tends to be smaller, and rarely exceeds five or six.

**Sub-cliques :-** These group consists of some members of clique inside the organization forming a group along with persons outside the organization.

**Sayle's Classification of groups :-** On the basis of the pressure tactics adopted by the groups, there are four kinds of groups

**Apathetic group :-** This group is characterized by relatively few grievances and it hardly ever uses pressure tactics. These groups are composed of relatively low paid and low skilled assembly line workers who lack unity and power and hardly ever use pressure tactics.

**Erratic Group :-** The members in the erratic groups are easily inflamed and easily pacified. There is lack of consistency in their behavior. These groups are composed of semi skilled workers who work together I performing jobs that require some interaction. The display considerable unity, but it is very difficult to predict their behavior.

**Strategic Groups :-** The members of such groups are able to prepare a strategy for putting pressure on other groups and the management. These people are highly united and actively participate in union activity. These people maintain a relatively consistent antagonism.

**Conservative group :-** These groups are composed of professionals and highly skilled employees in the plant. Such groups exercised restrained pressure for highly specified objectives and display internal unity and self assurance.

**Why do people join groups :-** There are some very practical reasons for joining and forming a group. Some important reasons are :-

Companionship :- The need for relationship with other people is one of the strongest and most constant of human drives. Relationship give an individual who earlier felt lonely and miserable, recognition and his work life pleasant and comfortable.

Identity :- It is important to understand self through the behavior of others towards us. Group provide laugh, praise or admiration by which we are identifying our behavior and self.

Information :- The informal group to which a member belongs is a source of communication or information to him. A piece of information available to one member will nearly reach all the members in short span of time.

Security :- By joining a group a person can reduce his insecurity. He feels stronger, has lesser self doubts and is more resistant to threats.

Esteem :- Membership in a prestigious group is a source of enhanced self esteem. The member will feel good about themselves by virtue of the groups power, prestige and social standing.

Sense of Belongingness :- It is an emotional need for friendship, love, affection and affiliation. Most people have strong need for being with others who can understand, support and help them when they are in need and render them morale and emotional support at the time of difficulty.

Outlet for frustrations :- The social relations provide an important outlet for frustration relating to a person's family as well as work life. Informal groups serve as safety valves and help release frustrations by avoiding mental or physical breakdown of the individual. Those don't have informal groups sometimes rely on the expensive systems of employee counseling.

Perpetuation of cultural values :- People sharing a common culture are able to maintain their cultural identity and even propagate their culture even gives psychological satisfaction to members.

Generations of new Ideas :- Informal groups are a breeding ground for new ideas as they provide a supportive environment in which the members can engage themselves in creative thinking.

Self evaluation :- By employing any yardstick an individual can judge himself against other members of the group. This will help him in having a realistic self assessment and encourage him to acquire the plus point of others or inculcate a competitive spirit.

Power :- Membership of groups offers power to members in two ways :-

Workers enjoy much greater power collectively than they do as individuals e.g. "United we stand, divided we fall" unity as strength.

Leadership enables an individual to exercise power over group members.

Stages of Group Development :- Groups have life cycles similar to people. They are born, grow, develop and often die. A group effectiveness is influenced by its stages of development and how well its

members have learnt to work together. A group passes through five stages in its life cycle. The stages are :-

**Forming :-** In the forming stage there is a great deal of uncertainty about group's purpose, structure and leadership. At this stage, people get introduced to each other. They share personal information, begin to accept each other and start turning their attention towards the tasks of the group. At this stage, interaction among group members is cautious particularly when they are not familiar with one another.

**Storming :-** While in the first stage group members perceive and assess each other, in this stage they compete for status and argue for appropriate strategies to be used for achieving the group goals. Such interaction may create anxiety and tensions due to individual differences.

**Norming :-** At this stage, group members begin to settle. The group starts moving towards cooperation. A tentative balance among competing forces is struck. Group norms are developed to guide the behavior of members.

**Performing :-** With the help of group norms, the members learn to handle complex problems. Group members perform their functional roles and accomplish their tasks efficiently.

**Adjourning :-** This is the last stage in the development of a group. Sooner or later a group has to be adjourned. Groups formed for special purposes. E.g. committee, task force are adjourned after the purpose is achieved. Other types of groups undergo some changes. Interaction among members comes to an end after the group is adjourned

There is an alternative theory of group development. According to this, group development proceeds on the following stages





Group Cohesiveness :- Cohesiveness is the degree to which the group members are attracted to each other and are motivated to stay in the groups. It defines the degree of closeness that the members feel with the groups.

It refers to the extent of unity in the group and is reflected in members' conformity to the norms of the groups, feeling of attraction for each other and wanting to be co-members of the group.

The factors of group cohesiveness are –

Similarity of attitudes and values :- We enjoy the company of people who had similar opinions, morals, beliefs and code of conduct.

Size of the group :- Small groups are effective than the larger size. The small group of same sex are better cohesiveness but when the groups were made up of both males and females, the large groups have better cohesion.

Time :- It is quite natural that the more time people spend with one another, the more they will get to know each other and more tendency there will be to get closer to each other, thus, strengthening the degree of cohesiveness.

Location :- They develop greater cohesiveness because of constant face to face interaction.

Status :- A high status group receives greater loyalty from its members which in turn makes the group more strong.

Difficulty in entry :- Due to membership characteristics it is become difficult to entry in to the group and when it is more difficult, the more cohesive that group become.

Inter dependency :- Mutual dependency leads to greater cohesiveness.

Management's behavior :- The behavior of management has a direct influence on the degree of cohesiveness that exists within a group.

Member turnover :- The higher the degree of member turnover, the less cohesive a group becomes.

Threat :- The management threats frequently bring together the group.

Previous Successes and shared goals :- When a group achieves a meaningful goal, the cohesiveness of the group increases.

Consequences of group Cohesiveness in Decision making :- Group cohesiveness has only positive consequences. These are :-

More Participation :- Higher the degree of group cohesiveness, closer will be the interpersonal relationship among the member s. As a result members will participate actively in group affairs and activities.

More conformity:- Though there is similar in attitudes and values the members perceive themselves similar. E.g. any member is getting involved in organizational politics for enhancing his personal goals, the group might put social pressure on him and make him comply with the group norms.

More Success :- The high degree of cohesiveness leads to high degree of communication, participation and conformity to group norms. Decision making and goal achievement became easier and goal achievement adds to success.

More Communications :- The member of cohesive groups share common ideologies, goals, backgrounds or attitudes, They are inclined to greater communicativeness.

More Personal Satisfaction :- The members of a cohesive groups are more satisfied due to friendliness, respect, support, achievement, protection and feel satisfied more when his feelings are considered and opinions are discussed at the time of decision making.

High productivity :- Cohesiveness may contribute to increased productivity because People in cohesive groups experience fewer work related anxieties and tensions.

Tends to lower absenteeism and turnover.

It decreases productivity differences among groups.

Managerial implications:-

Managerial actions for increasing or encouraging cohesiveness :-

- Make the group smaller

- Encourage agreement with group goals.

- Increase the time members spend together.

- Increase the status of the group and the perceived difficulty of getting membership of the group.

- Stimulate competition with other group.

- Give rewards to the group rather than to members.

- Increase membership homogeneity.

Managerial actions to decrease or discourage cohesiveness :-

Some times high cohesiveness adversely affects the productivity. In such cases managers have to reduce the cohesiveness of the groups.

- Induce disagreement on group goals

- Increase membership heterogeneity

- Restrict interactions among members

- Increase group size

- Reduce the time members spend together

- Allocate rewards to individuals rather than to group

Disband the groups  
Introduce a dominating members.

Team :- A Team is a small number of people with complementary skills who are, committed to a common purpose, common performance goals and an approach for which they held themselves mutually accountable.

Teams include people with mix of skill appropriate to the task to be done, Team members need technical, problem solving and decision making and inter-personal skills.

Agreeing in a common approach is particularly important for teams, because it is often the approach that differentiate one team from others. The feature of the teams are :-

- They are empowered to share various management and leadership function.
- They plan, control and improve their own work process.
- They set their own goals and inspect their own works.
- They often create their own schedules and review their performance as group.
- They may prepare their own budgets and co-ordinate their work with other departments.
- They usually order materials, keep inventories and deal with others.
- They are frequently responsible for acquiring any new training they might need.
- They may hire their own replacement or assume responsibility for disciplining their own members.
- They, and not others outside the team, make responsibility for the quality of their products or services.

### **Teams Vrs Groups :-**

In groups work performance typically	1. The performance of a team how ever,
Depends on the work of Individual	depends on both individual contributions
Members.	And collective efforts of team members.
Members of groups pool their resources	2. Team members work together to produce an
To attain a goal, although it is	outcome that represent their joint
Individual performance.	contributions.
Group members may share a	3. Team members share a common
Common goal.	commitment to purpose.
Groups are required to be responsive	4. Teams are free to set their own goals, timing
To demands regularly placed in them	and the approach.

Groups	Criteria	Teams
Formal Established	Leadership	Shared Roles
Individual	Accountability	Shared & Individual
Sum of Individual Output	Performance	Collective & synergistic
Diverse	Skills	Complementary
Common Goal	Orientation	Common Commitment

Team Building :- The term “Team ”is frequently used for any group, but groups and teams are not the same thing.

Definition :- “A work groups is number of persons usually reporting to a common superior and having some face to face interaction, who have some degree of inter dependence in carrying out tasks for the purpose of achieving organizational goals.”

In other words- Any work group whose individual efforts result in a performance that is greater than the sum of individual inputs is called a work team.

Characteristics of effective Teams :-

Clear purpose :- Defined and accepted vision, mission, goal or task and an action plan.

Informality :- Informal, comfortable and relaxed

Participation :- Discussion and everyone encouraged to participate

Listening :- Members use effective listening techniques such as questioning, paraphrasing and summarizing.

Civilized disagreement :- team is comfortable with disagreement does not avoid, smooth over or surplus conflict.

Consensus decision making :- Substantial agreement through thorough discussion, avoidance of voting.

Open communication :- Feelings are legitimate

Clear roles and work assignments :- Clear expectations and work evenly divided

Shared Leadership :- While there is a formal leader everyone shares in effective leadership behavior.

External Relations :- The team pays attention to developing outside relationships, resources, credibility etc.

Benefits of Team :- (Why Work Teams):-

Enhanced performance :- Working Teams enables workers to avoid wasted effort, reduced errors and respond better to customers. It also increased productivity, improved quality and improves customers service.

Employee benefits :- It helps to reduce stress and improves better quality of work life. Teams give employees freedom to grow and gain respect and dignity.

Reduced costs :- Teams results in reduced scrap, fewer errors, fewer remuneration, claims and reduced turnover.

Result in better quality decisions :- Team work involves the collective effort. People of the team represent diverse backgrounds, exposure and experiences. As more ideas are produced and alternatives are considered, the teams is able to make optimal decisions.

Result in improved process :- A team is more likely than an individual to setup project check points and planning systems to enable all team members to contribute to the project. Team work also permits for distributions of work loads for faster and more efficient handling of large tasks or problems.

Contributes Global Competitiveness :- Diverse teams have skill sets and perspectives that are superior to what a single individual can do. Diverse skills add to the competitive edge to the firm.

Organizational Enhancement :- It includes increased innovation, creativity and flexibility. It flatters the hierarchy in large organizations. The team environment constantly challenges teams to innovate and solve problems creatively.

#### Types of Teams :- (Work team in Organizations) :-

Work Teams :- These are primarily concerned with the work done by the organizations. Such as developing and manufacturing new products, providing services for customers. Their principal focus is on using the organization's resources effectively.

Problem Solving Teams :- These are temporary teams established to attack specific problems in the work place. Here the teams members come from different functional areas.

Management Teams :- These consists of managers from various areas and coordinate work teams. The primary job of management teams to be self managing by making decisions within the teams.

Vertical Teams :- These are the teams that may never actually meet together in the same room, their activities take place on the computer via teleconferencing and other electronic information system.

#### Implementing Teams in Organizations :-( Developing Work Teams):-

Forming a team requires the right combination of skilled people and individuals who are willing to work together with others as a team. To develop the team work we require :-

Planning the change :- It involves a drastic departure from the traditional hierarchy and authority-and-control orientation. It requires planning, preparations and training. The planning actually takes places in two phases

Decisions to have teams

Making the decisions:- Prior to making the decisions, top management needs to establish the leadership for the change, develop a steering committee, conduct a feasibility study and then decide to have the new structure.

Implementing the Decision :- Once the decision is made to change to a team based organization, much preparatory work needs to be done before implantation can begin. Preparation involves clarifying the objective, selecting the site for the first work teams, preparing the design team, planning the delegation of authority and drafting the preliminary plans.

Implementation of the decision is a long process and it includes 3 phases.

Phase – I-

Here, the management must create performance conditions for the teams and to provide the teams all the needed materials and equipment to do the job.

Phase – II – It involves at least three things

- Establish boundaries that is who is and who is not in the team.

- Arrive at an agreement regarding the tasks to be performed.

- Clarify the behaviours expected of each team members.

Phase – III -

Attempts are made to eliminate team problems, if any, replenish or upgrade material resources and replace members who leave the team.

Effective Team Building :-

- Numbers of members in the work team

- Selection of members on the basis of skills and skill potential

- Establish urgency, Demanding performance standards & Direction

- Allocating Right roles to Right People

- Paying particular attention to Initial impressions.

- Having a common & meaningful purpose.

- Developing a code of conduct

- Establishing performance oriented specific goals.

- Defining and agreeing upon a common approach

- Challenging the group regularly with fresh facts & Information

- Building up the personal bonding and creative insights

- Individual responsibility & Accountability

Appropriate performance evaluation  
Recognition and Reward Systems  
Developing trust among members.

#### Leadership :-

Leadership is the ability to build up confidence and zeal among people and too create an urge in them to be led. It is a process of influence on a group in a particular situations at a given point of time and in a specific set of circumstances that stimulates people to strive willingly to attain organizational objectives.

#### Definitions :-

It is the ability of a manager to induce subordinates to work with confidence and zeal  
It is the ability to secure desirable actions from a group of followers voluntarily without the use of coercion.

#### Nature and characteristics :-

Leaders as a personal ability  
It exists only with followers  
It is the willingness of people to follow that makes person a leader.  
It is a process of influence  
It exists only for the realization of common goals  
It involves readiness to accept complete responsibility in all situations.  
Leadership styles do change under different circumstances.

#### Functions of Leadership :-

Setting goals  
Organizing  
Initiating action  
Coordination  
Direction & Motivation  
Link between management & Workers

#### Difference between leadership & Management :-

It is related but not same

Leadership is an important part of management. It is in fact the process of planning, organizing, coordinating, directing and controlling the activity of others.

Leadership focuses on the top level, where as management focuses on the lower levels.

Leadership has followers, management only subordinates

Leadership aim at fulfilling follower's needs, management aims to meet the organizational need.

It emphasis on transformational aspect management focuses on transactional aspect.

The importance of leadership in management are :-

- It improves motivation and morale

- It acts as a motive power to group efforts

- It acts as an aid to authority

- It is needed at all levels of management

- It rectifies the imperfectness of the formal organizational relationships.

- It provides the basis for cooperation.

Leadership Styles :-

This term refers to the constituent behavior pattern of a leader as perceived by people around him. The leadership style is the result of the philosophy, personality and experience of the leader. It also depends upon the types of followers and conditions prevailing in an organization.

According to their attitude and behavior patterns leaders may be classified as follows :-

Autocratic or Authoritarian style of leader :- Here the leader expects complete obedience from his subordinates and all decision making is centralized in the leader. Two types of autocratic leadership are :-

Tough autocrat :- He is a tough and dry leader who believes in only telling and ordering the subordinates.

Benevolent autocrat :- He acts as a fatherly figure and assumes that only he is in the knowledge of things and is the right person to take decisions.

Laissez-faire or Free-rain style leader :- Here maximum freedom is allowed to subordinates. They are given free hand in deciding their own policies and methods and take their own decisions.

Democratic or Participative style of leader :- It implies compromise between the two extreme of autocratic and laissez-faire style of leadership. Here the leader acts according to the mutual consent and the decisions are reached after consulting the subordinates.



Bureaucratic or Rules-centered leadership :- It is a type of leadership where every thing is influenced by rules, regulations and procedures. No deviations of set principles is allowed under all situations. The employees are not encouraged to take initiative.

Manipulative Leadership Styles :- Under this style the leader tries to achieve organizational goals by exploiting the weak points of employees. The need and aspirations of employees are used as tools for achieving organizational objectives

Paternalistic Style :- This style of leadership is based upon the sentiments and emotions of people. A paternalistic leader is like a fatherly figure to the subordinates.

Likert's Management systems and leadership :-

Likert developed four models of management, which he termed system of management. These systems are :-

Exploitative Authoritative :- The things or work done from subordinates by using their orders.

Benevolent authoritative :- autocratic in nature, but sometimes gives liberty to subordinates to carry out their tasks.

Consultative :- Under this system the goals are set in consultation with subordinates. All important decisions are taken at managerial level but work-related decisions are left to the subordinates. Here there is a two-way communication.

Democratic or participative :- Here the subordinates are involved in goal setting and decision making. The communication systems are open and effective.

While Likert was studying various systems, Likert has taken seven variables. These are :-

Leadership

Motivation

Communication

Interaction-influence

Decision making process

Goal setting

Control process .

## Leadership Theory

Trait Theory	Behavioural Theory	Contingency Theory	Emergency Theory
	<ul style="list-style-type: none"> <li>• Ohio State university Leadership Studies</li> <li>• Michigan Theory</li> </ul>	<ul style="list-style-type: none"> <li>• Fielder's Contingency Model</li> <li>• Hersey Blanchard Model</li> <li>• House's Path-goal Theory</li> <li>• Vroom's expectancy theory</li> </ul>	<ul style="list-style-type: none"> <li>• Leader-member exchange theory.</li> <li>• Charismatic leadership theory</li> <li>• Transformational Theory</li> <li>• Transactional theory</li> <li>• Leading change leadership theory</li> <li>• Visionary leadership theory</li> <li>• Joseph C. Rost Leadership.</li> </ul>

### **Trait theory :-**

According to this theory there are certain personal qualities and traits which are essential to be a successful leader. This theory was very popular between 1930s & 1950s. The study of the lines of successful leader reveals that the following important traits are possessed by many of them.

Intelligence  
 Psychological factors ; - Physical features determine the personality  
 Emotional stability  
 Intense Inner motivational Drive  
 Human Relations Attitude  
 Vision and foresight  
 Empathy  
 Fairness and objectivity  
 Technical skill  
 Open mind & Adaptability  
 Art of communication  
 Social skill.

### **Behavioural Approach :-**

According to this approach, leadership involves an interpersonal relationship between a leader and subordinates in which the behavior of the leaders towards the subordinates constitute the most critical element. The good behavior of the leader raises the morale, builds up confidence and spirit among the team members and lack of good behavior will discard him as a leader.

**Ohio state University Leadership Studies** :- The Bureau of research at Ohio state university conducted those studies. The main objective of the studies was to identify the major dimensions of leadership and to investigate the effect of leader's behavior on employee

behavior and satisfaction. These studies narrowed the description of leader behavior to two dimensions.

Initiating Structure :- it refers to the leader's behavior in defining and organizing the relationship between himself and members of the group. The purpose of initiating structure is to

Establish well defined patterns of organizations

Develop channels of communications

To supervise the activities of employee

Consideration :- It refers to the behavior which can be characterized by

Friendliness

Mutual Trust

Respect

Supportiveness

Openness

Concern for the welfare of employees

**Michigan Studies** :- These empirical studies were conducted by the Institute of social research at the university of Michigan. These studies distinguished between two distinct style of leadership.

Production Centered leadership :- It is also known as task oriented leadership. It stressed on certain points

Rigid work standard procedures & Rules

Close supervision of the subordinates

Technical aspect of the job

Employees were not to be considered as human beings but as tools to accomplish the goal of the organizations.

Employee centred Leadership :- It is known as relation oriented leadership because it emphasize on human relation. The main approaches are :-

To treat subordinates as human beings

To show concern for the employees' needs, welfare and advancement etc.

To encourage employee participation in goal setting and in work related Decisions.

### **Contingency Model**

#### **Fielder's Contingency Model :-**

This theory assumes leaders are predisposed to a particular set of leadership behaviors. Leaders are either Task Oriented or Relationship Oriented.

Task oriented leaders are directive, structure situations, Set deadlines and make task assignments.

Relationship oriented leaders focus on people, are considerate and are not strongly directives.

Fielder suggested that three major situational variables determine whether a given situation is favorable to leaders.

- Their personal relations with the members of their group(leader-member relations)
- The degree of structure in the task that their group has been assigned to perform (Task Structure)
- The power and authority that their position provides(Position-Power)

The most favorable situation for leaders to influence their groups is one in which they are well liked by members(Good leader member relations). Have a powerful position(Strong Position Power) and are directing a well defined job(High task structure).

**House's Path Goal Theory :-** Leaders are effective because their impact on follower's motivation, ability is to perform effectively and satisfactions. It proposes the following four leader behaviours.

- Directive
- Supportive
- Participative
- Achievement oriented.

**Vroom's Expectancy Theory :-**It emphasizes the needs for organization to relate rewards directly to performance and to ensure that the rewards provided are those rewards deserved & Wanted by recipients. It works as a motivational force for the employee. This theory suggests that

$$M = E \times I \times V$$

Where E = Expectancy = Effort = Performance

I = Instrumentality = Performance = Outcome

V = Valence = Rewards.

**Emerging Leadership Theory :-**

**Leader Member Exchange Theory (LMX) :-** The leader do not treat all their subordinates in an equitable manner. Almost all the leaders have some "in groups" and "Out groups".

**Charismatic Leadership** :- Charisma is a leadership trait that can influence employees to take early and sustained action.

Transformational Leadership :- It emphasizes four behavioural components

Charisma

Individualized consideration

Inspiration

Intellectual stimulation.

**Transactional Leadership**:- Where the leaders guided and motivates their followers in the direction of established goals and objective by clarifying the roles and the task requirements.

**Leading Change Leadership** :- Leaders must do some changes for the fulfillment of the job by seven stages,

Establishing a sense of urgency

Creating the guiding coalition

Developing vision and strategy

Communicating the change vision

Empowering broad based vision

Consolidating gains and producing more change

Anchoring new approaches in the culture.

**Visionary Leadership** :- It is the ability of the leader to create an attractive vision of the future, for the organization which could out perform the present. For this purpose the vision has to be clear and compelling. So that it can offer new and innovative ways of improvements.

**Joseph C. Rost's Leadership** :- According to Rost leadership is an influence among leaders and followers who intend real changes that reflect their mutual purpose. This approach has fair essential elements.

Influence based Relationship

Leaders and followers

Intention to have real change

Development of mutual purpose.

Leadership & Followership :-

To be effective, the manager's style must be appropriate for the maturity level of the subordinates or followership. According to the level of maturity of subordinates the four styles of leadership should be as follows :-

**Telling Style** :- It emphasizes directive behavior. It is the high task and low relationship behavior stage. Where the subordinates have low maturity.

**Selling Style** :- It is marked by high task and high relationship behavior. Subordinates require both supportive and directive behavior.

**Participating Style** :- It is effective because it is a high relationship and low task behavior stage.

**Delegating Style** :- It is of low task and low relationship behavior, delegating style of leadership is suitable. Subordinates in this stage are at a very high level of maturity.

This model is developed by Hersey-blanchard which is simple and appealing. It helps the management to determine what they should do and in what circumstances.

Process or technique of effective leadership :-

For effective leadership the leader should adopt a proper mix of consultation, co-operation, communication, motivation and authority. The techniques are :-

The leader should consult the group in framing the policies and lines of action and in imitating any radical changes.

He should attempt to develop voluntary co-operation from his subordinates in realizing common objectives.

He should exercise authority whenever necessary to implement the policies. He should give clear, complete and intelligence instructions to the subordinates.

He should build-up confidence and zeal in his followers

He should listen to his subordinates properly and appreciate their feelings.

He should communicate effectively.

He should follow the principle of motivation.