

# Principles of Management and Organizational Behaviour

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Publisher : World Lab Publication

Address : Plot No 241, TF-2 Sec-1, Vasundhara, Ghaziabad,  
Uttar Pradesh 201012

Phone : 9810080056, 9310388806

E-mail : worldlabpublication@gmail.com

Website : www.worldlabpublication.com

Edition : 2021

ISBN : 978-93-90734-08-5

Price : 500/-

Printed in : India

## **PREFACE**

We are glad to present this book, especially designed to serve the needs of the students. The book has been written keeping in mind the general weakness in understanding the fundamental concepts of Principles of Management. The language of book is quite easy and understandable to all categories of people. The book is structured to cover the key points of the subject Principles of Management and organisation Behaviour.

Principles of Management are designed to meet the scope and sequence requirements of the introductory course on management. This is a traditional approach to management using the leading, planning, organizing, and controlling approach. This book was designed to explain What theories and techniques are used by successful managers at a variety of organizational levels to achieve and exceed objectives effectively and efficiently throughout their careers?. Principles of Management helps students develop a solid grounding in the skills that they can apply throughout their managerial careers. These skill-building activities and resources help build and polish competencies that future employers will value.

The importance of Principles of Management is well known in various Engineering fields. All the chapters in the book are arranged in a proper sequence that permits each topic to build upon earlier studies. All care has been taken to make all categories of people comfortable in understanding the basic concepts of the subject. The book not only covers the entire scope of the subject but explains the philosophy of the subject. This makes the understanding of this subject clearer and makes it more interesting.

We wish to thank the Publisher and the entire team of WORLD LAB PUBLICATIONS who have taken immense pain to get this book in time with quality printing.

We look forward to receiving valuable suggestions from professors of various educational institutions, other faculty members and students for improvement of the quality of the book. Any Suggestion for the improvement of the book will be acknowledged and well appreciated.

**Authors**

# Principles of Management and Organizational Behaviour

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## MODULE-1

# INTRODUCTION

Man's economic life relies heavily on the practise of management, which is a kind of organised communal activity. It is impossible to run a commercial enterprise without a central commanding officer. It is up to the management's organisational and administrative skills, as well as their entrepreneurial spirit, to manage the company's productive resources. As a consequence, management provides a corporation with a sense of direction. Without competent managers and effective management leadership, production resources remain just that: resources, never generating any actual product. In today's competitive economy and ever-changing environment, the quality and performance of managers are critical to the survival and success of any commercial organisation. Management has become so critical in today's society that it directly affects the well-being of individuals as well as the future of a nation.

Material, labour and money are given over to management's ability to organise, manage, and take risks with their own resources. As a consequence, management provides a corporation with a sense of direction. Without competent managers and effective management leadership, production resources remain just that: resources, never generating any actual output. In today's competitive economy and ever-changing environment, the quality and performance of managers are critical to the survival and success of any commercial organisation. In today's society, management is so important that it has a big influence on people's lives and the destiny of the nation. Management is necessary for many types of organisations, including corporations, government

agencies, educational institutions, military units, trade associations, and more.

### **CLASSICAL SCHOOL OF MANAGEMENT THOUGHT**

**F. W. Taylor and the Scientific Method** An early definition of scientific management said that "that form of management that handles a company or affairs by criteria set via systematic observation, experiment, or reasoning" In order to improve labour efficiency, advocates of this school of thought focused on the shop floor, where workers are employed.

**Frederick Winslow, Taylor**, who is often referred to as the "founder of scientific management," held the view that businesses should research activities and develop detailed methods. He had a wide range of experiences that allowed him to get firsthand knowledge and insight into the issues and attitudes of employees, as well as significant opportunities to improve management in the workplace. In order to increase productivity, Taylor's ideology was founded on the concept that employees' mindsets and scientific management may be shaped to increase their production. A bar graph prepared by Taylor's collaborator Henry Gantt illustrates planned and completed work for each production stage. It has been a popular management and planning tool since its inception in 1910, when it was first introduced to the world. An example of a Gantt Chart may be seen here.

To build on Taylor's time studies, Frank Gilbreth and his wife Lillian Moller Gilbreth filmed the individual actions of each worker and created "motion studies." They thoroughly examined the movements and deleted those that were unneeded. Because each activity was timed before each motion study, the studies were dubbed "time and motion studies." By applying time and motion studies to bricklaying, the Gilbreths developed a system for workers to lay bricks that minimised wasted motion and boosted productivity from 1,000 to 2,700 bricks per day.

### **Scientific Management's Fundamental Principles**

- Creating new standard procedures for each project.
- Choosing to teach and develop employees rather than enabling them to self-train and develop
- They are free to choose their own tasks. Encourage employees and management to work together.
- Work is divided into groups based on who is most suited to complete the task.

### **HENRY FAYOL'S UNIVERSAL PROCESS THEORY**

Henry Fayol's idea, one of the oldest and most prominent, claims that all organisations, It doesn't matter whether the organisation is large or little; it all needs the same logical process or functions to operate. This school of thinking is based on the following two assumptions: A fundamental management procedure must be followed by all organisations, regardless of their purpose (e.g., business, government, education, or religion). As a result, successful managers may work in a variety of companies with different goals. The universal management process may be broken down into a number of distinct functions and concepts.

Fayol offers fourteen universal management principles that guide managers how to carry out their functional responsibilities.

#### **1. Specialization of labor**

Work efficiency is improved as a result of specialisation, reduced labour time, and increased skill development.

#### **2. Authority**

This is the power to issue commands, which comes with the responsibility that comes with it.



### **3. Discipline**

It is predicated on adherence to the organization's rules, regulations, and agreements. Discipline, according to Fayol, requires excellent superiors at all levels.

### **4. Unity of command**

This advises that just one superior should provide orders to subordinates to avoid confusion and conflict.

### **5. Unity of direction**

This suggests that a boss's instructions to his employees should be consistent. There should be no disagreement between a boss's instructions.

### **6. Individual self-interest is put aside for the greater good.**

Individual and group requirements inside an organisation should not take priority over the needs of the organisation as a whole, according to this notion.

### **7. Remuneration**

Employees and superiors should be paid fairly and in a manner that is acceptable to them.

### **8. Centralization**

The decision-making levels should be determined by the circumstances; no amount of centralization or decentralization is suitable for all scenarios.

### **9. Scale of chain**

Except in exceptional situations, the link between all levels of the organisational structure and Lines of authority must be clearly visible and strictly adhered to at all time.

### **10. Order**

A place for everything and an order in which everything is arranged are essential. This is basically an organising concept for the placement of objects and people.

### **11. Equity**

In order to evoke loyalty and commitment from employees, they should be treated fairly.

### **12. Personal tenure**

Poor management is both a cause and a result of excessive turnover, according to Fayol, who emphasises the dangers and costs associated with it.

### **13. Initiative**

Encourage subordinates to come up with and carry out their own ideas.

### **14. Esprit de corps**

Teamwork, as well as a feeling of unity and belonging, should be encouraged and maintained.

## **MANAGEMENT DEVELOPMENT: MARY PARKER FOLLETT'S CONTRIBUTION**

### **Introduction**

A lot of people are debating Mary Parker Follett's contribution to management. Some consider her as an administrative philosopher who works inside the framework of conventional management. She's considered a modernist by some. Because of this, this article will highlight her contribution to management, as well as its link to classical approach theory and significance for managers in today's organisations.

Follett's major contributions to management theory and practise are listed below.

Follett has made a significant contribution to organisational management ideas, according to Fry (2009). She, for example, feels that people and technological problems cannot be separated completely. As a result, ethics is critical in management, especially throughout the decision-making process. Furthermore, she opposes the concept of departmentalized thinking. As a result, a thinking method that incorporates both ethical and economic issues is critical. This indicates that throughout the decision-making process, a business should use moral standards as well as cost analyses. This will assist the company in making consistent judgments that will benefit the company in terms of cost reduction and profit maximisation. She also underlined the importance of employee satisfaction. Managers, for example, should treat employees with respect. This is due to the fact that individuals create more when their needs are prioritised.

Managers, according to Follett, need training in order to properly lead and manage businesses. Some thinkers suggest that leadership and management are skills that can be learned, while Follett disagrees. Managers, for example, should get training in order to gain technical expertise that will help them interact with people. Follett also sees a future in management (Mele & Rosanas, 2008). In other words, it has a body of knowledge. As a result, managers should use their newly gained knowledge to advise and drive personnel toward organisational success. Managers, for example, should conduct themselves professionally while interacting with staff. This implies that all workers should be treated fairly, with integrity, autonomy, and honesty. Follett also thinks that managers should take into account the spiritual side of management (O'connor, 2010). As workers engage, for example, a spiritual bond may develop.

This connection is more important than the sale of produced items. This is because an organization's spiritual connection with its personnel may lead to its development or demise. Employees

are more likely to create more in a company where spirituality is a component of the policy because their spiritual demands are met. An organisation that lacks freedom of religion, on the other hand, is doomed to fail. As a result, businesses should provide opportunity for spiritual values to flourish.

Furthermore, since social relation issues rely on the rational use of power, it is a crucial issue in an organisation. Many workers, for example, are concerned with power division as much as success. Appraisals, incentives, authority, responsibility, unity of direction, and command are all examples of this. Follett outlines methods for developing power in an organisation such that social relationship issues are avoided (Schermehon et al., 2011). To begin, an organisation needs cultivate both power and authority. This implies that accountability should be delegated to a function rather than a position. Furthermore, an appropriate level of power requires corresponding levels of responsibility and authority.

Furthermore, employees in a company should collaborate. This is due to the fact that money, work, position, and authority do not confer power on one person over another. As a result, an employee may exercise his or her own authority. This will encourage him or her to put in more effort and achieve greater results. As a consequence, there should be a clear distinction in an organisation between actual and fictitious authority. Genuine power is cooperative, but phoney power is coercive. As a result, companies should cultivate and adapt actual power, which may be increased and shared.

For today's managers, Follett's contributions to management are priceless. As a first step, it increases managers' understanding of the importance of human capital in the workforce (Jones, 2008). For example, an organization's collapse might be caused by a manager's lack of emphasis on employee needs fulfilment. This is because workers strive to meet the organization's objectives. They do, however, have requirements that may impede performance. As a result, the manager's job is to recognise and meet those demands before a dispute emerges.

He also helped managers see the significance of technical competence, because to Follett's contributions to management (Jones, 2008). Managers may improve their effectiveness and efficiency in the management process by using technical skills, for example. As a consequence, managers in today's culture understand the need of training. This has also made it easier to create a number of institutions where managers may learn technical skills. There are, for example, management courses in strategy, human resource management, business technology, leadership, and actuarial science. Technical expertise enables the manager to interact with personnel in a fair and equitable manner.

Follett's contribution to management, according to Schermehon et al., (2011), has aided managers in realising the significance of society in management. For example, the organization's target market is generally society. As a result, the organisation and society should have a symbiotic connection. As a consequence, managers must guarantee that the general public is aware of the organization's standards. This will help the company capture a significant chunk of the market. This is because when society has more knowledge about a company, the mutual tie strengthens, resulting in a higher profit margin.

### **BEHAVIORAL AND HUMAN RELATIONS APPROACH**

The behavioural approach to management arose from Taylor's and Fayol's criticisms of scientific and administrative management approaches, respectively. Managers are accused of showing a complete disrespect for and contempt for the firm's human resources in their daily dealings.

Sociologists and psychologists like as Abraham Maslow, Hugo Munsterberg and Rensis Likert have all made substantial contributions to this school of thinking, which has been separated into the Human Relations approach and the Human Behavioral approach by certain authors based on their contributions to it.

## **ELTON MAYO AND HAWTHORNE STUDIES**

The pioneers of this school are Elton Mayo and Hugo Munsterberg. Between 1927 and 1932, Elton Mayo and his collaborators at the Western Electric Company's Hawthorne facility made the most significant contribution to this school of thinking. Mayo and his colleagues discovered the following in their Hawthorne studies: It wasn't only managerial needs and physical features that boosted productivity in the workplace; there was a human/social component to it. While financial incentives are crucial, they may not be the only factor that affects a worker's productivity. Interpersonal skills like motivating, leading, communicating, and counselling are all attributed to the Hawthorne effect by managers who are cognizant of human behaviour. A whole socio-technical system in the workplace is necessary since employees and workers are both social and technological beings, and so must be integrated into one another.

### **Criticism**

The following are some of the criticisms levelled about Hawthorne studies:

- An excessive focus on the social or human aspect as opposed to organisational demands.
- The technique allows employee exploitation by keeping people comfortable and happy via emotional manipulation, which meets the management objective of boosting productivity.

## **MANAGEMENT - MODERN SCHOOLS OF THOUGHT**

This school of thinking is particularly concerned with the development of each worker and organisational aspect. It examines the link between labour and management from every angle.

This school of thinking takes two approaches: the System Approach and the Contingency Approach.

Social Systems Theory and Chester Barnard Chester I. Barnard produced one of the most significant contributions to this institution. Some management academics consider his famous treatise "The Functions of the Executive," published in 1938, to be one of the most significant works ever written in the subject of management. Barnard, like Fayol, based his beliefs and management technique on his own experience as a top-level CEO.

### **FUNDAMENTALS OF SYSTEM APPROACH**

All organisations operate on a cooperative model.

As cooperative systems, organisations consist of a variety of physical, biological, psychological, and social elements that are all interconnected in some way of two or more people cooperating towards at least one defined goal. The importance of an employee's participation and cooperation in accomplishing corporate goals is a strategic aspect.

#### **Criticism**

The following are some of the critiques leveled towards this idea. Short on verifiable facts and useful recommendations, but heavy on intellectual appeal and trendy vocabulary. Complexity is inherent in nature, particularly if you're looking at large and complicated organisations. However, we may deduce that the system approach is more of a teaching technique and way of thinking than a model of solution that systematically explains the complexities of current organisational administration.

### **RECENT CONTRIBUTIONS AND THE CONTINGENCY APPROACH**

The Contingency Management theory was born out of the System Approach to Organizational Management. Management, according to the Contingency method, is situational; as a result, there is no one ideal strategy to management since the conditions that a manager encounters are always changing. However, since

circumstances are often similar, certain management concepts may be successfully implemented by identifying and analysing the key contingency factors in the scenario.

Peter F. Drucker, W. Edwards Deming, Laurence Peter, William Ouchi, Thomas Peters, Robert Waterman, and Nancy Austin have all made significant contributions to management theory during the last several decades. This is likely the greatest technique since it pushes management to look for the right situational circumstances so that proper management concepts may be used successfully.

The following 9 management principles are incorporated in good organisations, according to According to Tom Peters and Robert Waterman's research, 43 of America's most successful companies in six core sectors were examined:

Managing Ambiguity and Paradox: A manager's capacity to maintain two competing notions in mind while yet functioning efficiently. A Bias for Action: Impatience breeds lethargy and stagnation in organisations that might otherwise be responsive. Staying close to the consumer allows you to better understand and predict their requirements and desires. Actions that stimulate innovation and create customer and product advocates are referred to as autonomy and entrepreneurship. Treating lower-level personnel as a source of quality to increase productivity. Hands-On, Value-Driven: Management philosophy that governs day-to-day operations and demonstrates management commitment. Stick to your knitting: Focus on what you're good at and the companies you're familiar with.

### **QUALITY MANAGEMENT SCHOOL**

TQM (Total Quality Management) is a relatively new and comprehensive methodology for managing and controlling a business. The primary goal is to improve performance over time by concentrating on consumers and meeting the demands of all stakeholders. In other words, this approach emphasises the



management of the whole business in order to provide high-quality service to clients.

The quality school of management believes that the following are important: How the Company's Product Is Made: The organization's existence and success depends on providing goods and services that suit the demands of its customers. Businesses have complex networks of customers and suppliers, with each individual having to act as a customer or a supplier at some point in his or her career. When it comes to group dynamics, organisations should encourage their workers to work together. Management should recognise and support these groups, which are the driving force behind planning and problem-solving.

Review the company's rules and procedures on a regular basis to ensure that they are up-to-date. This will result in specialisation and, as a result, better results. Transparency and Trust: Build a culture of trust and stability through connecting with workers at all levels.

### **CONTRIBUTIONS OF LILLIAN M. GILBRETH TO THE DEVELOPMENT OF MANAGEMENT THOUGHT**

#### **Introduction**

Lillian Moller Gilbreth is regarded as a forerunner in the field of management theory. She is known as the "Mother of Industrial Psychology," the "First Lady of Engineering," and the "First Lady of Management." Her book, *The Psychology of Management*, made a major contribution to the study of human behaviour in the workplace' and it was signed in her name, but without any mention of her gender.

#### **Part 1: Scientific Management by Frank and Lillian Gilbreth**

Lillian Evelyn Moller was born in 1878 in Oakland, California, to an efficiency couple. She succeeded in school, earning bachelor's and master's degrees in English literature from California

University, Berkeley, where she was also pursuing her doctorate in psychology.

In October 1904, she married Frank Bunker Gilbreth. Frank was working on his construction firm throughout their marriage, which was known for being the quickest at erecting buildings and other structures. Frank was enthusiastic about his profession and was always looking for new methods to enhance the amount of work his firm completed. Lillian studied the building construction field and looked at ways to standardise construction methods. Her husband's work required her to be an integral part of it.

Frank said in one of his letters to a friend that owing to sexual prejudice at the time, they simply wrote his wife's initials on his books.

### **Taylor's system**

The pioneer of scientific management, Fredrick Winslow Taylor, proposed incorporating science into business. He claims that poor company management creates a chasm between obtaining maximum output and efficiency. The job production may be maximised by employing time study in a standard environment, preparing the task ahead of time, and designing schemas. This would disassemble the tasks at hand, test them, and even reassemble them as they were being completed.

Taylor became a personal friend of Frank's, and he helped him lecture on the subject.

### **The drive for efficiency**

The changing period paved the way for widespread adoption of Taylor's scientific management method and the oncoming efficiency mania. In the early twentieth century, industry were quickly expanding, and society was progressing at a breakneck pace, bringing with it a slew of new problems.

Efficiency and scientific management became fashionable, and a slew of specialists arose to offer society with effective tools for implementing Taylor's technique in a variety of settings.

In 1911, the Taylor system captured the public's attention and began to gain acceptance, despite the fact that certain government divisions feared Taylor's approach may lead to labour unrest.

### **Motion study**

As Lillian's psychology knowledge expanded, she published *Motion Study* (1911), the first book that indicated her impact on the couple's work. The human aspect was marked with a bold line throughout the text. The book demonstrated that, in addition to motion, tools, equipment, and surrounds, the human aspect and its quality must be considered in order for a system to operate.

The book shed insight on the evolution of "therbligs," a classification system for parts of the labour movement. Lillian and Frank used cameras and chronocyclegraphs to perform micro motion tests to identify the optimal method to operate. In contrast to Taylor's approach, the pair thought that the stop watch, the Taylor system's symbol, was not necessary for motion studies and that even stopwatches may produce inaccuracies in time measurement.

Frank afterwards presented his micromotion approach, causing a schism between him and Taylor.

Because it ignored the worker's weariness and psychological prowess, Frank discovered that the Taylor approach was no good indicator of efficiency.

### **The psychology of leadership**

The psychological component of labour efficiency piqued Lillian's curiosity. She urged Frank to consider the human element at work on a regular basis.

Their opposing opinions are clearly outlined in the book *Time Out for Happiness*.

In terms of management, Lillian's attention was constantly drawn to the person performing the task. Franks' attention turned towards the human component over time, she noted in her biography, however this happened in his unconscious.

Thy *Psychology of Management*, published in 1912, was subsequently reprinted in the *Industrial Engineering and the Engineering Digest*.

Her work on the human aspect in scientific management gained her a lot of attention from the public, which persuaded the pair to publish the book.

Lillian's work in scientific management, industrial psychology, and the advancement of management philosophy was founded on *The Psychology of Management* (2014). Lillian stated in this essay that scientific management is based on the psychology of individual differences.

The focus of scientific management must be on the individual rather than the task itself. The psychological purpose of the job was to enable the employee to achieve personal goals, allowing him to live a healthy life.

In contrast to Taylor, Lillian was worried with the work's experience. Salary incentives, in her opinion, were similarly unimportant.

### **Fatigue study**

*Fatigue Study* (1916) was a synthesis of the couple's thoughts and an attempt to channel them in a more global direction. Fatigue was operationalized in their book. Lillian took into account worker concerns about topics like safety, illumination, and clothes, and incorporated equipment that would reduce tiredness. Maximizing worker pleasure while conserving energy would, in her opinion, result in economic development. The *Fatigue Study* (1916) laid the

groundwork for legislation in a variety of sectors. Lillian distinguished between two types of fatigue: that caused by effort and that caused by superfluous ways. The goal was to reduce physical and physiological fatigue in order to make employees happier and more productive.

According to Lillian, management is a social issue that affects workers not only in factories, but also in society as a whole.

While Taylor concentrated on the employees' flaws, Lillian emphasised their mental and physical needs, as well as their potential, and valued their happiness.

Lillian on her own in Part 2

Lillian's journey into the world of scientific homemaking

Customers started to withdraw their requests for motion research contracts with Gilbreth Inc. after Frank's death in 1924. To help support her family financially, Lillian started teaching motion studies at her home and giving presentations to groups about how to reduce tiredness at home.

Scientific management has made its way into the homes of the American middle class.

Lillian drew on three sources: her doctorate in psychology, her experience as a mother of 12 children, and her industrial engineering experience.

As globalisation and human civilization progressed, middle-class women were forced to take up for themselves, necessitating instruction and skill in the science of home economics and the route to modernization.

Christine Fredrick has been dubbed "the mother of scientific housekeeping." Despite the fact that Fredrick and other specialists vowed to bring revolution to the home, they failed to adapt their techniques and systems to unique persons, and they failed to recognise the psychology in the scientific home. They didn't meet

the home manager's psychological and physiological requirements.

These specialists also neglected to demonstrate to women how to use the numerous technologies that they devised. As a result, they delegated the labour to others, such as Lillian.

Lillian became a home economics speaker, speaking about her methods for reducing fatigue and increasing efficiency at colleges, newspapers, and radio stations.

In 1927, Lillian published *The Home-maker and Her Job*, a book that demonstrates her organisational skills outside of the global industry. The importance of physical, moral, and psychological rewards for the housemaker was demonstrated in the book. Lillian tracked these as "happiness minutes," which indicate whether or not the residents are content.

Lillian focuses on the house maker's skills and how they can be applied to various jobs around the house in the book. To challenge them and improve their work around the house, Lillian suggested in her book that the house maker conduct their own skill, motion, and fatigue studies.

Her objective for the home builder was to make the most of the house's existing resources rather than purchasing additional equipment or tools.

Lillian noted that skillful labour might be evaluated by various persons based on their preferences. Happiness minutes may be achieved for all home members by linking skill and satisfaction. Happiness minutes are impossible to achieve due to physical and mental exhaustion. The finest productivity for the home maker will come from avoiding exhaustion and increasing joyful minutes.

Successful home management, according to Lillian, requires the use of motion study, fatigue study, and skill study, as well as management psychology.

Lillian's contributions to society and work management are embedded in these categories, and anytime the industry invests in ergonomics, the value of the person at a job is described, or the home design is addressed, Lillian's contributions are mentioned.

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## MODULE-2

# Introduction to Management: Meaning of Management

Management is the process of organising, directing, staffing, and monitoring the use of resources in order to accomplish performance targets. Management entails coordinating and supervising other people's work activities to ensure that they are completed efficiently and effectively.

People, money, machines, materials... all six of the Ms are brought together in the administration of a business. Greater sales, increased profitability, and corporate development are all aims that these resources are used to attain.

### **DEFINITIONS OF MANAGEMENT:**

"Management is a multi-purpose organ that controls company and oversees managers and manages employees and work," says Peter F. Drucker in his book "Management."

"Management is the art of getting things done through and with the people in officially organised organisations," says Harold Koontz. It's the skill of fostering an atmosphere in which people can both express their unique talents and work together to achieve a common objective. As a means of maximizing efficiency in accomplishing the objectives, it is the art of reducing the barriers to such performance."



**MANAGEMENT'S NATURE AND CHARACTERISTICS:**

**1. Management is a process, not a collection of people:**

Management is an activity, not a group of individuals. Managers are the people who carry out this process. Managers show leadership by adopting power and directing people to act on behalf of the company. The management process includes planning, organising, directing, staffing, and regulating. It also plays a critical function in bringing human efforts together to complete assigned tasks.

**2. Management is a social process:**

It is carried out by people. Management can't do justice to its human side if it neglects it. By working with their subordinates, a manager's job is to accomplish the tasks at hand. Management has a distinct personality because of this human element.

**3. Management is action-oriented:**

Management is constantly focused on attaining specific sales, profit, and other goals. It's not just a philosophical concept; it's a practical one. It emphasises actual results achieved via appropriate efforts. It is an activity that requires you to take action.

**4. Management is a universal activity:**

Managers are required in every organisation to handle commercial operations. At all levels, the manager's work is essentially the same. A higher level of management is responsible for more critical activities than lower-level managers, who are tasked with more routine ones like filing. Management concepts are used by all managers, regardless of their workplace, and are universally relevant.

**5. A management team is a collection of people**

working together, not a single individual working alone. It seeks to achieve goals by combining the efforts of a group of people. Managers are in charge of overseeing and coordinating the operations of the many groups that make up an organisation.

**(6) Management is intangible:**

Although management is not clearly apparent, its presence is felt via tangible outcomes.

Management is an ethereal concept. It's like an unseen spirit that leads and stimulates employees in a company unit. Management is similar to government in that it operates but is not visible.

**(7) An interdisciplinary approach to management** is one that pulls from a variety of fields. such as a) sociology, b) psychology, c) anthropology (science or study of man), d) engineering, e) economics, f) mathematics, and so on, and thus we can call it an interdisciplinary subject, and one of management's major contributions is the integration of knowledge from various disciplines into a unified whole.

**(8) Management is dynamic:** Economic, social, political, technological, and human resource changes all have an impact on business. Management adapts to the changing environment by making appropriate forecasts and policy changes. As a result, management is seen as a dynamic process.

**(9) Management has a wide range of responsibilities:** Management has a wide range of responsibilities. It covers every facet of the business world. The management principles serve as guidance for managers as they handle different company operations.

**(10) Computers assist rather than replace management:** The computer is an exceptionally potent management tool. It assists a management in broadening his horizons. For essential decision-making, the computer provides an ocean of data. The data processing and response abilities of the computer are astounding. This has allowed the management to do speedy analysis in order to make the best judgments possible. A computer assists the manager in his management duties. It cannot, however, take the position of managers in the workplace. They were needed in the past, now, and in the future. In the management process, they are vitally necessary.

**(11) Management is all-encompassing:** Management encompasses all departments, operations, and personnel. At every level, managers are in charge, but their duties remain the same. This

shows that management is a universal and all-encompassing activity.

### **IMPORTANCE OF MANAGEMENT**

**1. Optimal resource utilization:** Management promotes the most efficient use of existing human and physical resources, which leads to a company's growth and profitability. Wastages of all kinds are reduced or eliminated.

**2. Competitive strength:** An enterprise's competitive strength is developed by management. This allows a company to grow and diversify its assets and income. **3. Friendly workplace:** Management fosters friendly workplaces, assures better life and welfare for workers, and boosts morale via appropriate incentives.

**3. Employee motivation:** It encourages workers to take greater interest and initiative in the task they are given and to contribute to the company's productivity and profitability.

**4. Implementation of new techniques:** Management facilitates the use of new equipment and procedures in commercial enterprises. It also brings with it important technology advancements and improvements in company management.

**5. Efficient management:** Efficient management serves society in terms of industrial progress, social fairness, consumer happiness and welfare, and the correct fulfillment of social obligations.

**6. Company expansion:** Effective management allows for the expansion, development, and diversification of a business unit.

**7. Provides stability and prosperity:** Efficient management contributes to a company's success, stability, and prosperity by encouraging employee collaboration.

**8. Fosters team spirit:** Management fosters team spirit and improves a company's overall effectiveness.

**9. Makes effective use of managers:** In order to make optimal use of managers, management organisation may benefit from their experience, talents, and maturity.

**10. Guarantees seamless operation:** Management ensures that a business runs smoothly, methodically, and continuously across time. It also improves a company's efficiency, production, and profitability.

**11. Decreases employee turnover and absenteeism:** Employee turnover and absenteeism are reduced through effective management, which ensures the continuation of the organisation.

**12. Develops a sound organisation:** Management that is dynamic and progressive helps to build a strong organisation that can handle any situation with ease and confidence , whether favourable or unfavourable.

**THE MEANING OF PLANNING** - Planning is the process of deciding on all aspects. When there are several options for these questions, it becomes more difficult to make a selection. As a result, it may be described as a selection process.

**DEFINITION OF PLANNING:**

"Planning is choosing in advance what to do, how to do it, when to do it, and who is to do it," said koontz and O'donnell."

**PLANNING CHARACTERISTICS**

**1. Planning is concerned with attaining the following goals:** Planning starts with the determination of goals, and planning begins with the determination of objectives. There can never be an idea of an organisation without goals.

**2. The major role of management is planning:** The primary function of management is planning. The remaining tasks, such as organising, staffing, directing, and regulating, will be completed

later. No other management job can be carried out without planning.

**3. Continuous planning:** Planning is a process that starts with the start of a company and finishes with the closing of a business. It signifies that the planning process is ongoing as long as a company survives.

For instance, a corporation intends to sell one lakh units this year. Suddenly, a slew of new competitors join the market. As a result, the company's previous position will be affected, and it will need to revise its plans.

**4. Planning is Futuristic:** Planners assess what needs to be done and how it has to be done in the future; all of these questions revolve around the future. The answer to this question is discovered during the planning process. While making an attempt to discover these answers.

Planning is a cerebral workout since it requires you to think about what you're doing before you do it. The following are the major considerations for a planner:

- (1) What should be done?
- (2) How should it be done?
- (3) When should it be done?
- (4) Who should it be done by?

### **IMPORTANCE OF PLANNING**

In order to succeed as a manager, you must first and foremost plan. Regardless of one's position in management, it is necessary. Without planning, all of the company's commercial activities are of no value. The importance of planning has increased as the size of enterprises has increased. Unpredictable events may not be impossible, but they are certainly difficult to foresee in the absence of preparedness.

**1. Planning makes things easier making a choice:** Making a decision is the process of making a decision. A multitude of options are found under it, and the best one is picked. However, before looking for alternatives, it's crucial to figure out what you want to achieve. During the planning phase, objectives are established. So, Planning may be said to make decision-making easier.

**2. Planning reduces the risk of uncertainty:** In planning, the future is always uncertain, therefore it's important to have an open mind. It is possible to anticipate changes in the future and arrange various activities in the most effective manner possible thanks to the use of planning.

**3. Planning eliminates duplication and needless activities:** When a strategy is put into place, it avoids the need for unnecessary tasks and duplication of efforts. When, where, and what questions have been answered. This helps bring the problem into focus. Coordination between many departments and activities is fostered in this environment. Allows you to do away with unnecessary and unproductive chores.

**4. Planning Gives Direction:** During the planning process, the organization's goals are articulated in plain and unambiguous terms. As a result, all employees play a vital part in achieving the organization's goals.

**5. Establishing Control Standards in Planning:** All personnel working in the company, as well as all departments, are educated about when, what, and how to accomplish things by setting the organization's goals via planning. Their labour, time, and cost are all held to a set of standards. Under controlling, the actual work completed is compared to the standard work, variations are identified, and if the job is completed as expected, the individual responsible is held accountable.

It's important to remember that a strategy is just a plan of action for the future. Problem-solving and making decisions are involved.

## PROCESS OF PLANNING

A cycle of eight comprehensive planning and goal-setting steps is included in the planning and goal-setting process.

For setting successful objectives and strategies for the Organization's personnel, systematic processes must be followed. Planning enquires about an organization's strengths and shortcomings, and it entails making decisions about how to attain them. Managers often follow the same processes in all planning situations.

When all of these processes are completed in order, a planning process is created. A well-planned strategy The process looks to be future-focused, thorough, methodical, integrated, and negotiated. Minor plans are usually simpler in nature, so some of the Steps can be completed quickly. The planning and goal-setting process involves eight complete and methodical processes that must be followed in order to generate successful objectives and plans for the organization's personnel. They're there;

**These procedures are outlined below.**

**1 Establishing objectives:** Objectives are the end goals for which all actions are undertaken. During the planning process, goals are first identified and specified so that all of the personnel involved are aware of them and can provide their full participation. Organizational goals, departmental objectives, and individual objectives all have their own hierarchy.

**2. Establishing the premises:** The elements that determine the probable outcomes of many options form the foundation of planning. A prediction of this assumption is established before making a final judgment regarding any option. The rate of predicting success will be directly proportional to the rate of planning success. There are two sorts of planning assumptions:

**(1) Internal infrastructure:** capital, labour, raw materials, machinery, and so forth.

(2) **External factors:** government regulations, corporate competitiveness, and tax rates that appeal to customers. Etc.

**3. Identifying alternate courses of action:** In most cases, there is no task that cannot be done in a different way. Alternative ways of accomplishing a certain task might be identified based on the organization's goals and planning limits.

**4. Evaluating alternative courses:** All alternative courses that meet the minimal pre-requisite requirements are chosen for further investigation. It will be determined to what degree a certain alternative route may aid in the achievement of the organisations' goals. However, there is one issue that we must address while evaluating these different options. Every alternate route has advantages and disadvantages.

**5. Choosing an alternative:** After a thorough examination of many options, the best one is chosen. Occasionally, the research reveals many alternative courses with equal benefits. Given the unknowns of the future, it is reasonable to choose more than one excellent alternative option, one of which is implemented and the other is held in reserve.

**6. Putting the plan into action:** After deciding on the primary plan and the subsidiary plans, they must be put into action. Following the implementation of the plans, the order of various actions must be determined. In other words, a task is assigned to a certain person and a specific time.

**7. Follow-up Action:** When the plans are executed, the planning process doesn't end. Plans are being made for an uncertain future. It is critical to assess strategies on a regular basis in order to assure success in the unpredictable future. There seem to be some adjustments in the plans at the present. In this approach, we may argue that planning is a dynamic process.

### **TYPES OF PLANS:**

Planning comes in a variety of shapes and sizes. It is categorised mostly on the basis of



- (a) Time
- (b) Managerial levels
- (c) The firm's activities are repetitive.
- (d) The scope of the project.

The plan is designated as (a) based on its duration.

- 1) Long-term strategy
- 2) A medium-term strategy, and
- 3) Make a short-term strategy

The following are the explanations:

**(1) Long-term plans:** Long-term plans are those that last longer than three years. Because the future is unknown, these strategies should anticipate environmental costs and prepare organisations to absorb these changes when they arise. These plans are aimed at attaining an organization's strategic objectives or aims.

**(2) Short-term plans:** Short-term plans are those that last less than a year. Adjusting output within a certain capacity, market rivalry, retaining or promoting sales, keeping workers pleased, budgeting future expenditures, staff training, inventory planning, and so on are some examples.

**(3) Medium-term plans:** These plans are usually made for a period of more than a year. These plans are helpful in that they aid in the attainment of long-term goals and tend to define the activities of the organisation.

The strategy is classed as (a) based on management levels.

Plans for the future,

Tactical strategies, as well as

Plans for operations

The following are the explanations:

### **Plan of Action**

A high-level overview of a company's whole business, including its vision, goals, and value, constitutes a strategic plan. A long-term plan based on this approach will guide the organization's long-term decisions. The plan's duration might be two, three, five, or 10 years.

The strategic plan will guide the decisions of managers at all levels. A company's culture and how it deals with customers and the media will be impacted as a result. That is why a company's strategic strategy must be forward-looking yet flexible at the same time.

Diversification of the firm into new lines, kinds of items to be offered, expected profit growth rate, and so on.

The tactical plan defines the methods the organisation plans to follow in order to achieve the objectives of the strategic plan. Short-term document (less than a year) that explains the larger goal.

Smaller, more manageable chunks of a statement are crafted. If the strategic plan is a response to something,

“What?” “How?” is answered by the tactical strategy.

Typically, mid-level managers are in charge of implementing tactical plans.

The tactical plan is a flexible document that may be utilized for any purpose.

Required for the organization's objectives to be met.

However, there are several elements that must be considered.

Most tactical plans have the following elements in common:

- Specific objectives with set deadlines

- Budgets
- Resources
- Marketing, funding, and so on

### **Operational Strategy**

Outlined in an operational strategy, the company's day-to-day activities are defined. Operational plans outline how to accomplish tactical goals within an acceptable time frame. This approach is laser-focused on achieving short-term results. "Increase sales to 150 units per day" or "Recruit 50 additional employees" are examples of operational plan goals.

It is the responsibility of lower-level managers and supervisors to establish the operational plan.

The plan is categorized as (c) based on its scope.

- (1) Master plans or company-wide plans,
- (2) Departmental or functional plans

The following are the explanations:

#### **(1) Master plans or company-wide plans:**

Company-wide plans, often known as master plans, are those that include the planning of all of the company's operations.

**(2) Functional or Departmental Plans:** Functional or Departmental Plans are those plans that are solely included into the Planning in the functional department or functional activities.

(3) The plan is designated as such because of the firm's repeated activities or because of the stated goals.

( I) Pre-existing plans, and

(ii) Plans that are only used once.

Standing Plans and Single-Use Plans I Single-Use Plans: As a result, there are two types of plans: standing plans and single-use plans I.

In a business setting, a single-use plan refers to plans created for a one-time activity or event with a particular purpose or objective. They are a collection of actions designed at attaining a certain objective within a defined budget and time frame that will not be replicated in the future. For example, the period of a single event plan may just be one day, but a single project may extend for weeks or months under a single-use plan. In a single-use plan, you'll find information on the costs, timelines, and team members that will be involved.

Due to the fact that they are created to address a single issue, "specific designs" are the preferred term for these types of plans. Single-use plans are created to address non-repetitive and one-of-a-kind problems. Single-use designs can't be reused, and they become outdated after they've served their function.

The following are some examples of single-use plans that a company might use:

- A public relations effort for the debut of a new product, or
- A strategy for integrating a recent purchase.

The single-use plan consists of

- Proposals,
- Budgets and financial planning
- The programmes

Here's a quick rundown of what it means:

### **(1) Projects:**

A project is a one-time activity with a defined start and finish date. A project is prepared in the framework of the goals,

integrating policies, processes, regulations, and other project preparation and execution features.

### **(2). Budgets**

The tactical plan should include financial needs for achieving the strategic plan's objectives. This should include funds for employing employees, marketing, sourcing, production, and managing the company's day-to-day operations. It's also a good idea to keep track of your income outflow and inflow.

### **(3) Programmes:**

A "programme" is a set of actions or a sequence of activities in a detailed plan that specifies the operations to be carried out in order to complete a certain assignment. The programmes are goal-oriented and give practical guidance for managing tasks. The following are some examples:

For instance, introducing a new product, delegating staff for training, producing 1,000 tonnes of cement this year, designing a new product, training, advertising, and growth programmes, and so on.

### **Standing plans:**

Standing plans are continuing plans that give advice for actions that are repeated on a regular basis. Standing designs are utilised for a long time, often forever, and may be changed to adapt to changing conditions. Standing plans are often known as "repeated usage plans" since they give rules for future activities that will be repeated. These plans provide consistency and consistency of effort when dealing with the same circumstances that arise at different levels of an organisation. Not only do these plans aid in coordination, but they also aid in poor management. A good example of a standing plan is a business plan. Plans that are already in place include

- Objectives,

- Policies,
- Methods and Strategies
- Procedures
- Rules

**The following are the explanations:**

(1) **Objectives:** An objective is a goal that can be reached in a reasonable amount of time and with the resources available. Objectives should be stated in numerical terms as much as possible. It might be anything from how many staff members work to how many units are made. Some objectives, such as the performance of the quality control manager or the effectiveness of the people manager, cannot be expressed numerically. These objectives should be stated in qualitative language. As a result, goals must be reasonable, acceptable, feasible, and attainable. Planning necessitates the establishment of objectives. The "overall enterprise objectives" are the firm's core goals, and they impact management philosophy and practise. The achievement of the corporate goals will be aided by "departmental objectives."

(2)**Policy:** There are many different types of policies, and each one specifies how managers should respond to a certain circumstance. It has a micro-influence on decision-making.

**Policies provide specific plans for employing staff, firing contracts, and so forth.**

For example, a company may have a policy of only selling its goods in cash, or it may have a policy of only hiring local people, or it may have a policy of not employing anybody over the age of 60. If rules aren't followed correctly, managers will have to make judgments over and over again. As a result, it should be safe.

**3. Procedure:** A procedure is a step-by-step approach for achieving a certain goal. For instance, most businesses have specific policies in place for recruiting and training staff, as well as obtaining raw materials.

**These standards are referred to as processes.**

**Procedures may be established, for example.**

**a) How will the Board of Directors make a specific decision?**

**b) How will an order be carried out?**

**A rule is** a set of explicit rules that govern how an organisation operates. The regulations are intended to be hard-coded and strictly enforced. Two examples of regulations are "no smoking on the premises" and "employees must report by 9 a.m."

**Strategies** are the choices and activities that determine an organization's long-term success. We call these well-thought-out plans for shifting the organisation in the future from one position to another "strategies." These encompass broad operational ideas for an organisation.

**Strategies may be characterised in the following ways, according to Steiner and Miner:**

**(a) Master strategies**

**b) Strategies for the programme**

**(a) Master Strategies:** Master Strategies relate to the overall pattern of a company's aims, as well as the organization's united direction. They may be written for marketing (e.g., market strategy for marketing), finance, manufacturing, and other fields.

For example, in the realm of marketing, a master plan may be to enter a new market with the goal of capturing 15% of the market demand within a year.

(b) **Programme strategies:** Programme strategies are more particular and pertain to the specific deployment of resources to fulfil the organization's goals.

For example, if a master strategy for marketing has been developed to enter a new market with the goal of capturing 15% of market demand within a year, a programme strategy for extensive advertising and intensive personal selling campaigns may be implemented to help the company achieve its master strategy.

**Sub - strategies:** Minor strategies are focused on the deployment of resources to achieve particular goals, but they are not critical to the overall success of an organisation. They do, however, give direction for decision-making and action.

For example, a corporation may create a sub strategy to engage the services of a certain advertising company to handle its advertising campaign in order to capture 15% of the market demand during a one-year period.

### **ORGANISING DEFINITION:**

The process of assigning tasks, distributing resources, and coordinating the work activities of people and organisations in order to carry out plans is known as organising.

It's the process of bringing together physical, financial, and human resources and establishing effective partnerships between them to achieve organisational goals.

Organizing is the practise of organising and organising work in order to achieve a company's aim.

Organizing is the process of creating effective authority connections among the various tasks, people, and work locations so that the group may operate effectively together.



The interaction between people, work, and resources utilised to accomplish shared objectives is referred to as organising or organising in management (goals).

Simply put, organisation is preparing the methods and means for carrying out a company strategy. It is the building of administrative infrastructure for the plan's implementation.

It refers to the framework in which management operates.

As a process, organising entails:

- Identifying the actions
- Classification of activity groupings.
- The division of duties.
- Accountability is established via the process of delegating responsibility.
- Relationships of power and accountability must be managed.

### **DEFINITION OF ORGANISING**

1) Its the process of identifying and categorising the enterprise's operations and creating authority connections among them, according to Theo Haimann.

2). According to Louis Allen,

"Organizing is the act of identifying and categorising the work to be completed, defining and allocating responsibility and authority, and forming connections for the aim of allowing people to work most effectively together in attaining objectives."

## **PURPOSES OF ORGANISING:**

1. Breaks down the task into specific duties and departments.
2. Assigns the duties and obligations that come with each position.
3. Organizes and coordinates a variety of organisational duties.
4. Jobs are grouped into units.
5. establishes the linkages between the various departments and groupings.
6. Establishes formal authority lines.
7. Distributes and allocates organisational resources

## **ORGANISATION**

### **INTRODUCTION:**

One of the most crucial aspects of the management process is organisation. It's the next best thing to a well-thought-out strategy. The term "organisation structure" refers to both the process and the final output of the process.

The soundness of the organisation structure will influence the effectiveness of the management process. Organizing entails the coordination of resources in order to achieve the goals.

Organization derives its name from the word "organism," which refers to a body structure divided into parts and held together as a single biological whole by a web of connections. "Organisation" . Many managers and workers collaborate in an organisation to achieve similar goals. It is the organisational framework that connects them together and ensures that their work is properly adjusted and coordinated. The organisation structure allows for the division of labour and power, as well as the formation of

relationships between persons or groups. The word "organisation" connotes a functional group that collaborates to achieve shared goals. As an organisation, you may bring together two or more individuals and work toward a goal. Organization makes administration, direction, and control more efficient.

It prevents the waste of raw resources as well as human labour. For the proper performance of commercial operations, each management must design its own organisational structure. In a nutshell, organisation defines linkages and offers a framework for all administrative operations. "A business unit" is described using the term "organisation." The term "organising" refers to the method through which an organization's operations are organised in a methodical manner in order to accomplish its objectives.

### **DEFINITION OF ORGANISATION:**

Breach's definition of an organisation is "structure of interpersonal ties in a social system. When authority, position, and responsibilities are well defined, human contact becomes more structured, and people's natural behaviours are more predictable, which leads to less room for surprise and creativity ", it is.

### **VIEWING THE ORGANISATION:**

One of the most crucial aspects of the management process is organisation. Next to planning, it's the finest option. Organisation refers to both the process and the final output, which is known as organisation structure, in the context of management.

The whole management structure is built on top of such a foundation. For the effective performance of commercial operations, a solid organisational structure is required. The organization's structure serves as the backdrop for the whole management process. The soundness of the organisation structure will influence the effectiveness of the management process. Organizing entails the coordination of resources in order to achieve the goals.

First Perspective - According to this view on organisation, it's all about creating an effective structure of responsibilities that can be used by management to accomplish corporate goals.

- (1) As stated by Louis A. Allen, "Organisation is defined as the process of defining and allocating responsibility and authority, as well as forming relationships for the aim of allowing people to work most effectively together in completing objectives."
- (2) Organization is defined by Koontz and O'Donnell as "the grouping of activities essential to achieve objectives and plans, the assignment of these tasks to suitable departments and the provision for delegation and coordination of authority. "

### **SECOND VIEW - ORGANISATION AS A FRAMEWORK OF RELATIONSHIP**

In this perspective, an organisation is considered as a set of links between roles and occupations that serve to achieve the company's objectives. Organization is a structure in a static meaning. Within this framework, a group of individuals works together to achieve certain goals. The term "organisation" refers to a framework that allows for the efficient performance of corporate operations.

- (1) In the words of Kast and Rosenzweig, "structure is the established pattern of interactions among the constituent pieces of the organisation". A network of links between persons and roles in an Organization is referred to as Organization structure.
- (2) According to Mooney and Railey, "Organisation is the shape of every human association for the realization of a shared objective."
- (3) Organization is a system of two or more people's cooperative efforts, according to Chester Barnard.

## ORGANIZATION AS A STRUCTURE - IMPLIES 4 ELEMENTS

**(1) Intentionally built:** Organization structure is purposefully established in order to achieve specified objectives, converting resources (of management) into a profitable business.

**2) Provides a framework:** Typically, an organization's structure is in the form of a pyramid. It serves as a framework that may either restrain or encourage management activities once it is formed.

**(3) Organization Charts:** Organization charts are often used to display structural connections in an organisation. These diagrams depict the planned ultimate relationships at a certain point in time.

**(4) Provides a formal picture:** The structure of an organisation might be horizontal or vertical. Vertical characteristics show the establishment of a hierarchy of superiors and subordinates, whereas horizontal aspects show fundamental departmentalization.

## ORGANIZATIONAL NATURE

The following dimensions of organisation are involved:

- Identifying the actions needed to meet the organization's goals
- Breaking down these tasks into manageable chunks (Departmentation).
- Assigning subordinates roles and obligations in order to complete the tasks.
- Delegating authority that is required and beneficial for the completion of given duties.
- Establishing a bond between superiors and subordinates.
- Establishing a coordination framework to integrate the operations of people and departments.
- The organising process results in the establishment of an organisational structure.

## **ORGANISATIONAL DESIGN:**

The process of creating, developing, or changing an organization's structure in order to achieve the mission and objectives of the organisation is known as organisational design. It is a concept that describes the organization's operational aspects. It integrates all activities and issues, such as the organization's tasks to be completed within the set objectives, the people involved in completing the tasks, the technology used in the organisation, the strategies to be considered, and so on. As a result, organisational structure entails determining which organisational structure is best suited to the organization's strategy, people, technology, and duties. It's the procedure for making judgments on the six important factors listed below:

- 1. Work specialization**
- 2. Departmentalization**
- 3. Chain of command**
- 4. Span of control**
- 5. Centralization and decentralization**
- 6. Formalization.**

## **ORGANIZATION STRUCTURE SUGGESTS ITS FRAMEWORK:**

Organizations have structures that determine their parameters, just as humans have skeletons that define their parameters. An architect examines a variety of aspects while creating an architectural design, including space, cost, time, distinctive features, and resources. Similarly, while developing an organization's structure, a manager is required to consider elements such as communication routes.

The structure of an organisation determines which individuals are subordinates and which are superiors. It establishes the kind of interpersonal ties that should exist between people and their jobs. This invisible structure is designed to help members of the group coordinate their duties and activities. Because of precise authority and responsibility assignments, each individual will be responsible for his or her own share of pre-determined plans in relation to the other members of the group. An organisation is a group of people working together towards an overarching objective.

### **ORGANISATION AS A PROCESS: STEPS IN THE ORGANIZING PROCESS:**

1. Establishing the organization's goals
2. Identifying actions that are required to meet goals
3. Grouping activities that are comparable.
4. Determining each employee's tasks
5. Delegating power to staff is number five.
6. Establishing a hierarchy of power
7. Providing all necessary resources to workers
8. Bringing everyone's efforts together to accomplish a common aim here's a quick rundown of what it means:

**1. Establishing the organization's aims:** Administrative management establishes the organization's shared objectives first. Executive management sets the departmental goals at the intermediate level. Finally, supervisory management determines the day-to-day goals at the lowest level. All of the organization's goals must be defined and attainable.

**2. Identifying activities that are necessary for attaining objectives:** After determining the objectives, top-level management compiles a list of various actions (or works) must be accomplished to reach these objectives. This list was compiled at random, with no regard for sequence or order. This is a critical phase since it prevents duplication, overlap, and waste of resources.

**3. Organizing similar activities:** Departments are formed by grouping together similar or related activities that have a common goal. For example, the Purchase Department is made up of all operations or tasks that are directly or indirectly related to buying. As a result, numerous departments are created, such as purchasing, production, marketing, and finance. Division of labour and specialization result from the grouping of related tasks.

**4. Defining each employee's tasks:** Each employee's obligations (duties) are clearly stated. As a consequence, the suitable individual will be chosen for the right position / job. He or she will be well aware of what to do and what not to do. As a consequence, efficiency will be achieved.

**5. Delegating authority to employees:** Authority is delegated (surrendered or granted) to each employee. Employees can't carry out their obligations if they don't have authority. The right to issue commands and the capacity to enforce them are both examples of authority. An employee's power should be proportional to his or her responsibilities.

**6. Defining authority relationships:** When two or more people collaborate on a same objective, the authority connection between them must be clearly defined. Each individual should be aware of his or her superior, from whom he or she should receive commands, and to whom he or she will be accountable. Similarly, each superior should be aware of his or her influence over subordinates.

**7. Providing workers with all necessary resources:** Following the establishment of authority relationships, employees are supplied with all material and financial resources necessary to achieve the organization's goals. As a result, at this point, the personnel begin to work together toward a single objective.



**8. Coordination of all efforts to meet goals:** This is the last level or phase in the organisation process. Individuals, groups, departments, and other groups are brought together and coordinated here to achieve the organization's shared goals.

### **ORGANIZATION STRUCTURE:**

The logical organisation of tasks, as well as the network of links and functions developed among the different positions. The structure of an organisation is a system of tasks, processes, reporting connections, and communication channels that connect the activities of various persons and organisations.

### **DEFINITION:**

An organization's structure is defined as "the ability to carry out the operations necessary to achieve the stated business objectives." Internal Organization structure is made up of the blood vessels that distribute the company's work throughout its body.

**(1) Division of work:** Divide an organization's work into manageable tasks in an efficient and effective manner.

**(2) Departmentation:** Arrange the duties in a logical sequence and assign the appropriate staff to them.

**(3) Hierarchy:** Identify the tiers by who reports to whom.

**(4) Coordination:** For successful monitoring, integrate the departments into a cohesive whole.

Organizational structure types include:

(1) A tall organization

(2) A flat organisational structure.

Here's a quick rundown of what it means:

**(1) Tall organisation:** The most common form of a pyramid-shaped tall organisation structure, often known as a classical

organisation structure. This entails the concentration of power at the top, job departmentalization, command hierarchy, a tight range of control, and intense division of labour.

**2) Flat organisation:** Flat organisation, also known as behavioural organisation structure, is often advocated by behaviour lists. This indicates a broader range of power, greater decentralisation, and more oversight.

### **INFLUENCING FACTORS IN ORGANISATIONAL STRUCTURE**

**Size of the unit:** The scale of an operation is indicated by its size. Small, medium, and large scales of operation are the three most common scales of operation. The cost, efficiency, and profitability of a corporate venture are all influenced by its size. Before any company or non-profit organisation can begin, the organisers must choose the most lucrative and feasible unit size. The ideal or optimal size is a dynamic notion that varies as science and technology progresses. As a result, one of the factors that defines the size and structure of an organisation is technology. To bring new technology into a firm, the activity must be extended, and the structure must alter as a result.

The amount of capital employed in the unit also determines the size of the organisation. There may be a large upfront investment, but it may be less labour demanding. The size will be less in these circumstances since the authority connection will be weaker. However, one aspect that impacts the growth of a company is capital expenditure. Another key aspect is the number of males who are employed. There will be additional levels of management and authority interactions if more males are hired. If fewer males are hired, the company will be smaller, resulting in fewer layers of management and authority connections. The size of a business unit is also determined by its type. The organisation structure will be complicated in nature if it is a capital goods business with a large capital expenditure. The marketing sector of

the consumer products industry will have more authority linkages than the manufacturing or finance lines. As a result, the structure of the organisation is determined by the nature of the activity.

**(1) Job design:** A job is a collection or aggregation of tasks, duties, and obligations that are assigned to particular workers on a regular basis. It's not the same as the previous tasks. Each task is referred to as a job when the whole work to be done is separated into groups and tasks. Job design is a concept that describes the breakdown of a large job into manageable and efficient pieces – roles, departments, and divisions – and the effective integration of those units.

**(2) Job design:** Each task's job must be identified and allocated. It must be determined what a person must perform in order to contribute to the broader goals and objectives. As a result, "job designing" and "numbering them" are the most important factors in determining the organization's structure. The size of the organisation is determined by these figures.

**(3) Activity grouping:** The planned jobs must be divided into groups based on the nature of the activity. To establish coordination, activities must be grouped, and each group is referred to as a "DEPARTMENT." As a result, we see departments such as Marketing, Production, and Personnel in every company organisation. One of the most fundamental variables that influence the structure of an organisation is departmentalization. People and jobs are organised into work units on the basis of which jobs are clustered together in departmentalization. Every company and non-business activity will have divisions that group comparable duties and are accountable for completing their responsibilities. Each main department will have sub-departments, for example, the Production Department may include sub-departments such as the Purchase Department, Stores Department, Technical Design Department, and so on.

When all of these functional departments are combined, an organisation is formed. As a result, categorising activities by type and activity is another major aspect determining the organisation structure.

**(4) Span of control:** A manager's Span of Control refers to the quantity of workers he or she can manage successfully and efficiently. Experience has shown us that the manageable span is six, implying that one manager can successfully manage six people. Departments may be tiny or large, depending on the nature of the company. As a result, each manager should be given duties and staff that are doable. As a result, the organisational structure is influenced by the range of control.

**(5) Delegation of authority:** Delegation refers to the practise of assigning and delegating duties to another. There will be more authority levels if the span is longer, and top management will have to delegate power to each level. The terms "authority" and "responsibility" are interchangeable. Fayol defined authority as the ability to issue instructions and the ability to enforce them. Because responsibility entails accountability, it is inextricably linked to power. When someone takes power, they also take on responsibility. While a manager's formal authority is derived from their position, their personal authority comes from their expertise, experience, moral worth, capacity to lead, and so on.

### **ORGANIZATION OF THE LINE AND STAFF**

All employees, even experts, work together. Line executives are referred regarded as 'doers,' while employees refer to experts as 'thinkers.' The line executives are in charge of putting plans and policies into action. They give it their all to meet the organization's goals. The team focuses their efforts on research and planning tasks. They are subject matter specialists who provide advice.

In the words of Louis Allen, "Line" refers to the organisational roles and components that have responsibility and power and are held responsible for the achievement of major goals and objectives.

The responsibility falls on the shoulders of the employees and power to provide advice and assistance to the line in order to achieve the goals ". Staff experts are referred to as "thinkers," whereas line executives are referred to as "doers." ". Line is well-supported by the personnel. Line executives get direction and collaboration from staff experts in order to achieve organisational goals. This decreases the administrative load on line executives and improves the organization's overall efficiency.

Separate duties should be assigned to line workers and those assigned to staff to prevent disputes between the two. This prevents function overlap and potential conflicts. In summary, line and staff roles are distinct, yet they are complementary and may provide excellent outcomes if appropriately handled, i.e. by avoiding conflicts. They provide suggestions/recommendations but do not have the authority to direct the line executive. However, due of their position within the organisation, their counsel is usually accepted.

### **CHARACTERISTICS OF LINE AND STAFF ORGANISATION**

- **Planning and execution:** This organization's administration is divided into two parts: planning and execution.

While planning is outsourced to a team of staff specialists, the implementation is entrusted to line executives, who are referred to in the literature as "doers." The staff is there to help you out.

- **Role of authority:** When it comes to real production, line managers have the power to make choices. The staff officers don't have that kind of power.

- **Staff assistance:** When requested, the staff assists line executives with guidance and counsel. It's also possible that line managers won't heed the advice they are provided.
- **Maintaining control:** Staff managers are in charge of their subordinates in their respective departments.
- **Specialization:** For this reason, planning and implementation are allocated to different levels of employees, there is a lot of room for specialisation in this organisation.
- **Conflicts are possible:** Disputes between the organization's top executives and their subordinates are common although they may be avoided by taking extra precautions.
- **Suitability:** The organisational structure of the line and personnel is appropriate for large-scale company operations.

### **CENTRALIZATION**

Centralization refers to how much power is concentrated at the top of an organization's hierarchy in making decisions.

- If senior management make critical choices with little input from below, the organisation becomes more centralised.
- Remember that centralization is relative, not absolute, and that no organisation can ever be entirely centralised.

### **DECENTRALIZATION DEFINITION**

In a decentralised organisation, all of the company's decision-makers are located in different parts of the organisation. with managers at different levels making crucial operational choices pertaining to their area of responsibility.

### **CENTRALIZATION AND DECENTRALIZATION DIFFERENCES CENTRALISATION**

- The environment is in good shape.
- When it comes to making decisions, lower-level managers lack the expertise and experience of upper-level managers.
- Lower-level managers don't want to be involved in decision-making.

- The decisions are small in nature.
- The firm is in the midst of a crisis or is on the verge of failing.
- The firm is sizable.
- Managers must have control over what occurs in order for firm plans to be implemented effectively.

### **DECENTRALIZATION**

- The environment is complicated and unpredictable.
- Managers at the lower levels are competent and experienced in making choices.
- Lower-level executives demand a say in decisions.
- Decisions are crucial.
- The corporate culture is receptive to management having a voice in what occurs.
- The company is spread out regionally.
- Managers' engagement and decision-making flexibility are required for effective execution of organisational strategy.

### **DIRECTING**

According to Koontz and O'Donell, "Direction is the interpersonal part of management through which subordinates are brought to comprehend and contribute successfully to the realisation of organisational goals."

### **DIRECTIONS INCLUDE THE FOLLOWING FEATURES:-**

1. **Dynamic:** guiding is a continuous and dynamic function. A manager's subordinates must be continually directed, guided, motivated, and led.
2. **Takes action:** This management job guarantees that subordinates work well in order to complete group tasks.
3. **Human interactions:** Management's guiding role focuses on guiding the organisation the relationships that exist between employees in a company.

4. All-pervasive: Direction may be found at all levels, in all places, and across the company. The duty of guidance will be required of all managers.
5. Necessary Link: Planning, organising, and staffing can only be accomplished after the guiding function is performed. As a result, directing serves as a vital connection between the different management roles.
6. It encourages employees, interacts with them, monitors them, and maintains control over the company.

### **DIRECTION PRINCIPLES:**

1. Alignment of goals: Effective leadership fosters a sense of belonging among subordinates by assisting them in aligning their goals with the company's.
2. Unification of command: This concept suggests that just one person should be given orders from a single manager.
3. Directional unity: - For successful guidance, the personnel in an organisation must share the same goals.
4. Direct supervision: Personal interaction with his subordinates and the development of feedback information are critical to the success of a supervisor's directing role.
5. Participative management: When a democratic management style is used, the guiding role becomes more effective. Only with the joint assent of Supervisors and Subordinates can a decision be made, according to this rule.
6. Successful communication: Effective communication channels are required to enable effective guidance.
7. Effective motivation: - management should motivate employees to give their all in order to achieve the organization's goals.



## **DIRECTION ELEMENTS**

1. Issuing Orders
2. Leadership
3. Communication
4. Motivation
5. Co-ordination
6. Supervision

**1. Issuing orders:** An order is a managerial tool that may be used to direct employees. The supervisor is the only one who can issue an order, and he has the authority to have it enforced by his subordinates. Orders may be written or spoken.

**2. Leadership:** a person's ability to inspire others to believe in themselves, as well as the desire to be led.

**3. Communication:** It is the exchange of thoughts, feelings, and other information between two or more individuals.

The efficacy of communication will be the most important factor in directing.

**4. Motivation:** - motivation urges employees to give their all in order to assist the company achieve its objectives.

**5. Coordination:** Various people are assigned to different duties. It is necessary to coordinate numerous operations in order to ensure that each employee's efforts are directed toward accomplishing organisational objectives.

**6. Supervision:** It is necessary to supervise personnel in order to determine if they are doing tasks according to plan.

## **DIRECTING'S IMPORTANCE:**

**1. Initiates action:** - the functions of planning, organising, staffing, and so on will only be undertaken if direction initiates them.

**2. Increases efficiency:** A manager strives to get the most work out of his employees.

**3. Motivates employees:** It motivates people to provide their best effort and contribute to the company's success.

**4. Produce effective supervision:** This entails offering staff instructions on how to do a task.

**5. Census co-ordination:** Direction will only be successful if there is sufficient coordination and the overall company goals are met.

### **CONTROLLING'S MEANING AND DEFINITION**

In order to ensure that organisational goals are accomplished, it involves reviewing and rectifying any deviations from established standards. Regulating is aimed at ensuring that everything takes place in accordance with the regulations. Having a well-functioning control system may help prevent deviations from occurring in the first place. By reviewing progress toward objectives and goals and taking action to address deviations, Theo Haimann defines controlling as "the activity of assessing whether or not appropriate progress is being accomplished." According to Koontz & O'Donell, "Controlling is the measurement and adjustment of performance activities of subordinates in order to ensure that the company goals and strategies intended to get them as are being achieved".

To accomplish the purposeful behaviour of workers in an organisation, the management role of managing always maximises the use of limited resources. However, it is only at the controlling stage that it is known whether or not the resources are being utilised in accordance with their original purpose. As a result, control brings the management process to a close.

## **CONTROLLING FUNCTION FEATURES**

The following are the features of management's controlling function:

A. Controlling is an end function, one that happens after the performances are accomplished in line with the plans.

B. Managers at all levels and in a broad range of contexts have a role in controlling the company.

C. Controlling is a forward-looking process since it necessitates managing the past. Controlling constantly looks forward in order to undertake follow-up if necessary

D. As a result, it is essential to make changes whenever possible in order to keep up with the ever-changing nature of the process of controlling.

E. Controlling is tied to planning- Planning and control are two distinct management tasks. Management without planning is useless, and management without control. Control before planning and planning before control.

- Controlling offers several benefits.
- Saves you money and time.
- Allows managers to concentrate on the most important tasks. This allows for better resource management.
- Assists the management in taking immediate corrective action.
- Assigning duties to subordinates may be done by managers to ensure that regular work gets done.

## **CONTROLLING PROCESS**

a) The initial step in the control process is to complete plans, which are the benchmarks against which controls may be assessed. We might think of plans as benchmarks or standards

against which we assess our actual performance in order to find inconsistencies.

Examples of the requirements

- Profitability requirements: These standards, in general, show how much profit a firm would want to achieve over a certain length of time, or the return on investment it provides.
  - Criteria for market position: These standards define the proportion of total sales that must be accounted for a firm would want to have in a certain market in comparison to its rivals.
  - Productivity standards: The emphasis of these standards is on how much different parts of the company should create.
  - Product leadership standards: These outline what has to be done in order to achieve this position.
  - Employee attitude standards: These guidelines outline the sorts of attitudes that corporate leaders should attempt to instill in their staff.
  - Social responsibility standards: making a positive contribution to society, for example.
  - Standards that reflect the balance between short- and long-term goals.
- b) **Performance Measurement:** Performance should be measured against standards in the future so that variations may be recognized early and necessary measures taken. Of fact, the complexity of assessing different forms of organisational performance is mostly influenced by the activity being assessed. As an example, judging the performance of a highway maintenance worker is far more difficult than analyzing the performance of a college-level management student.
- c) **Comparing Measured Performance to Stated Standards:** After taking a measure of organisational performance, managers must compare it to some standard. The level of activity created as a model for measuring organisational

performance is referred to as a standard. The performance being reviewed might be for the whole organisation or for specific people inside the company. All standards are basically yardsticks for evaluating one another, whether or not an organization's performance is appropriate.

**d) Corrective Actions:** After comparing actual performance to specified performance criteria, Corrective action is the next step in the process of controlling. Taking corrective action is a managerial responsibility that aims to raise organisational performance to acceptable levels. To put it another way, corrective action focuses on fixing organisational errors that impede performance. Before implementing any corrective actions, managers should verify that the criteria they are using were appropriately defined and that their assessments of organisational performance are accurate and reliable. At first view, it seems to be a very straightforward idea that managers should take corrective action to remove issues, or variables inside an organisation that operate as roadblocks to the achievement of organisational goals. In reality, however, pinpointing the issue creating some unfavourable organisational consequence might be challenging.

### **CONTROLLING TECHNIQUES IN MANAGEMENT**

These control approaches have been utilised by managers for a long time and are thus regarded as conventional procedures.

**1. Personal Observation:** The easiest approach to keep track of organisational operations is for managers to go about the office and see how things are going. Any flaw in performance may be identified and fixed right away. Face-to-face interactions are feasible, allowing employees to have their questions answered on the job while also receiving assistance and counselling. This strategy puts workers under psychological duress, and they perform better when they are aware that their bosses are watching them. Managers are also aware of the behavioural, technical, and

psychological issues that employees face at work, and they attempt to resolve these issues.

Employees that operate under the psychological strain of being continually monitored, however, are demotivated by this strategy. This strategy is also ineffective in huge organisations because managers are unable to spend time individually watching each employee's performance.

**3. Budgeting:** A budget is a statement that indicates a company's potential future earnings, expenses, and profits. It is a forecast of the company's financial status in the future. Non-financial factors such as the number of units produced, the number of units sold, the cost of materials and labour, and so on may all play a role in a budget. "The process of defining in quantitative terms, planned organisational actions for a specific period of time," according to the definition of budget. The comparing of actual performance to planned or budgeted performance is referred to as budgeting control. It is a fundamental control tool that is employed at all levels of an organisation. Budgets are created for the whole organisation as well as for each department.

**4. Analysis of Break-Even Points:** It is also known as a break-even analysis, or a cost-volume-profit analysis, is a method of determining the connection between sales volume, expenses, and profits in order to arrive at a sales number where sales revenue equals costs. The break-even point is the moment at which sales income equals cost (fixed cost + variable cost). Sales that exceed the break-even mark generate profits for the company, whereas sales that fall below the break-even point result in a loss.

**5. Financial Statements:** Financial statements show the company's financial situation over time, usually a year. The financial statements are created in conjunction with the previous year's financial statements so that the company may compare current performance to previous year's performance and take steps to enhance future performance. As a measure of control, these

statements are produced at the conclusion of the financial year and assist management to enhance future performance.

**5. Statistical Data and Reports:** Data is used to forecast financial performance using statistical approaches such as averages, regression, and correlation. Data may be used to create diagrammatic representations of the company's performance, such as trend charts, histograms, pie charts, and bar graphs, among other things. Defects may be identified and remedied.

### **Modern Techniques of Control:**

Some of the current control strategies are covered below, in addition to older control techniques that are still used by managers:

**1. Management Information System (MIS):** Managers need numerous forms of information to carry out management responsibilities such as planning and controlling for various functional areas (production, marketing, etc.) and to link them with the external environment (government, customers, etc). (Quantitative and qualitative).

Previously, the accounting system supplied this information, which was restricted and quantitative in nature. Managers can now access a massive amount of data at a rapid pace because to computers. Computers assist in the creation of data bases and the manipulation of data in order to make different administrative choices. It aids in the storage and retrieval of data. Managers may utilize computers to gather data in extremely short periods, process it, analyze it, transform it into valuable information, and communicate it to the outside world.

**2. Audit of Management:** The term "audit" refers to the process of inspecting financial accounts on a regular basis and ensuring that they are presented honestly and fairly in accordance with

accounting rules. As a result, an audit serves as a foundation for control.

A company may perform two kinds of audits:

- (a) External audit
- (b) Internal audit

### **(a) External Audit:**

It is the process of verifying financial statements. The assets, liabilities, and capital accounts of the company are audited, and any discrepancies are communicated to management for further action. As a result, control is facilitated by checking accounts against common principles. This kind of audit is referred to as a financial audit.

External audit looks for fraudulent activities in financial account preparation so that outside stakeholders such as investors, bankers, and financial institutions engage with the company in a fair and honest manner.

External auditing is done by persons who are not affiliated with the organisation. This audit is carried out for the businesses by Certified Public Accountants or Chartered Accountants.

Data, statements, records, operations, and accomplishments (financial or otherwise) are examined in a systematic and objective manner by the Institute of Chartered Accountants in India to meet a specific goal. In every auditing scenario, the auditor detects and recognises the propositions under investigation, gathers evidence, assesses it, and then formulates his judgement based on this, which he communicates via his report."

External auditing is used to manage future activities it is completed at the conclusion of each fiscal year, when the books have already been completed. Managers have no authority over



the company's current activities. Internal audit overcomes the limitations of external audit.

### **(b) Internal Audit:**

It refers to the verification of different statistical data and reports in order to show financial accounts in a proper and fair manner. It assesses the firm's internal operations, determining where things have gone wrong and what steps need to be taken to repair them. It looks at how efficiently the company uses its assets and runs its operations in light of environmental issues. Internal members of the organisation do the audit. These individuals may be part of the financial department or a distinct internal auditing team (in case of large-sized organisations).

According to A.E. Mackay, the internal management audit team should include managers from the following areas of the organization-

- (i) Operations management,
- (ii) Financial management,
- (iii) Internal auditing,
- (iv) Electronic data processing systems management, and
- (v) The Board of Directors.

Internal audit checks the effectiveness with which managers operate a business, hence it's more properly called management audit. "Its goal is to assess the quality of management and management as a system." It evaluates the organization's goals, policies, programmes, and management effectiveness (planning, organising, directing & controlling). It examines the company's historical and current practises, identifying discrepancies and suggesting strategies to correct them. As a result, management audit is an assessment of managers and the company as a whole. The thorough assessment of an organization's structure, rules, and processes to establish whether solid management is in place at all levels, guaranteeing productive connections with the outside world." (i.e., shareholders, suppliers, customers, and the general public) and internal efficiency," says John Crowhurst.

1. **Responsibility Accounting:** It splits the organisation into smaller units, each of which is led by a manager who is in charge of meeting his unit's goals. These units are known as responsibility centres, and the leader of each responsibility centre is in charge of overseeing his center's work. The degree to which each responsibility center's goals are met is used to evaluate its performance.

### **There are four major types of responsibility centers:**

**a. Cost centres** – These centres strive to meet their objectives while staying within budget limits. Various direct (raw material, labour, etc.) and indirect (research and development expenditures) costs are calculated, and the centre head keeps his spending within the budgeted limitations.

**b. Revenue centre** – Revenue is forecasted and reported in monetary terms, and actual sales numbers are compared to forecasted figures. This influences the revenue center's efficiency. If the projected income is not met, corrective action is performed.

**c. Profit centre** - This centre is in charge of generating the necessary quantity of profit. The difference between revenues and expenditures is profit. Divisions, departments, or the whole organisation may serve as these centres.

**d. Investment centre** - Profits are dependent on asset use. Investment centres put their money into assets that bring in the most income and earnings for the company. The efficiency of investment centres is measured by the returns on their investments.

### **4. Network Techniques (PERT and CPM):**

When a complicated project with many interconnected or interdependent activities is undertaken, network models or approaches aid in the planning, coordination, and management of the network of activities. Managers organise various activity

sequences based on time and cost restrictions, and then execute the project within those limits.

The following are two regularly utilised approaches that aid in the execution of complicated projects:

- a. **PERT** - The Program Evaluation and Review Technique (PERT) was initially developed for the US Navy to evaluate and review special programmes.
- b. **CPM** - The Critical Path Method was created by DU Pont Company researchers and Remington Rand Company computer professionals.

### **a. PERT-Programme Evaluation and Review Technique:**

PERT stands for "time-event network." It's a method for planning and controlling a large project that's portrayed as a web of events and activities, with time estimates for each action.

It's a project's network of events and activities with anticipated completion times for each.

The beginning or finish of an activity is referred to as an event. In the network, it is represented by a circle. An event does not use time or resources on its own.

An activity is the amount of time it takes for an operation to complete between two occurrences. It is the amount of time it takes to execute an event. An arrow is used to signify it.

This is how a basic network of events and actions looks –

The project may be accomplished in two ways: first, in the following sequence of events and activities – second, in the following sequence of events and activities – third, in the following sequence of events

Managers concentrate on time estimations to finish each task after creating the network.

Each activity's predicted duration is based on three time estimates:

- a. **Optimistic time** ( $t_o$ ) – It's the amount of time it takes to perform a task when everything goes according to plan. There are no interruptions as a result of it.
- b. **Most likely time** ( $t_m$ ) – To put it another way, this is the average time it takes to do a certain activity. It is the time required to execute a job in a timely manner. It takes into consideration an acceptable number of disturbances.
- c. **Pessimistic time** ( $t_p$ ) – It is the opposite of optimistic time, and it indicates how long it will take to perform a task if nothing goes according to plan.

Each activity's expected time ( $t_e$ ) is calculated as follows:

Each action's expected completion time is indicated underneath the activity or the arrow. The network with three time estimates (visible above the arrow) and the predicted time (visible below the arrow) looks like this:

(Time may be measured in weeks, days, months, or any other unit of measurement.)

Based on two sequences of activities, the estimated time to finish the project is –

While one set of activities may take 37 weeks to complete, the other set of activities may take 34 weeks. The critical route is the sequence of events and actions that takes the longest to finish the project. This is the network's longest route, which signifies the quickest project completion time.

This path is referred to as 'critical' because it identifies the sequence of activities that will determine the quickest completion time for the project. This is the shortest amount of time the project will take to finish. There is no other way to finish the project in less time than this.

The critical path necessitates attention because of the following:

1. Any delay on this route will cause the whole project to be delayed.
2. A detailed examination of each action along the critical route may reveal opportunities to minimise the time spent on each activity and, as a result, the total project duration.
3. By recognising bottlenecks in the provided route, planning along the crucial path might lead another way to become critical.

The network route with the longest length is referred to as the critical path. Activities on the critical path cannot be postponed without causing the project to be delayed. Critical path analysis is an essential aspect of project planning because of its effect on the whole project.

When an activity begins and ends at the same moment, it's known as a "window of opportunity" period, is known as slack time. It is the period of time that an activity may be postponed without causing the project to be delayed. Because critical route slack time is zero, it reflects the quickest time for the project to be finished.

Managers must concentrate their efforts on the crucial route. Any activity along the critical path that is delayed by one week will cause the entire project to be delayed by one week. If the project is to be finished before the critical path deadline, the critical path must be shortened in this situation.

**This can be done by:**

1. shortening the time allotted for any of the activities,
2. Transferring resources from non-critical pathways to the critical path
3. If feasible, removing some of the key route tasks.

The goal of PERT is to shorten the project's completion time in order to eliminate the danger of a delay.

### **B. CPM - Critical Path Method:**

To optimize the utilization of time and resources, CPM identifies important actions for completing the project, assumes anticipated time as the time required to finish the project, and focuses on this critical sequence of operations. It just looks at the crucial route, not the whole project.

CPM, like PERT, organises and regulates multiple sequences of events and activities, with the exception that:

1. **PERTCPM** delivers one time estimate for each action and indicates the estimated time for completing multiple tasks based on three time estimates.
2. **PERTCPM** detects both time and cost estimates, whereas recognises just time estimates. PERT is utilised when the time factor for project completion is critical, but CPM is used when both time and expenses must be addressed.
3. **PERTCPM** is utilised when regular activities are conducted for finishing the project, that is, where the time for completion of activities is known. It is used in projects where activities are non-recurring in nature.

**Merits of Network Techniques:**

**The PERT/CPM control approaches offer the following advantages:**

- a. It allows project managers to anticipate time and cost estimates for completing a complicated project.
- b. The critical route is the primary emphasis, which will assist managers in completing the project on schedule. Managers might move resources from alternative channels to the critical road if they believe the critical path is taking longer than expected (or standard). As a result, control via exception is much easier.
- c. It helps managers to detect irregularities as they occur and As quickly as feasible, take remedial action.
- d. It increases organisational communication by allowing individuals who are executing various activities to communicate with one another on a regular basis.
- e. These strategies are critical in situations when time is of the essence. Even a one-day delay in project completion incurs significant fixed expenses, and failure to complete the project on schedule may result in fines.
- f. Because each activity's time and cost schedules are set, there is an optimal use of finite organisational resources.
- g. It's more of a feed-forward control system than a feedback control system. It aids managers in foresee difficulties and incorporating solutions into present plans.

**Network Techniques Have Limitations:**

- a. Because these procedures are time-consuming, a detailed cost-benefit analysis should be conducted prior to their implementation.

b. They are based on time and cost estimations. If these estimations are incorrect, the whole strategy will be incorrect.

b. The major focus of attention is on time and cost concerns. Other elements that impact the project's efficiency are not taken into account.

D. Managers may profit from these strategies if they plan and analyze events and actions properly (network).

### **5. Balanced Score Card:**

As a "performance measurement device, the balanced score card takes into account the financial, customer, internal processes, and people/innovation/growth assets that contribute to a company's success." It assesses the financial and non-financial aspects of an organization's success. It's a method for evaluating and reporting performance that maintains a balance of financial and non-financial metrics. It recognises the variety of organisational objectives and relates performance to incentives. In a single report, it combines financial and non-financial metrics to assess the firm's long- and short-term success. Managers set objectives in these four areas and work toward achieving them. For example, financial success may be measured by sales growth or return on investment (ROI); customer objectives might be measured by sales from new goods. All of these areas are important to managers since they account for the overall performance of the company. In all of these areas, they maintain a balance of aims. Financial performance is prioritised above customer happiness, or a scorecard based on customer satisfaction is developed. Organizational success will not be achieved by disregarding finance and internal procedures. However, based on the organization's strengths and areas of competitive advantage, it may create a score card around its main emphasis area (say, customer satisfaction). The major focal area will be supported by other areas (finance, internal processes, and people/innovation/growth). Score cards are a reflection of an organization's resource allocation strategy. It focuses on areas that



provide value to consumers via product development and equality operations, as well as profitability for businesses. The tactics of IBM Global Services in Houston were summarised as follows in a balanced score card (focus on four areas): "The internal processes side of our company is directly tied to responding to our customers in a timely way, and the learning and innovation aspect is crucial for us since we're selling our knowledge to our clients above all else." Of course, our financial component will be affected by our performance with those items."

### **6. Ratio Analysis:**

Financial statements indicate financial performance in absolute terms. For example, the accounts may show a profit of Rs.50 lakh or Rs.40 lakh for the year. The profit statistic is meaningless unless it is tied to the firm's capital. A profit of Rs.50 lakh could have been made on a capital foundation of Rs.1 crore, yielding a 50% return, while Rs.40 lakh could have been made on a capital base of Rs.60 lakh, yielding a 66.796 percent return. Though the sum of Rs.50 lakh seems to be more appealing, it is not. A ratio is a mathematical expression that describes the relationship between two numbers. Ratio analysis compares chosen components from financial statements in percentages or fractions to evaluate the firm's financial performance.

### **Ratios in Use:**

The following are some of the applications of ratio analysis:

1. Ratios may be used to compare a company's present performance to its previous performance. It's also possible to compare performance over the course of a year. This aids management in their forecasting. A drop in the profit ratio, for example, necessitates remedial action on the part of management.
2. A company's ratios may be compared to those of other companies in the same industry. Comparing performance to those of other firms helps in determining a company's market position.

3. Ratios aid in remedial action by establishing performance requirements for sales, profitability, and other metrics. Managers must take remedial action if these criteria are not reached.

4. Ratios aid authority delegation and decentralisation by providing a goal rate of return for departmental performance. The performance of department heads is compared to the standard rate of return.

5. Ratios are useful in making financial decisions. They give crucial information to stakeholders in order to determine their level of interest in the business. Profitability ratios, for example, assist shareholders in determining whether to keep or sell a company's stock. Liquidity ratios are used by banks and financial institutions to determine a company's financial soundness and capacity to repay debts. Solvency conditions and leverage ratios are important to long-term creditors.

6. Ratios help you get the most out of your money and other resources. They aid in determining if capital is producing a reasonable return to owners and other stakeholders. Firm efficiency is improved as a result of this.

7. EVA (Economic Value Added):

Value added is a crucial metric for assessing a company's financial success. It represents the company's net worth or value. Its main purpose is to enhance the wealth of its stockholders. To live and expand, businesses must produce money. In the near term, a firm may live without earnings, but it cannot thrive without adding value to its assets. It includes financial management tasks that lead to the generation of wealth.

Traditional financial accounting indicators of business success are inferior to value added. Anything that is useful and gives a person pleasure has worth for him. "The wealth generated by the reporting business via its own and its workers' activities" is

defined as salary and wages, benefits and expenses, interest and dividends, tax and depreciation, and net earnings" (retained).

Shareholders, debenture holders, creditors, financial institutions, and others contribute to company wealth (investment), and adding value to this wealth is vital for business existence. "A financial instrument for assessing company and divisional performance measured as the difference between the total annual cost of capital and the after-tax operating profit," according to Economic Value Added. (Debt + Equity) It is a metric for determining how much value a company has made. Value added is the increase in the value of an investor's capital.

It is the difference between a company's surplus and its cost of capital, or excess revenue after paying shareholders and lenders. To share profits with workers, management, and shareholders, a corporation must earn more than the cost of capital.

$$\text{EVA} = \text{Operating Profit after Tax} (-) \text{Cost of Capital.}$$

The amount of economic value added by the corporation to its assets is referred to as economic value added. It evaluates a company's economic value generated above and beyond its earnings, minus any capital investments made to achieve profits. EVA may be beneficial or harmful. A positive EVA indicates that the company's profits exceed the cost of money used to generate those profits. This indicates that the firm has added value to its stockholders. A negative EVA indicates that a company's returns are less than its cost of capital, implying that its shareholders have lost value. Many businesses look profitable under the traditional accounting system, but they are not. "A firm functions at a loss until it generates a profit that exceeds its cost of capital." Managers earn a rate of return on their assets (or capital) that is higher than the cost of capital, according to EVA. It calculates the genuine economic profit by comparing the actual rate of return to the intended rate of return. The rate of return on investment is the rate at which a business makes money, while the cost of capital is the minimal rate at which a company must generate money in order

for its market value to stay the same. It is the interest rate that the firm pays to its investors. The discount rate evaluates the current value of expected future cash flows and helps in determining whether a project is worthwhile. The Net Present Value (NPV) technique is closely connected to EVA. If the organization's activities and assets generate less than the cost of capital, they are shut down. Companies may increase EVA as a performance measure by making more profit without using more capital or using less capital, or by investing money in high-return initiatives, which have a return greater than the cost of capital. It determines if a company's assets are being used to create the best possible return and maximise shareholder value. EVA is a tool that assesses a company's true profitability. "We raise cash to create concentrate and sell it at an operational profit," said Coca-CEO. Cola's Then pay the cost of capital, with the difference going to shareholders."

### **FUNCTIONS OF MANAGEMENT IN CONTEXT OF GLOBALISATION**

Globalization is the process of increased interconnectedness in the worldwide trade of commodities, services, money, technology, and knowledge. Management's core duties include planning, organising, staffing, leading, and regulating. These functions also need certain alterations in execution due to the unique peculiarities of international commerce.

Globalization is the process of nations becoming more linked. Economic growth that occurs as a consequence of growing interconnection between nations generally leads in a higher standard of living and a higher overall quality of life. Increased income and profit may be achieved by expanding your business to other countries. If you're selling anything, you may be able to save money if you buy in bulk. You may also be able to avoid hazards and take advantage of fresh opportunities if you work in international markets. Policymaking and internal organisational structure are two strategies that management uses to influence the environment. Because consumer habits transcend national

borders, management plays a significant part in the globalisation process because their actions contribute to the construction of a worldwide image. As a consequence of globalisation, management has spread around the globe, allowing for increased productivity. As a consequence of globalisation, a significant number of employees have been relocated to other countries. More techniques of administration and communication are required as a result of this. As a consequence of globalisation, businesses may devise new, more cost-effective ways to manufacture their products. Global competition is also a benefit, since it reduces prices and gives consumers more alternatives. In both developing and established countries, decreased costs allow people to live more comfortably on a less budget.

### **MANAGEMENT'S FUTURE**

Successful management has been able to eliminate conflict and ambiguity in the workplace, as well as properly forecast and prepare the future. The future is defined by goals and performance objectives. As a result of this belief, management's role is to ensure that the company moves in the right direction. The most relevant phrase is controlling, which is described as a management function that aids in the formation of future goals and better planning for the future time.

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## MODULE-3

# Historical Development of Organisational Behaviour

Human connections have a long history. It has existed from the dawn of time, but its ties with the advancement of art and science are relatively recent. People used to work alone or in small groups in the early days, since of this, human interactions were not a concern because organisations were not as complicated as they are nowadays. Direct links between the labour force, capital, and management allowed for a more efficient system. human interactions were managed relatively simply. They were meant to be content under such circumstances since they were able to meet their requirements. However, the conditions were harsh and exhausting. Those were difficult times. People toiled from dawn to twilight in appalling circumstances of sickness, squalor, danger, and resource shortage. They had to work in order to exist, therefore there was no way to attempt to increase their behavioural satisfaction.

Then came the Industrial Revolution. There was initially no improvement in human connections, but this changed as time went on, people's working conditions improved. Workers received higher earnings, shorter work hours, and more job satisfaction as a result of the industry's excess capital of products and expertise.

Mr. Robert Owen, a factory owner from Wales, was the first to emphasize the employees' human needs in this new industrial setting. In his workplace, he refused to hire small children. He instilled in his employees the values of cleanliness and self-control, greatly improving their working circumstances. The "Father of Personnel Administration" label stuck when he first

appeared. This scarcely qualifies as current organisational behaviour, but it was the start.

Andrew Ure released a book called he wrote "The Philosophy of Manufacturers" in 1832, where he recognised the mechanical and commercial aspects of manufacturing. A human element in the industrial process was also recognised by him. Workers were given hot tea, medical care, ventilation, and sick pay as a result of this element, he said. Owen and Ure's methods were increasingly embraced, resulting in a paternalistic attitude toward individuals. It was the very beginning of time.

### **INTRODUCTION**

The term "organisational behaviour" refers to the process of learning about how people behave inside organisations and putting that knowledge to use. It's a human-made instrument with human-made advantages. It encompasses employee behaviour in all sorts of companies, comprising governmental, private, cooperative, commercial, and service organisations. Organizational behaviour must be studied regardless of the kind of organisation.

When it comes to organisations, organisational behaviour is the study of human behaviour in order to enhance human performance in order to satisfy both the organisational and human objectives. The goal of organisational behaviour is to figure out how individuals can participate in the most effective way possible.

Understanding, predicting, and controlling human behaviour as well as the elements that impact people's performance in an organisation are all part of the study of organisational behaviour. Is more concerned with what individuals and groups do than what all members do together.

### **DEFINITIONS OF ORGANISATIONAL BEHAVIOUR**

1. As a subject of research, Organizational Behaviour focuses on how people, groups, and organisational structure influence

behaviour in organisations, and how this knowledge may be used to improve an organization's performance.

2. Moorhead and Griffin: "Organisational behaviour is the study of human behaviour in organisational contexts that interact between

3. It is a field of social science that attempts to develop ideas for predicting, explaining, and managing behaviour in workplace organisations by Ramon J Aldag and Arthur P Brief.

### **NATURE OF ORGANISATIONAL BEHAVIOUR**

**1. Multidisciplinary study:** The study of organisational behaviour encompasses a wide range of academic areas. Organizational behaviour is influenced by a wide range of disciplines, including law, history, psychology, political science, and economics. As a result, organisational behaviour is a multidisciplinary discipline.

2. Organizational behaviour is both a science and an art because it applies principles and concepts objectively. Organizational behaviour is a kind of art in and of itself, evolving in response to changing conditions. Organizational behaviour looks for thoughts and solutions based on the circumstance and need.

**3. System Approach:** The system approach is used in organisational behaviour. The system approach is a helpful framework for figuring out how the many parts of a company interact with one another and with the rest of the world. The system approach to organisational behaviour is used because it considers all of the elements that influence how an organisation functions.

**4. Contingency Approach:** Uncertainty abounds in today's economic environment, which means that the outcomes of most organisational situations are influenced by a variety of factors.



## **DIFCHALLENGES IN ORGANIZATIONAL BEHAVIOR**

The way people and groups operate and interact in the workplace is referred to as organisational behaviour. Leadership, company culture, and the personal goals of people inside the organisation all affect these behaviours and relationships. The way managers approach the job of managing employees in the workplace is influenced by organisational behaviour. Organizational behaviour is a part of the company's culture, managers and the whole organisation face a variety of issues.

The following are some of the most major organisational behaviour challenges:

**Improving customer service:** An organization's performance may be boosted by OB's demonstration of the relationship between customer satisfaction and staff attitude and behaviour.

When it comes to output, service should take precedence above production, taking advantage of technological advances such as computers and the internet.

To increase customer service, it is necessary to offer both sales and after-sales services.

Improving people skills includes establishing stimulating work, forming successful teams, and practising interpersonal skills.

In this scenario, managers must build behavioural skills and provide training to form a successful team inside the business.

Employees don't always want to learn the lesson. Managers are confronted with a difficulty in this scenario, and this is their issue.

**Managing Workforce Diversity:** To put it another way, this refers to recruiting people who are varied in terms of gender, colour, ethnicity and other aspects of their lives. The primary reason for hiring a varied workforce is to capitalise on their talents and

abilities, leverage their innovation, and generate a synergistic impact among the divorced workforce.. As a general rule, employees worked in the same company with the same laws and regulations while maintaining their distinct and cultural identities, values, and lifestyles. In order to better serve a diverse workforce, organisations must take into consideration the differing needs of employees' personal and family life as well as their work habits.

**Response to Globalization:** Today's firm is primarily driven by the market; wherever demand exists, corporate operations are expanded to gain market share and maintain top rankings, among other things, regardless of distance, location, or climate. A company's operations are no longer constrained to a particular location or geographic region. The company's products or services are spreading over the world thanks to mass communication, the internet, and faster transportation. Today, internet sales outpace those made in brick-and-mortar stores for an Australian winery. Outside of Finland, Nokia phones are available in over 95% of the world's nations. Japan's autos are popular in a wide range of nations. Tea from Sri Lanka is sent to cities throughout the globe. Executives of multinational corporations are often seen hopping from one branch to the next.

**Empowering People:** Empowering someone or a group is giving them the authority to act, think, react, initiate, and make choices in their area of responsibility. Managers instil confidence in their employees. Leaders instil confidence in their subordinates. Parents instil confidence in their children. Students are empowered by their teachers. Pastors give their congregations authority. Educating, equipping, assessing, and leading others is how those who empower others do so.

**Stimulating innovation and change:** The company that retains its flexibility, continuously improves its quality, and outperforms its competitors in the marketplace will win. Employees may be a huge roadblock to change, thus it's up to the management to encourage their ingenuity and tolerance for change.

For example, people's preferences in clothing change on a daily basis, thus fashion designers must create new clothes with fresh designs to keep up with the current climate of consumer preferences.

Coping with Temporariness: Fast, adaptable, and inventive goods are essential for a company's long-term success. Redesigning jobs and completing tasks requires a combination of new technology, training, a better grasp of change, the capacity to overcome opposition, and the development of an organisational culture.

For example, we were used to using the Nokia 1100 mobile phone in the year 2000, but we are now accustomed to using the smartphone.

As a result, the corporation must use new technology to enhance the product.

Working in a network organisation: Global collaboration using a single connection, the Internet, allows individuals to collaborate and communicate over thousands of kilometres, allowing people to work from their homes and non-office places.

For example, we may utilise technology to expand our networking by using Face Book.

Employee assistance Strike a balance between work and personal obligations:

Working hours, reporting times, job security, workplace design, and career opportunities are just few of the considerations that need to be made when it comes to workplace design.

For example, a person's work life and family life are two separate things. In such circumstance, the person must be very timely in order to achieve a work-life balance.

## **ORGANIZATIONAL BEHAVIOR APPLICATIONS**

**Individual and Group Behavior:** The ultimate objective is to discover what motivates people or groups to behave in a certain manner. For example, if the company has a high turnover rate, it will take steps to rectify the condition in the future.

**Predicting a Specific Behavioral Response to Change:** Prediction aids in determining the results of a particular situation's conclusion. Knowing how an organisation behaves might aid a manager in anticipating certain behavioural reactions to change.

**Control Behavior:** It is management's significant contribution to the company, and expertise may genuinely assist. OB aids in increasing productivity in the workplace.

## **HOLISTICS OF ORGANIZATIONAL BEHAVIOR**

**Holistic concept:** When analysing the people-organization interaction, this concept takes into account the complete person, the entire group, the entire organisation, and the overall social system.

The Holistic Organization Model is a cutting-edge paradigm that treats an organization's structure as a separate entity from its people, processes, and technology, rather than a static object to be observed

It moves away from the old hierarchical paradigm and toward flexible networks. For example, from reliance to interdependence, from attendance to commitment, from obedience to involvement, and from impersonality to individualization. Businesses are now dealing with a wide range of macro issues, including mergers and acquisitions, banking and financial systems, competition, and marketing. Another major challenge for businesses is organisational design, which involves downsizing, reengineering, and the formation of teams. The third major challenge confronting businesses is employee empowerment, which entails treating people as partners or colleagues rather than as employees. Another difficulty is to care for workers rather than keeping them

at arm's length from oneself. In this case, the employee's personal life is crucial.

The fourth point to consider is speed, or how quickly items and services can be supplied to clients. In other words, it's a system driven by the needs of the users. Fifth, communication technology offers fast and flexible communication, as well as the shrinking of the workforce. To succeed in the business world, organisations must be led by people who have the ability to motivate and inspire their employees. Employee motivation, employee education, and human resource concerns are the most important competitive issues. A social unit that is intentionally cooperating to attain certain aims is classified as an organisation. Organizations may be thought of as social systems, or activities that are guided by social and psychological rules.

As the internal environment of a company changes, so do the needs of employees and organisations require people. Management is defined as attaining organisational objectives via and with the support of others, as well as assisting others in reaching their goals. If managers spend the majority of their time controlling the conduct or performance of others, they may be deemed effective. Management is a highly interpersonal endeavour. Planning, organising, leading, and controlling are all part of the management process. A basic management paradigm would be based on coordinating the behaviour of individuals, groups, and organisations.

Ultimately, all of this would lead to higher levels of productivity as well as greater levels of happiness and fulfilment. Models of modern management may be seen in a wide range of industries. Systems model, process, contingency and modern management models are all instances of this. Managerial abilities are required for all of them.

**(i) Interpersonal skills**

**(ii) Technology skills**

**(iii) Conceptual skills.**

The training and experience, as well as organisational objectives and characteristics, Core skills, administrative skills, interpersonal and personal skills, as well as conceptual abilities, all contribute to management skills. As a result, managers work better, contributing to a favourable high-performance and goal-achieving atmosphere.

Organizational behaviour offers the foundation for further study in the following areas: leadership, management, and organisational behaviour.

- Managing performance
  - Human resource management that is strategic
  - Theories of organisation
  - The interaction between the management and the employees.
- The following factors influence organisational behaviour:

- (i) individual differences
- (ii) fundamental consistencies
- (iii) intuition
- (iv) A comprehensive survey.

Organizational effectiveness is also a major problem in the workplace. It is aimed at improving individual, group, and organisational performance.

## **THEORETICAL PERSPECTIVE OF HUMAN BEHAVIOR IN OB**

### **MOTIVATION**

Motivation is an important aspect in a person's ability to work well. Those who are driven to achieve a goal or a certain level of performance are referred to as motivated. To describe someone as driven, we mean that they're working hard to accomplish a goal. In order to succeed, someone must be driven, yet motivation alone is not enough. As important as the ability to accomplish the job is, it is possibly the most significant determinant of success. Finally, factors such as having the proper resources, expertise, and support are critical to success. One of these three factors may be a key to success at certain points throughout the game. Motivation, for example, may be the most important factor in influencing the success of a sweeping crew. Without these skills, even the most determined individual would be unable to come up with an adequate design for their new house. Although it isn't the sole reason people succeed, our capacity to perform well is greatly impacted by our level of motivation, which isn't the same as being a high performance.

### **HIERARCHY OF NEEDS BY MASLOW**

As one of the most significant thinkers in the field of modern psychology, Abraham Maslow is revered across the world. Many students and managers in the field of business are familiar with his demand hierarchy. The theory is based on the premise that people have a set of priorities (Maslow, 1943; Maslow, 1954). Nothing else counts if you don't meet some basic needs, which are shared by all people. After meeting these basic conditions, we may go on to more complex ones. Because once a lower-level need is satisfied, it no longer serves as a motivator.



For Maslow, the most basic needs are those of the body. Requirements for food, water and other bodily functions are known as physiological needs. These are essential needs because if they aren't realised, the urge to fulfil them may exceed all other desires. Observe how hungry you are before making a decision. During this time, your whole behaviour may be dedicated on finding food. Even if your hunger is temporarily quenched, it will no longer serve as a motivator once you've eaten. After a person's physiological needs have been addressed, they are more concerned about safety issues. Are they protected from harm, misery, or the threat of an undetermined future? We all want long-term relationships with others, as well as the ability to connect with others at a greater degree of intimacy. Having or not having attachments has a direct impact on our well-being and contentment (Baumeister & Leary, 1995). As social requirements are met, esteem needs rise in prominence as a result of this. One of the most important aspects of self-esteem is the sense of importance and significance that one feels in the eyes of one's peers. As a last point, the desire for self-actualization refers to "becoming all you can be." As a result of this drive, people are more likely to seek out new experiences, gain new skills, and take actions that help them attain their life goals.



## THEORY OF EXPECTANCY

According to expectancy theory, people's willingness to exert more or less effort is determined by a rational calculation in which they evaluate their current circumstances (Porter & Lawler, 1968; Vroom, 1964). According to this theory, people ask three inquiries to themselves.



Figure 5.5: Expectancy Theory in a summary

You have to ask yourself whether putting in lots of effort would lead to anything good, like improved performance or success. This sensation is known as "expectation." The amount of effort that you put in a class, for example, is correlated with how well you do. Effort is more likely to be expended if you do so.

The second question asks about the person's perception that performance is directly connected to future events, such as rewards. In this viewpoint, the word "instrumentality" is employed to characterise it. How strongly do you believe that a good grade in school may help you get a good career or gain the respect of your peers and parents? The more work you put in, the more likely it is that you'll succeed.

Finally, individuals worry about the value of the rewards they hope to get as a result of their efforts. Value is a measure of how much enjoyment one may anticipate from a certain situation. When it comes to your future, do you place obtaining a higher

salary ahead of the acclaim you get from your friends and family, for example? It is easier to put in the work if you are excited about the possible results since your anticipation and instrumentality are at their highest.

The scientific world has paid a lot of attention to the topic of expectancy theory (Heneman & Schwab, 1972; Van Eerde & Thierry, 1996). It's easy to use and understand. Consider the following example. Let's pretend you're working at a movie theater's concession booth. You've been selling 100 popcorn and soft drink combinations every day on average. Your boss has now requested that you boost this amount to 300 every day. Do you think you'd be driven to strive to boost your numbers? Here's what you're probably thinking:

- **Expectation:** Will I be able to achieve it? Can I truly attain this figure if I work harder? Whether or whether I reach my objective depends on how much effort I put into it. If you believe that if you strive hard enough, you can accomplish this amount, you have high expectations.
- **Instrumentality:** What am I getting out of it? What will happen if I hit 300 points? What will be the consequences of this? Is there a chance they'll offer me a 2% raise? Is it possible that I'll be chosen salesman of the month? Is my boss going to give me a verbal compliment? Knowing that your success is directly tied to certain outcomes is a major indicator of instrumentality
- **Valence:** How do I feel about the potential outcomes? Do I think a 2% wage boost would be beneficial? Is it appealing to me to be chosen salesman of the month? Do I believe it's desirable to be appreciated by my boss? If you answered yes, you have a positive valence. In contrast, valence is negative if you find the results unfavourable (you don't want to be chosen salesman of the month since your buddies will make fun of you).
- Converting sensory input into meaningful information is the mental act of perceiving.. Mental evaluation of what we see or

hear in order to make a judgement on a circumstance, person, or group is known as mental equivalence.

- The process through which a person picks, organises, Perception is the process through which the brain takes in sensory information and synthesises it into a meaningful picture of the world.

All sensory inputs, including objects, packaging, and brand names, are examples of stimuli. Adverts and commercials are also instances of stimuli. Sensory receptors are the parts of the human body that process sensory signals (the eyes, ears, nose, mouth, and skin). Sight, hearing, taste, and touch are only few of the senses that may be developed in children.

When it comes to the study of perception, researchers concentrate on what we do and don't notice about the world around us.

It is because people's behaviours are based on their interpretations of the world rather than the actual world. When it comes to morality, it's all about how you interpret the world.

### **PERCEPTION'S NATURE**

1. This is the process through which a person interprets what he or she sees around them.
2. There are many factors that impact the way people think and feel about the world around them.
3. Perception may be described in a number of ways, but it essentially relates to how a person perceives the environment.
4. Despite the great variety of impressions it may create, perception is a largely automatic process that occurs in the same way in every individual.

### **FACTORS THAT HAVE AN EFFECT ON PERCEPTION**

1. The Perceiver's Characteristics

2. The Target's Characteristics

3. Situational Characteristics

4. The Perceiver's Characteristics

The personality of the person doing the perceiving might have an impact on how something is perceived. To understand a target, one must look at their own characteristics, which strongly influence their perception.

It is the perceiver's basic characteristics that influence perception:

1. Attitude

2. Motives

3. Interest

4. Experience

5. Expectation

6. Self-Concept

### **1. Attitude**

Employee attitude and ability have an impact on perception creation. They directly perceive the stimulus provided by management if they have a good attitude toward management. Employees that have unfavourable attitudes are suspicious of management's approach. It's not uncommon for employees with high aptitude to be motivated by a desire for self-improvement. They have a good attitude about an organization's administration.

### **2. Motives**

Employees' intentions and aspirations drive them to see stimuli differently depending on their level and perspective. Employees with helpful motivations will constantly aid management. If they want to grow as individuals and as a company, they will see items and circumstances in a positive light. Employees with a lack of

motivation will not work honestly. Depending on the purpose, the perception will be different.

### **3. Interest**

Individual interest attracts increased attention and awareness to stimuli. The influence of stimuli or items on behaviour is reduced when there is less attention and recognition. Employees that are uninterested in their work will exhibit less productive behaviour patterns, and their perception will be poor.

### **4. Experience**

Employees' experiences lead to various degrees of perception. A youthful employee spends time learning about the thing and the circumstance. Employees with more experience are more likely to comprehend items quickly and properly. In conflicting circumstances, however, Elderly individuals are difficult to correct, while young people may be easily shaped to meet the objectives of the organisation.

### **5. Expectation**

Expectations influence perception. Moviegoers get what they pay for when they go to the theatre and see what they anticipate. They get irritated when the thing and circumstances do not match their expectations. They are unable to change their ways. Employees may anticipate more remuneration, and as a result, they see management in that light. When there are expectations present, the genuine stimuli are not effectively received. For accurate perception, management must develop expectations.

### **6. Self-Concept**

Self-perception is another factor that may impact social perception. A person with a positive self-image is more inclined to see positive attributes in others. In contrast, a negative self-concept may lead a person to focus on the flaws in others. If we have a better understanding of ourselves, we may be able to better understand others.

## **PERCEPTION'S MANAGERIAL IMPLICATIONS**

### **Interview for a Job**

The job interview is a crucial factor in determining who is employed and who is not in any organisation. According to evidence, interviewers often make incorrect perceptual judgments. In most cases, interviewers form early impressions that become deeply ingrained very soon.

### **Evaluation of Performance**

The perceptual process has a significant impact on an employee's performance evaluation. A performance appraisal is a written evaluation of an employee's work. It is feasible to be objective on this matter, many occupations are appraised subjectively. By definition, subjective measurements are judgemental.

### **Expectations for Results**

The manager's expectations of a person have an impact on both the manager's behaviour and the individual's reaction.

### **Employee Satisfaction**

Managers often look to see whether their employees are fully dedicated to the organisation. Few companies like workers, particularly those in management, who publicly criticise the company.

## **PERCEPTION PROCESS**

- Reception: A person receives information through stimuli in this process.

- Selection: There are two sorts of things that influence this:

Size, intensity, closeness, mobility, and novelty are examples of external influences.

- Internal variables: attitude, intentions, experiences, interests, and expectations are all examples of internal factors.

- **Organization:** This is the process of categorising stimuli into a logical order. It consists of the following:
  - **Grouping:** Assembling stimuli based on their similarity.
  - **Proximity:** Perception is influenced by how close stimuli are to one another.
  - **Closure:** the ability to mix several impulses in a way that results in a complete pattern.
  - **Interpretation:** It is the process of forming an opinion about the data that has been felt, chosen, and structured. Involved are the primacy effect (selective perception), stereotyping (halo effect), projection (expectation influence), and selective perception. They're the several kinds of perceptual mistakes.
  - **Primacy/Regency Effect:** The primacy effect states that the initial impression is the most essential. The Regency effect, on the other hand, states that people recall current occurrences more than those from the past.
  - **Stereotyping:** For example, it is possible to believe that some stimuli fall into one or more categories and then apply that view to all encounters with those stimuli. Realistically speaking, there is a difference between the members' perceived traits and the actual features they possess. It's possible that it'll have an effect on the interview procedure.
  - **A study's halo effect** may be defined as the process of distilling a complicated topic down to a single characteristic or attribute. This is an example of a negative halo effect known as the reverse halo. How a company judges its employees' performance is influenced by this.

It's common for people to compare their negative traits to those of others, and decide that they're better off because of this. The deleterious consequences of projection are reduced through perceptual inspection.

- **Selective Perception:** It is common for people to just pay attention to what they want to pay attention to rather than what is really going on around them.
- **Expectancy effect:** It is a person's predisposition to perceive another person or thing depending on how he expects them to be in the first place. Pygmalion effect is another name for it.

### **PERSONALITY DEFINITION**

Inner aspects of the mind that guide and reflect a person's actions and reactions in each given scenario.

It is important to remember that the qualities of one's inner personality are unique from those of another individual. People's personalities are likely to influence their product and store choices. Customers' reactions to a company's communication efforts are likewise influenced by these factors. A person's stable moods and qualities that impact his or her behaviour toward goal attainment form a pattern. Each individual has their own method of safeguarding these states.

A person's personality is the most significant and fundamental determinant of their actions. An individual's physiological and psychological characteristics are brought together in order to implement them. Characteristics and diverse ways of acting that determine a person's character.

Personality refers to a person's impact on others, self-perception, and the pattern of inner and exterior characteristics that can be measured, as well as the interactions between a person and their environment (Fred Luthans). According to Stephen P. Robbins, personality is the sum total of the ways in which an individual responds and interacts with other people.

### **DETERMINANTS OF PERSONALITY**

Five major categories may be used to classify personality determinants:

#### **1. Biological Factors**



2. **Cultural Factors**
3. **Family Factors**
4. **Social Factors**
5. **Situational Factors**

## **Biological Factors**

Biological impacts on personality may be broken down into three categories:

### **Heredity**

The elements that were determined at conception are referred to as heredity. A person's physical attributes, such as height, facial attractiveness and sex appeal, as well as his or her temperament, muscle composition and reflexes, energy level and biological cycles, are all inherited from his or her parents.

The heredity approach claims that the chemical structure of the genes, which are found in the chromosomes, is the ultimate explanation for an individual's personality.

### **Brain**

The brain's role in personality formation is the focus of the second biological method. Psychologists have been unable to demonstrate the role of the human brain in affecting personality via actual evidence.

Human personality and behaviour may be better understood via electrical stimulation of the brain (ESB) research, according to preliminary results.

### **Biofeedback**

Physiologists and psychologists used to believe that some biological processes including Brainwave patterns, gastrointestinal and hormonal secretions, blood pressure oscillations, and skin

temperature oscillations could not be consciously influenced by the subject.

Some experts now think that by using biofeedback methods, these involuntary activities may be deliberately controlled. In BFT, a person learns the inherent rhythms of a certain physiological activity by receiving electrical impulses from equipment attached to the body.

### **Physical Characteristics**

An individual's exterior appearance, which is an important component of their personality, is physiologically determined. To what extent do one's physical characteristics have an effect on one's ability to influence others, which in turn has an impact on their self-concept?

### **Cultural Aspects**

Culture, early conditioning and social conventions impact personality development. Other random occurrences that touch us are also important factors in the formation of a person's personality. Independence, hostility, competitiveness, collaboration, and a variety of other human reactions are all heavily influenced by culture.

Individuals in each culture are expected to behave in accordance with the group's standards, and are taught how to do so. writes Paul H Mussen. The variety of events and circumstances that a youngster is likely to meet, as well as the ideals and characteristics of character that will be cultivated and so taught, is heavily influenced by his cultural group."

### **Factors in the Family**

While culture typically dictates and regulates what a person is allowed to learn, the family and the social group are responsible

for selecting, interpreting and disseminating it. As a result, the family has the greatest influence on early personality formation.

Numerous studies have shown that in addition to their direct influence, parents' overall home environment is critical to personality formation.

The identification process is vital for a child's early development, and parents play a major part in this process.

The process, according to Mischel, may be looked at from three distinct angles.

### **Factors of Society**

Other important people, groups, and organisations, which have a significant impact on an individual's personality, are increasingly being recognised. This is referred to as the "socialisation" process.

People are socialised by selecting from the many behavioural options accessible to them just those that are ultimately synthesised and internalised as part of the process.

The first interaction between a mother and her new baby is the beginning of socialisation. Following infancy, in addition to family members like father, siblings and sisters as well as friends, the social group of classmates, school pals, and coworkers also play a significant part in a child's development.

The socialisation process is particularly essential to organisational behaviour since it occurs throughout one's life and is not limited to early infancy. Specifically, socialisation seems to be a major factor in today's settings, according to the findings of the study.

### **Situational Aspects**

Situational circumstances have an impact on human personality. The environment has a significant impact. Knowledge,

competence, and language are all clearly learned and constitute significant behavioural changes.

While a person's personality is typically stable and constant, it does alter depending on the environment. The various demands of various settings bring out various facets of one's personality.

"Situation exerts an essential impact on the person," Milgram writes. It puts limits on you and may give you a push. In certain cases, it is not so much a man's character as it is the situation in which he finds himself that defines his conduct." As a result, we should not examine personality tendencies in isolation.

### **Characteristics of People**

In order to understand their staff, managers should study as much about personality as possible. There are hundreds of personality traits that have been recognised.

**The following are seven personality traits that have an impact on an individual:**

1. The Control Locus
2. Self-Efficacy
3. Self-Esteem
4. Self-Monitoring
5. Affect (Positive/Negative)
6. Risk-Taking
7. Personality Types A and B
8. Characteristics of People

### **Control Points**

The degree to which people believe they have internal or external control over a situation is referred to as locus of control.

Individuals' thoughts about being controlled by themselves (internal locus), others (external locus), or the circumstance (locus of control) are referred to as locus of control (external locus).

### **Self-Efficacy**

A conviction in one's own competence to cope with events and obstacles is referred to as generalized self-efficacy.

Increased self-efficacy allows one to perform better at work since it boosts one's self-confidence in their abilities. In the face of present and future challenges, success in the past provides a sense of self-confidence.

### **Self-Esteem**

As the name suggests, self-esteem deals with one's perception of one's own value. People with strong self-esteem have a positive outlook on their own well-being and achievements.

Confidence is low As a result; people tend to have low self-esteem and are affected by what others think of them.

### **Self-Monitoring**

Self-monitoring refers to how much individuals rely on signals from other people and events to guide their actions

Self-monitoring Observing the behaviour of others, individuals learn what is proper in various situations. A lack of self-awareness As a consequence, people are less able to adjust to changing circumstances since they prefer to operate in accordance with their own preferences.

### **Positive/Negative Affect**

Individuals express positive or negative opinions about circumstances

Good effect refers to a person's inclination to emphasize the positive elements of a situation, while negative affect refers to a person's tendency to emphasize the bad aspects of a situation.

Employees who have a good attitude are less likely to miss work. Individuals with negative emotions have greater levels of occupational stress.

### **Risk-Taking**

The readiness to accept risks varies from person to person. High-risk managers made faster judgments and relied on less information when making decisions than low-risk managers.

### **Personality Types A and B**

It may be required to struggle against the opposing efforts of other things or other people if one has a Type A personality to achieve as much as possible over the long run while putting in little effort. The urge to acquire an ever-increasing quantity of items or engage in an ever-increasing sequence of activities in an ever-decreasing period of time is seldom a problem for Type B personalities.

### **PERSONALITY THEORIES**

A variety of personality theories have been created by researchers, however no one theory is comprehensive.

**Personality theories may be neatly divided into four categories:**

1. Theory of Psychoanalysis
2. Type Theories

3. Theories of Personality

4. Self-theory

**Theory of Psychoanalysis**

Psychologists and psychiatrists have long been fascinated by the Psychoanalytic Theory of Personality. Its creator, Sigmund Freud, had a significant effect. It focuses on the id, ego, and superego, which are the three fundamental concerns. These tightly interwoven functions, according to psychoanalysts, make up the whole of human personality.

**Theories of Type**

In an attempt to make sense of the chaos of personality theory, type theories have been developed. The type theory is an effort to categorize people into useful groups in order to scientifically characterize their personalities.

**The following are two types of type theories:**

**The Physiognomy Theory of Sheldon**

Sheldon's body-type temperamental model illustrates a link between distinct physical and psychological characteristics and the defining aspects of an individual's behaviour.

Extrovert-introvert Theory of Carl Jung: Personality is typed based on behaviour or psychological characteristics. An example is Jung's introvert and extrovert personality types.

**Theories of Personality**

Some early personality psychologists felt that in order to understand people, breaking down their behaviour patterns into observable qualities was the first step in our investigation.

According to trait theory, an individual's personality is formed by grouping these features together. A personality trait is a "enduring characteristic of a person that manifests itself consistently in a range of contexts." Such characteristics, when combined, differentiate one personality from another.

Personality traits of Gordon Allport: Personality characteristics are said to be genuine things that are physically situated someplace in the brain. Each of us is born with a distinct collection of raw materials for certain features, which are subsequently sculpted by our life experiences.

The 16 Personality Factors of Raymond Cattell: a Cattell believes that a person's personality is a collection of characteristics that may be utilised to analyse and predict their actions. "

**Cattell distinguished two categories of people:**

- **Surface Attributes**
- **Source Attributes**

**Self-theory**

There are more traditional ways to analysing the complexity of human nature, such as psychoanalysis, type, and characteristic theories

Rogers' self-theory technique is the one that most closely resembles Rogers. This personality theory was established by Rogers and his colleagues, and it emphasises the individual as a starting, producing, and influencing determinant of behaviour within the context of the environment.

**The following are the essential components of personality, according to Rogers**



- **Self Actualization:** Rogers believed that the desire to achieve one's full potential was the driving force behind human behaviour, or to reach the maximum degree of 'human-beingness' possible.

- **Self-concept:** "The ordered, consistent collection of views and thoughts about oneself" is how self-concept is described.

As a result of direct or indirect experience, learning is defined as a change in behaviour or a potential change in behaviour. Changing one's behaviour is what is meant by the term "learning," which is the result of experience.

What one does and the repercussions of that action, or what one observes, is the process of changing one's behaviour permanently as a result of learning.

### **LEARNING'S MEANING**

In the definition of learning, there are two main components:

1. The change must be somewhat permanent: This suggests that our behaviour will change, either for the better or for the worse, as a result of "learning", than it was before the learning event.

You "learn" to drive a vehicle, for example, or you "learn" to operate a computer.

2. This shift must be the result of some form of learning or practise. Biological maturation has nothing to do with this learning.

For example, a child doesn't have to be taught how to walk; it's a normal part of their development. Food and drink are not part of our education.

## LEARNING'S NATURE

The acquisition of new information or the modification of one's behaviour occurs over time as a consequence of practise or experience. This definition has numerous crucial aspects.

1. with learning comes growth.
2. Permanent or long-term changes in knowledge or behaviour are required
3. Learning occurs as a consequence of practise or via firsthand experience.

### **Change occurs as a result of learning.**

For example, when you learn a second language and interact with native speakers, your knowledge of how to communicate grows and your behaviour changes

There must be a long-term or permanent shift in one's understanding or behaviour.

If, for example, you attempt to speak with someone in another language by looking up terms in a dictionary that you soon forget when the contact is finished, you have not learnt since your knowledge of the second language has not altered permanently.

Learning occurs as a consequence of practise or via firsthand experience.

As an example, substantial practise in pronunciation, word usage, and grammar are all required while learning a second language.

The following are examples of learning elements

1. Motivation

2. Cues

3. Response

4. Reinforcement

### **Motivation**

Motivation is founded on a need and a set of objectives. Needs and objectives serve as stimuli, while motivation functions as a catalyst for learning. One of the most important duties for marketers is to figure out what motivates customers. Marketers explain why their product will best meet the demands of motivated customer groups.

Marketers do motivation research to uncover customer motivations and utilise the information to design marketing strategies.

### **Cues**

The inputs that guide such motivations are known as cues. The marketing mix (place, pricing, packaging, style, advertising, and displays) act as signals to assist customers meet their requirements in product-specific ways in the marketplace.

When cues are compatible with customer expectations, they may steer consumer behaviour. Marketers must be cautious not to irritate experts by providing clues. Consumers expect high-end retailers to stock designer apparel at high costs, thus a high-end designer should only distribute his or her goods via high-end stores and promote in high-end fashion periodicals.

### **Response**

A person's reaction is defined by how he or she responds to a drive or signal. Even if reactions aren't obvious, learning may take place. Even if a buyer is inclined to buy, a carpet producer that

gives consistent signals may not necessarily succeed in driving a purchase.

Instead, the producer may only succeed in creating a positive picture of the carpet in the consumer's mind, generating a desire to purchase.

### **Reinforcement**

Reinforcement raises the chances of a certain reaction occurring in the future as a consequence of specific signals or stimuli. Many marketers intuitively believe that using reinforcement to educate their clients a desired behaviour is a good idea. Telephone firms, for example, who provide financial discounts to clients who pay their bills on time, are ensuring timely payment in the future.

### **PROCESS OF LEARNING**

The stages in the learning process are as follows:

1. Stimuli
2. Attention
3. Recognition
4. Translation
5. Reinforcement
6. Behavior
7. Reward
8. Habits
9. Motives

### 10. Efforts

Stimuli are any items or languages that attract people's attention. Employees are stimulated by their leaders' activities. Employees who pay attention to these stimuli are told and advised by superiors. It's possible that you won't be able to pay attention to all of the stimuli.

#### **Attention**

The level of attention required is determined by the stimulus. It is not possible to pay attention to all stimuli. Stimuli that are both technical and intriguing are well-received. Employees are often accepting to career-oriented stimuli. Employees' personality types have an impact on their willingness to learn, as well as their motivations for meeting needs and reducing stress.

Attention-paid stimuli are seen as acceptable components in improving and adopting new lifestyles. Employees who pay attention to stimuli recognise the stimuli for the goal of learning. The degrees of acknowledgment are determined by the workers' values, interests, requirements, and wants.

#### **Translation**

The act of translating and evaluating inputs is critical for incorporating them into behaviour via reward. Employees perform appropriately as a result of changes in attitude, objectivity, and mental and physical growth. It may be shown in improved results.

#### **Reinforcement**

Learning is reinforced perception. Stimuli, attention, recognition, translation, and behaviour are all part of the perceptual process. Perception leads to learning, but perception without reinforcement is not learning.

Action that is repeated is referred to as reinforcement. Positive, negative, punitive, and extinction reinforcement are all options. Learners absorb information based on their perceptual levels. Positive reinforcement is more effective than negative reinforcement in changing behaviour permanently.

Through reinforcement of perceived information, behaviour learning alters behaviour. It causes long-term behavioural changes. A transitory shift in behaviour is not the same as learning. Employees are rewarded for their positive behaviour. Employees want to be rewarded for their efforts in learning. It is acceptable if the translated behaviour results in a reward; otherwise, it is not accepted. Employees form habits as a result of their actions. Money or non-monetary rewards are possible.

### **Habits**

Changing one's behaviour permanently becomes a habit, which aids in continual behaviour and performance development. Employees acquire the habit of self-evaluation and growth. It aids in the instillation of creativity and confidence in workers who are repeatedly urged to conduct appropriately.

Motives are determined by one's degree of enjoyment. Employees that are more satisfied as a result of their learning produce strong motivation. Learners who are dissatisfied have poor motivation. Only when reasons are completely grasped and converted into efforts is learning complete. Efforts Habits assist in achieving high levels of effort and performance. This is a never-ending process. Efforts are the natural byproduct of excellent habits developed during the learning process. Self-improvement is feasible if you put up the effort. Employees that are eager to grow are self-motivated and goal-oriented.

### **AFFECTIVE FACTORS ON LEARNING**

The following are some of the most important aspects that influence learning:

- Their financial resources
- Their perception of education
- The benefits of participating in any kind of learning activity
- Access to information regarding educational options
- The accessibility of suitable learning settings
- The learning environment, particularly that produced by the government and employers.

### **LEARNING APPLICATION**

The following are some of the behaviour modification approaches that may be employed in the workplace:

1. Using lotteries to cut down on absenteeism
2. Work pay Vs sick pay
3. Training and Development
4. Discipline
5. Self-Management

#### **1. Using lotteries to cut down on absenteeism.**

Attractive awards may be incorporated in a lottery that can be utilised to reduce absenteeism for a profit.

#### **2. Work pays Vs sick pay**

Organizations must abandon policy. There is a provision for a few days of sick leave every year in addition to other leave.

#### **3. Development and Training**

Training and development programmes must be organised and scheduled in advance.

#### **4. Discipline**

Setting a basic level of discipline in the workplace may help to change people's behaviour. Defence organisations are the most disciplined because they do not compromise on standards, whether they are connected to training, work, supervision, accounting, or compensation and wage distribution.

### **5. Self-Management**

Learning ideas is intended to change other people's behaviour. These ideas apply to self-management as well. Individuals should establish personal standards, personal development targets, and different courses of action to adopt and alter self-attitude and behaviour.

### **LEARNING PRINCIPLES**

Below are four learning theories that will be addressed.

1. Theory of classical conditioning
2. Theory of operant conditionin
3. Theory of cognitive learning
4. Theory of social learning
5. Conditioning in the traditional sense

To put it another way, classical conditioning is the process through which an unconditioned stimulus is coupled with an unconditional stimulus to produce an altered behaviour. Luthanes (Luthans, 1995)

Using his experiments in teaching a dog to salivate in response to a bell, Russian psychologist Ivan Pavlov (a Nobel Peace Prize recipient) devised the classical conditioning theory of learning.

When Pavlov gave the dog meat (an unconditioned stimulus), he noted a lot of salivation (conditioned response). However, no salivation was seen in the dog when just the bell was sounded. The next thing Pavlov performed was to pair the dog's meat presentation with the ringing of a bell. This was something he



done countless times. He just rang the bell without providing the meat after that. As soon as the bell rung, the dog started to salivate. After a while, even if no meat was supplied, the dog would drool at the sound of the ringing bell. As a result, the dog had learned to salivate whenever it heard the bell. According to Pavlov, the dog has been traditionally trained to salivate (react) when it hears the bell (stimulus). SR connections will be used to demonstrate that animals may acquire Classical Conditioning.

### **Examples of Traditional Conditioning**

This stimulus-response relationship (S-R) may be used to examine organisational behaviour in management. When a CEO comes to visit an organisation, production charts are updated, people dress well, windows are cleaned, and floors are washed. It's as simple as announcing that the Big Boss is dropping by.

Without further ado, here's a look at the previous answer (work). The firm as a whole has taken notice of the behaviour (conditioned). Long-term organisational changes have been made as a consequence of this (S-R connections).

These four key factors determine the intensity and duration required to train a classically conditioned response.

The number of times the conditioned and unconditional stimuli are paired.

In general, the stronger the conditioned reaction, the more pairs there are.

The unconditioned stimulus's intensity.

When a very potent unconditioned stimulus is coupled with a well-known conditioned stimulus, the conditioned response is amplified.

The reliability with which the conditioned stimulus predicts the unconditioned response is the most essential element.

Food-induced salivation will be stronger when a tone is followed by food on a regular basis as opposed to on rare occasions.

The connection between the conditioned and unconditioned stimuli in terms of time

Conditioning occurs more quickly when the conditioned stimulus occurs immediately after the unconditioned stimulus.

### **Classical Conditioning's Limitations**

For at least three reasons, classical conditioning's applicability to human behaviour in organisations is severely limited:

People are more difficult to teach than dogs, but they are also more resistant to simple cause and effect.

Organizational behavioural environments are also complicated.

Because the human decision-making process is complicated, it is possible to bypass basic conditioning.

Human behaviour in the workplace may be especially difficult to understand using classical conditioning, thus B.F. Skinner proposed Operant Conditioning as a possible alternative.

### **On-field Physical Preparation**

Operating Conditioning is focused on learning via response-stimulus behaviour (R-S). A specific reaction arises as a result of several stimulus conditions in Operant Conditioning.

According to operant conditioning, behaviour is a result of its consequences.

In order to get what they want or avoid what they don't want, people learn how to behave.

Voluntary or taught conduct is referred to as operational behaviour.

If the conduct results in a reward or absence of reward, it will be more likely to be repeated.

As a result, reinforcement enhances behaviour and increases the chances of it being repeated.

### **Examples of Operant Conditioning**

This Response-Stimulus (R-S) method may be used to examine organisational behaviour in management. Any trigger in the workplace will evoke a reaction from an organisational standpoint. The type of future responses will be determined by the outcome of such a reaction. Working hard and receiving a promotion, for example, will almost certainly lead to the individual continuing to work hard in the future.

### **Operant Conditioning Influencing Factors**

Several variables influence response rate, extinction resistance, and how fast a response is learned in operant conditioning. In general, the acquisition of a response rises as the degree of reinforcement increases. Workers, for example, would be compelled to work more and quicker if they were paid more.

#### **Immediacy of reassurance**

When reinforcement is immediate, responses are more successfully conditioned. The greater the time between reinforcements, the slower a response is learned.

#### **The learner's level of motivation**

You will learn quicker and practise more if you are strongly driven to learn to play football than if you have no interest in the game.

### **Theory of Cognitive Learning**

Learning via operant and classical conditioning, according to behaviourists such as Skinner and Watson, might be described without referring to interior mental processes.

The relevance of mental processes, on the other hand, is becoming more widely recognised by psychologists in recent years. They choose to include cognitive activities including thinking, understanding, and problem-solving, remembering, and generating mental representations in their research of learning theories.

Thinkers in cognitive psychology see this as an essential part of a comprehensive view of learning.

### **Insight-based learning**

Psychoanalyst Wolfgang Kohler (1887–1977) investigated the intelligence and problem solving abilities of anthropoid apes.

In one experiment, Kohler placed a bunch of bananas inside the cage but above the apes' grasp, and he also placed boxes and sticks around the cage.

Attempts by the monkey to reach the bananas by jumping or swinging a stick were clearly unsuccessful to Kohler.

By stacking boxes one on top of the other, the chimpanzees were ultimately able to reach the bananas.

Thought-based learning is a major contribution by Kohler. For humans, a solution that is earned via insight is simpler to remember and apply to other problems than a solution that is gained through rote memorization.

### **Cognitive Maps and Latent Learning**

Edward Tolman (1886–1959) had a different perspective on learning than the majority of people. (a) He felt that learning might occur without reinforcing.

(b) He distinguished between performance and learning. He was a firm believer in latent learning. That is, learning might take place without obvious reward but not be visible until the organism is driven to do so.

### **Theory of Social Learning**

Many behaviours or reactions, according to Albert Bandura, are learned via observational learning. Observational learning, also known as modelling, occurs when we see others' actions and record the repercussions of those actions.

A behavioural approach is social learning theory. The method focuses on the learning process as a result of direct observation and experience.

The cognitive and operant methods to learning are combined in social learning theory. It acknowledges that learning does not occur only rather than a function of either environmental inputs or individual determinism (the cognitive approach).

The impact of a model on a person is usually determined by the following four stages.

Process of Paying Attention

Process of Retention

Process of Motor Reproduction

Process of Reinforcement

People may learn from their role models if they recognise and pay attention to the most significant traits of their role models. " In

reality, we are most influenced by models that are appealing, readily accessible, or significant to us.

When the model is no longer present, the individual's ability to recall or maintain in mind the behavior/action demonstrated by him determines the model's effect.

Motor Reproduction Process: Now the person must translate the action of the model into his own. This procedure demonstrates how successfully a person can carry out the depicted activity.

Individuals are motivated to do the imitated activity if they are given incentives and rewards.

### **Self-efficacy**

Bandura's theory of social learning revolves on the idea of self-efficacy.

Self-efficacy is a person's conviction in and expectations about his or her capacity to complete a task successfully.

According to Bandura, self-efficacy expectations may be improved via the following four methods:

Achievements in performance (just do it)

Experiential learning (watch someone else do it)

With the power of words (be convinced by someone else to do it)

Involvement of the senses (get excited about doing it)

Engaging in a social learning experiment

The management of human resources is critical to an organization's success. Employees that have a favourable attitude toward organisational structures, processes, and activities, as well as acceptable interpersonal conduct, may maximize the use of various material inputs in the company.

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## MODULE-4

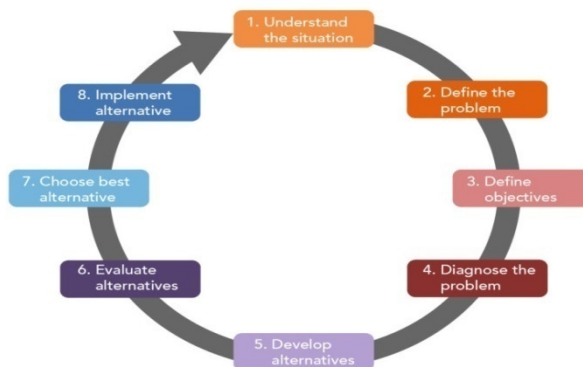
# DECISION MAKING

Decision-Making Processes in Organizations (Organizational Behaviour and Design) Making decisions is a vital part of every organization's setup. It entails recognising and selecting alternative options that lead to desired conduct... They are the precursors of behaviour.

## MODELS OF DECISION-MAKING

### Making Rational Decisions

According to the rational decision-making paradigm, decisions are based on objective, organised, and consistent evidence. An important part of this approach is encouraging the decision maker to first understand the situation, then organise and assess the evidence before taking action. In order to make a sensible choice, there are eight steps:





Using a rational decision-making model aims to minimise mistakes and biases. This assumption is based on the assumption that:

- Managers are well aware of the issue
- Managers are well-versed in all options and are able to make informed decisions.
- It is the goal of managers to make the best decision feasible.
- Managers have the capacity to remove biases and misconceptions from the workplace environment.
- Both time and resources are unrestricted.

A decision-making model based on these assumptions demonstrates how it functions best in an ideal environment. Assumptions like this, however, can't always be met in the real world. Because of this, the restricted rationality model was created.

### **Model of Bounded Rationality**

According to the "limited rationality" paradigm, rational decision-making is hindered by a number of organisational and individual restrictions.. This model's assumptions are far more in line with reality; hence it's used most often in business settings.

- Because of perceptual constraints, early alternatives and solutions are swiftly embraced.
- Many managers lack access to all the information they need.
- Managers are unable to predict the impacts of any decision since they are uninformed of all of them.
- Decisions are stymied by the goals of the organisation.
- When many stakeholders' goals clash, a compromise may be necessary.

A human's limited capacity for processing vast volumes of data means that when faced with a difficult decision, he or she will reduce the problem in scope. Because of the restricted amount of

alternatives and relevant information, the final outcome is an acceptable and satisfactory selection. This strategy is referred to as the Satisfying model.

In the limited rationality model, the same processes are used to make decisions, except that instead of analyzing all information and all options, those elements are restricted to the quantity the decision maker is willing to obtain.

### **Decision-Making Model in Linear**

Linear decision-making entails a list of the good and negative aspects of each choice option. If you've ever constructed a list of advantages and disadvantages for a certain option, you've engaged in linear decision making.

To be fully linear, the decision maker must then give a numerical "weight" to each of his advantages and disadvantages, resulting in a total score for each side. For example, suppose you were attempting to determine whether or not to recruit a highly qualified but pricey applicant for a job in your office.

### **Making Intuitive Decisions**

As a manager, you are expected to make decisions based on your own perspective of the situation and past experience. Intuitive decision making. This decision-making model is often employed when a situation has a high degree of ambiguity or complexity, or Managers are unfamiliar with the subject matter while making a decision that requires a distinctive approach.

When managers are presented with unclear, complicated circumstances and are unable to get the knowledge they need to make a timely decision, they are more likely to depend on hunches and intuition. If managers must choose between this model and a linear model (such as the one outlined above), they should choose the linear model.

Factors typically, decisions are taken under one of three conditions:

- Certainty
  - Risk and
  - Uncertainty
- Depending on the amount of information that the decision maker has, these criteria are used. The manager's competence, experience, insight, and intuition all play a role in the selection of management.
  - A choice is considered definite when the management has enough information to know what the outcome will be before making it.
  - Because of this, managers are well-versed in all possible alternatives, as well as their potential consequences.
  - This means that mistakes are less likely to occur since there is a low level of ambiguity.
  - Management decisions are often made in a high-risk context.
  - Managers who make risky judgments are those that have a limited amount of information and are unsure or unaware to the potential consequences of their actions.
  - Risky circumstances might benefit from the use of probability estimates by the management. Expertise and knowledge from the management come in helpful in this situation.
- When the probability of the outcomes is unclear, decisions are made under uncertainty
  - Even for the known options, there is no understanding of all the possibilities and their consequences.

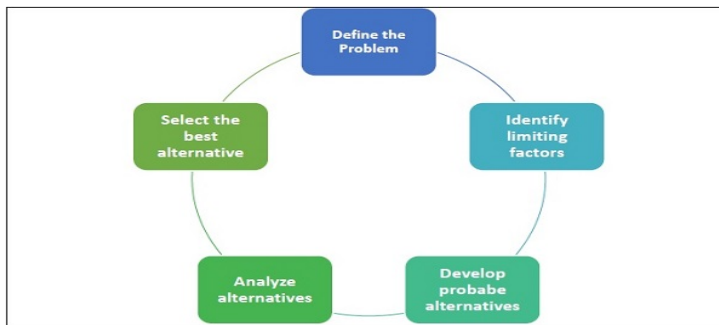
Such situations need that manager assume certain facts about the situation in order to arrive at a reasonable framework for making decisions. When faced with ambiguity, intuition, judgement, and experience all play a vital part in the decision-making process.

The following are the steps of the decision-making process:

- Define the issue at hand.

Identify the constraints

- Identify possible alternatives to your current situation.
- Examine and choose the best options
- Put into action the choice.



### **Define the Problem**

The acknowledgment or identification of the issue, as well as the understanding that a choice must be made, are the initial steps in the decision-making process.

It's critical to characterise the issue precisely. Managers may do this by separating the issue from its symptoms. Examining the symptoms might help you get closer to the source of the issue.

### **Identify Limiting Factors**

Every manager needs the optimal resources, including knowledge, time, staff, equipment, and supplies, in order to identify the

greatest option and make a choice. However, this is a perfect scenario that may not always be achievable.

A limiting factor is anything that prevents you from attaining your goal.

### **Develop Potential Alternatives**

When you know what is holding you back, you can narrow down your alternatives and make the best decision you can with the information, resources and time you have available.

Creating alternatives may be done via brainstorming, in which a group of people work together to generate new ideas and solutions.

- The nominal group approach is a decision-making strategy that entails holding with an agenda and a limited number of participants, the meeting is highly structured.
- Delphi approach, in which the participants do not meet in person but instead rely on written questionnaires to make decisions.

### **Analyze the Alternatives**

Getting to this point is a critical part of the decision-making process, yet it's also the most difficult. Managers must assess the benefits and drawbacks of each option in light of multiple scenarios before making a final choice.

Alternatives may be weighed in a variety of ways. Listed below are a few options:

- Quantitative and qualitative evaluations
- Evaluate the cost-effectiveness of each solution.

- Analyses of the margins

### Selecting Alternatives

The management must pick the best option after analysing and evaluating the possibilities. The management must choose the option that provides the most benefit while also satisfying all of the requirements. Sometimes the best option is a mixture of numerous options; other times, the best option is a combination of multiple options. When the optimal option isn't immediately apparent, the manager relies on probability estimates, study, and analysis, as well as his own expertise and judgement.

### INTRODUCTION TO COMMUNICATION

Success in business is built on the foundation of good communication; it is the lifeblood of any organisation.

Managers and employees alike must be cognizant of their own behaviour if they want to create an ideal working environment. Organizational behaviour is concerned with the ways in which people might be motivated to work more successfully together. Organizational communication refers to the communication that takes place between members of a group in order to accomplish a set of goals.

Each of these encounters, all of which are a result of deficient internal communication inside the organisation in some way, leaves us satisfied but also sometimes disappointed due to incompetence, insensitivity, a lack of coordination, and red tape. We can better understand the components of a successful organisation if we have a better understanding of communication.

"Communicativeness" or "Communication Skills" are almost often included as qualifications in job postings. The terms "organisational communication," "corporate communication," and "business communication" have long been used in the fields of management, entrepreneurship, and human resources.

Communication is essential for both individual well-being and the long-term viability of organisations. Idea-generating and information-dissemination techniques are used to help individuals come to a common understanding on a wide range of topics. The ability to effectively communicate is critical in management's Directing role.

The following is a summary of the significance of communication in an organisation:

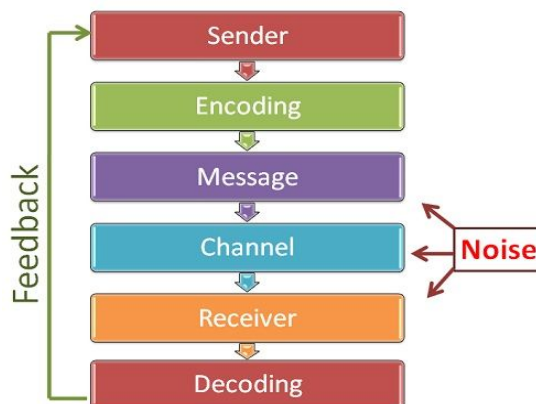
1. In order to keep employees motivated, managers need to communicate with them about the tasks at hand, how they are being accomplished, and how to improve their performance if it isn't.
2. In the decision-making process, communication acts as a source of information for members of the organisation since it assists in the identification and assessment of different options.
3. People's attitudes may also be changed via communication, such as when a well-informed individual has a better attitude than an uninformed one. Organizational magazines, journals, meetings, and other forms of oral and written communication have a significant impact on employees' views and behaviour.
4. Communication aids in socialisation. It is impossible to thrive without communication.
5. Process management benefits from improved communication. In a number of ways, it assists in the control of organisational members' behaviour. Several degrees of hierarchy, as well as certain ideas and conventions, must be observed by employees in the workplace. They must abide by the regulations of the company, carry out their responsibilities efficiently, and bring up any concerns or difficulties at work with their superiors. As a consequence, management has more control over its operations thanks to improved communication.
6. A good and efficient communication system requires managerial ability in delivering and receiving messages. There are several barriers to effective communication that need to be identified, assessed, and countermeasured by a manager. This

means that a manager's major responsibility is to create and maintain an efficient system of internal communications.

7. As a consequence, the term "organisational communication" encompasses a wide range of techniques and formats used by individuals and groups inside a variety of organisations. Studies show a strong connection between workplace communication and both productivity and happiness. It is possible for communication inside an organisation to take on a number of shapes, be formal or informal, go in various directions, and use a range of channels.
8. Organizational communication serves three primary purposes: coordination, information transfer, and emotional and experiential exchange. A company's success depends on each of these responsibilities. Coordination of effort in an organisation enables all workers to work toward the same goals.

### **PROCESS OF COMMUNICATION**

The sender, the message, and the recipient are the three main parts of the communication process. Here are the variables that make up the communication process:



#### **1. The sender**



The sender or communicator creates the message and then sends it to the receiver. In addition to being a source of knowledge, he is also the one to begin conversation.

### **2. The message**

Concept, information, point of view and feeling are all things that the sender intends to convey to the recipient.

### **3. Encoding**

Sender's message is encoded symbolically in words, visuals, gestures and so on before it is conveyed.

### **4. The press**

It's the way the encoded message is sent through the Internet. There are a variety of ways the message might be conveyed. Communication methods include telephone, internet, mail, fax, and email. It is up to the sender to choose the media selection.

### **5. Decoding**

It is the process of decoding the encoded signals from the transmitter. Once the message is deciphered, it is delivered to the receiver.

### **6. Receiver**

He is the last link in the chain and the receiver of the communication from the sender. In order for communication to be successful, it must be received, understood, and acted upon by its intended receiver.

### **7. Feedback**

After the receiver confirms to the sender that he has received and understood the message, the communication process is over.

## **8. Noise**

It's a stumbling block in communication, whether it's from the sender, message, or receiver. For example, a bad phone connection, incorrect encoding, faulty decoding, an unobservant receiver, a message that is misread due to prejudice or inappropriate gestures, and so on.

## **IMPORTANCE OF COMMUNICATION**

### **1. The Basis of Co-ordination**

Worker education includes learning about the company's vision and mission, as well as the organization's processes for achieving them and interacting with coworkers. This facilitates collaboration among a wide range of individuals and organisations. Organizational coordination relies heavily on effective communication.

### **2. Fluent Working**

It is the job of a manager to maintain an organization's people and physical resources well-coordinated in order to maximise efficiency. In order to attain this level of collaboration, it is necessary to have clear lines of communication.

### **3. The Decision-Making Process**

The management is better able to make judgments if they have the right information at their fingertips. There was no way to make a decision because of a lack of knowledge. To put it another way, effective communication is critical to making smart decisions.

### **4. Improves managerial effectiveness**

The manager communicates the goals, gives directions, and assigns duties to subordinates. All of these factors rely on

communication. As a result, communication is critical for managers and the whole company to work quickly and effectively.

### **5. Promotes organisational peace and cooperation**

The two-way communication method encourages employees to work together and understand each other, as well as between them and management. As a result, there is less friction in the industry, resulting in industrial peace and efficient operations.

### **6. Employee Morale is boosted**

Good communication helps workers adjust to the physical and social components of their jobs. Additionally, it improves the industry's human relations. Management can motivate, influence, and please subordinates with an efficient communication system, so raising morale and keeping them motivated.

## **COMMUNICATION CHANNEL**

### **1. Verbal communication**

Verbal communication is the most common kind of communication. Information may be conveyed verbally or via sign language. There are several ways to communicate, including face-to-face, phone, radio, and video conferencing. Employers want you to be able to communicate effectively in the workplace, which includes attending business meetings, giving presentations, and making phone calls.

### **2. Nonverbal communications**

To convey your thoughts and feelings without using words, you may utilise gestures, body language, tone of voice, and facial expressions. Even the way you dress may convey nonverbally. Nonverbal communication often complements or supplements

verbal communication. Your voice tone and posture, for example, might convey your mood or feelings to people around you.

### **3. Written communication**

Written communication may take several forms, the most common of which being handwriting, typing, or printing. It's done in a variety of ways, including letters, text messages, emails, social media, and books. The less probable it is to be twisted, the more desirable it may be for firms to use written communication. A written plan for a business, for example, ensures that everyone gets and may refer to the same message in the future at any time.

### **4. Visual communication**

Graphs, charts, photographs, maps, and logos are all examples of visual communication. The use of visual aids in combination with spoken or textual communication is common. As an example, using slides and flow charts during a presentation, for example, makes it easier to comprehend complex material.

## **FACTORS AFFECTING COMMUNICATION**

The interchange of data, ideas, wants, and attitudes between or among people is known as communication. In business, communication is the same. Business communication refers to the transmission, transmission, transmission, and exchange of ideas in the commercial arena.

### **1. Cultural Diversity**

People from diverse cultural origins are more likely to misinterpret and misinterpret one other's messages when they communicate. Multinational companies (MNCs) and large businesses often have a diverse workforce.

They also work with a wide variety of ethnicities. If a company's messages are misinterpreted, it might lead to a very problematic

situation. In order to avoid this, firms may adopt a variety of measures.

## **2. Misinterpretation of the Message**

As a result of numerous meanings of a single phrase, workplace communication suffers. Because of the use of jargons and other technical phrases, this sort of confusion happens. It is possible for somebody to deliberately mislead the meaning of words. The misinterpretation of a message is typical in communication, but it may be problematic for a business. As a result, communications must be adequately written, and a feedback mechanism must be in place.

## **3. Emotional Distinction**

The meaning of communication is significantly determined by the feelings and sentiments of the people engaged. When it comes to their patients, doctors, for example, are often more detached than their loved ones.

## **4. Previous Experiences**

It's important to remember that previous communications between the same sender and receiver have a big impact on how well future communications go. Communication between two people who have had a bad experience will be less likely to be fruitful in the future.

## **5. Differences in educational and intellectual backgrounds**

Informal educational and intellectual levels of the sender and recipient also have an impact on the communication's significance. If they are at the same educational level, they will be able to communicate effectively. To put it another way, since they are likely to have a lot of the same beliefs, understandings, emotions, thoughts, and viewpoints.

## **6. Affiliations of Groups**

Differences in group membership have an impact on business communication. If the sender and recipient are members of separate official or informal organisations, communication between them will be difficult.

## **7. Differences in Positions among Personnel**

Communication between sender and receiver may fail if they are at different levels in the hierarchy. Some individuals go too far to preserve the formality of the organisation, as we witness from time to time.

Superiors, for example, are less likely to pay heed to messages from their subordinates. Subordinates also strive to avoid taking orders from superiors in order to reduce their burden and obligations.

## **8. The Sender-Receiver Functional Relationship**

The meaning of communication in business is heavily influenced by the functional connection between the sender and the recipient. If the sender and recipient are from different departments or locations, the recipient may be unable to understand the communication. Product design managers and quality control managers, for example, may not be able to communicate effectively with one other.

To put it another way: Business communication is the exchange of ideas between people in the business world. Communication in the workplace may have an influence in a number of ways. A positive or negative effect might be caused by this.

## **COMMUNICATION BARRIERS**

Inadequate information may be conveyed due to communication stumbling blocks, which can lead to misconceptions. So it is

important for an executive to be aware of these obstacles and take the necessary efforts to overcome them. Organizational communication difficulties include the following

### **1. Semantic Barriers**

During the encoding and decoding of a message into words or impressions, many challenges and bottlenecks are faced. Due to the wrong use of terminology, faulty translations, different interpretations and so on, these difficulties are common.

It's possible that a manager will have to deal with staff who don't speak English or who don't speak Hindi very well. Because the management may not be able to communicate effectively with their employees, language might be a problem.

### **2. Psychological Barriers**

Emotional or psychological concerns may also make it difficult to communicate. Both the sender's and the receiver's mental states have an impact on the effectiveness of communication. Angry receivers are unable to understand a message from a terrified sender because of their inability to communicate properly.

Both the sender and receiver must be in good mental health at the time of contact. Moreover, they should have confidence in one other as well. If they don't trust in each other, they won't be able to understand each other's messages in their entirety.

### **3. Organizational Barriers**

Barriers in the workplace are often referred to as "organisational barriers."

When it comes to effective communication, there are several factors at play, including organisational structure, rules and regulations, authority relationships, and more. In an organisation with a highly centralised structure, people may not be encouraged to speak freely. Communication may be hindered by rigid rules and regulations and long procedures.

#### **4. Personal Barriers**

Personal traits of both the sender and the recipient may be a barrier to effective communication. It is possible for a supervisor to hide a communication if he feels it may jeopardise his authority.

In addition, employers may not consult their subordinates if they have questions about their competency. Subordinates may be reluctant to provide helpful suggestions if they aren't given credit or recognition for doing so.

#### **INTERPERSONAL AND ORGANISATIONAL COMMUNICATION IS BEING IMPROVED**

Interpersonal communication allows you to communicate facts, ideas, opinions, and values to others. It's a meaningful relationship between workers that allows them to express what they know and feel.... Furthermore, for a successful firm, personnel must have strong interpersonal communication abilities

Interpersonal communication is frequently characterised as communication between individuals who are interdependent and have some knowledge of one another, such as a son and his father, an employer and an employee, two sisters, a teacher and a student, two loves, two friends, and so on.

Workplace interpersonal communication includes exchanging messages with employees and managers as well as with business partners, customers, and other stakeholders. When the message is understood as it was meant, effective interpersonal communication occurs.

Here are eight suggestions to help you develop an efficient communication plan for your company:

- Utilize effective means of communication.
- Keep in touch with your personnel on a frequent basis.



- Acknowledge achievements.
- Specific directions should be given.
- Create a welcome atmosphere
- Make time for one-on-one sessions.
- Make use of images.
- Be open to constructive criticism.

Good interpersonal relations lead to increased employee recognition. Favorable relationships between employees and their supervisors and colleagues have a positive effect on their willingness to congratulate and encourage one another.

Organizational communication is described as the routes and types of communication used by organisations such as businesses, non-profits, and government agencies, and include both internal and external communications.

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## MODULE-5

# Interpersonal Dynamics: An Introduction

Any one-to-one, one-to-many, or many-to-many interaction is referred to as interpersonal dynamics. The important factors in building the culture and managing team dynamics are power and interpersonal relationships. There is no need for excessive use of power to get results if one is interpersonally successful.

A person's relationships with others are dynamic, evolving systems that alter constantly. In the same way as a person's life span is limited, so too are relationships.

The way one person feels and acts toward another is referred to as interpersonal dynamics. These dynamics occur at the individual level, as the name implies, yet they may have an impact on the lives of several family members. For example, Scott and Mr. Smith get along swimmingly. Sarah has difficulty communicating with or confiding in either of her parents. Within the family, there is a wide range of interpersonal relationships. These dynamics may have an impact on either the individuals involved or the whole family. If Sarah's connection with her father deteriorates as a result of a male she's dating, the rest of the family will be affected in some manner. Scott's connection with his father may deteriorate if he supports his sister's ability to date anyone she wants.

Obesity is a real-life illustration of the influence of personal dynamics. Obesity may have more to do with a person's family dynamics than with their DNA, according to research. Some family meal routines seem to be able to protect a youngster against

obesity as a possible concern. Parents who offer their children with nutritional education and access to nutritious snacks fared well in terms of avoiding obesity. Obesity rates were also lower among parents who encouraged their children's eating habits at the dinner table. Interpersonal dynamics are shown by this form of parent-child connection.

### **INTERPERSONAL AWARENESS DEVELOPMENT**

Interpersonal behaviour refers to how "two people" interact in a given situation. The importance of interpersonal interactions in corporations, schools, and other educational institutions cannot be overstated. This kind of behaviour will lead to productive work, which is ultimately what companies want.

Empathy, or the capacity to perceive other people's feelings and viewpoints, is the foundation of interpersonal awareness. Others will feel more heard and connected if they believe we understand them, and they will be more willing to listen to what we have to say in return.

Interpersonal awareness is a skill that helps us get along with people and is a cornerstone for social/emotional development. In order to develop emotional intelligence, it will always be necessary to be able to connect to or get along with people.

### **THE KEY TO INTERPERSONAL AWARENESS**

- **Objective:** Effective communication and relationship development need interpersonal awareness. Empathy, or the capacity to perceive other people's feelings and viewpoints, is the foundation of interpersonal awareness. Others will feel more heard and connected if they believe we understand them, and they will be more willing to listen to what we have to say in return.

- **Technique:** Being present, paying attention, and really listening are the keys to increasing interpersonal awareness and empathy. To begin, we must be present, letting go of extraneous ideas and

focusing our attention on the person with whom we are conversing. Then, in addition to paying attention to what the other person is saying, we must also pay attention to what they are doing with their body language and our own sentiments, as nonverbal communication accounts for more than half of all conversation. Our brains include mirror neurons, which activate similar areas of our brains in response to the activity of others, what we are experiencing is a pointer to what the other person is feeling. To really listen, we must be conscious of our tendency to interrupt and contribute our own viewpoints, as well as our refusal to act on these inclinations. Let the conversation flow naturally by asking open-ended questions like "Can you tell me more?" or responding to the speaker's statements with "oh huh" and "I see." It is wise advice from Stephen Covey in his book *The 7 Habits of Highly Effective People* to first try to understand before you are understood (the 5th habit).

- **Evidence:** *Journal of Marital and Family Therapy* (2007; 33:501–516) found that those who pay attention to others in this way had more empathy and the ability to perceive things from the perspective of others.

- **Ideas for application:** Throughout the day, there are several chances to cultivate interpersonal awareness. The key to doing this is to take a moment to concentrate our attention before engaging with someone, and then to really convey consciousness to the other person.

- **Hurdles and how to overcome them:** The most prevalent reasons for not paying attention to what others are saying and feeling are a hectic schedule and a lack of time to stop and pay attention. We may miss many of the indications people give us when we are busy or focused about other things, and others frequently perceive our inattention. We might also feel compelled to convey our tale or defend our position if someone is threatening us. Continued listening and attentiveness are necessary in the latter situation. being impartial may frequently

lead to others seeing our point of view more clearly if they feel heard first.

## **SUGGESTIONS FOR IMPROVING INTERPERSONAL AWARENESS**

### **Different Thinking Styles are addressed**

Working together is generally easy for those who have similar thinking patterns. If you and your partner are both global thinkers, you will respect each other's propensity to see the big picture. When one person thinks differently than another, however, this difference in thinking style might seem not just alien, but also inconsequential. However, with the correct approach, these variances in thinking processes may compliment one other. While you may be conscious of your own thinking style, those with whom you engage may not be. When interacting with people, a subtle method to intervene is to attempt to accommodate diverse ways of thinking. If you're a global thinker who can't see why you can't simply offer them a step-by-step plan, here is your chance to push over your constraints and adopt a more linear thinking method.

### **Different Learning Styles are Addressed**

One of the side effects of increasing your self-awareness is that you may find yourself in a leadership position where you must educate people or make presentations, which is essentially the same as teaching. Take measures to construct lectures and seminars that allow various modes of learning if you are an auditory learner. Use powerpoint and other visual aids to assist visual learners, and look for activities that enable tactile learners to learn by doing, all while catering to your own auditory learning type via spoken directions and explanations. Video recording your presentations before and during the presentation is one technique to ensure that you are accommodating diverse learning styles. This manner, you may focus on areas where you excel and places where you need to grow.

## **Body Language and Active Listening**

Being able to listen and actually hear people is another crucial aspect of being aware of your relationships with others. Active listening methods may be beneficial, but they aren't just tricks. To work well with others, you must be genuinely interested in their viewpoint.

You must be mindful of both their and your own body language in addition to being conscious of a person's words. When there is a mismatch between the words said and the tone and body language of a person, the latter will usually more properly represent the situation.

## **Analysis of Transactions**

Transactional analysis is a method of dealing with people in which you may notice certain behavioural patterns in others and, by changing your own conduct, you can cause the other person's to alter as well.

## **WINDOW OF JOHARI**

Joseph Luft and Harrington Ingham created the Johari Window, a psychological concept that examines the group's interactions and mutual understanding. As a Johari Window is a psychological tool, it helps a person better understand his or her relationship with themselves and the other members of his or her group

Create a Johari window so that people may create trust with one other by sharing their personal information and receive feedback on how others feel about them.

Using the Johari Window idea, a person's entire interactions with themselves and other group members are shown in four quadrants.

Some examples are as follows:



**1. Open Self:** In this quadrant, you can see an individual's behaviours and goals, as well as his attitudes and knowledge. When a person is honest with himself and others about what they are doing, how they are doing it, and what their goals are, they are referred to as having an open self.

**2. Blind Self:** When a person has been recognised by others but not by themselves, he or she is known as the blind self. The most common reason for this is because a person or subject has been unconsciously modelling their behaviour after the important figures in their lives from childhood.

**3. Hidden Self:** This quadrant of the Johari window shows the status of a person known to the narrator but unknown to others. Introverts who prefer not to share intimate details of their private lives with others are more likely to have this personality feature than extroverts. Rather of revealing one's feelings or thoughts to others, the individual keeps them to themselves.

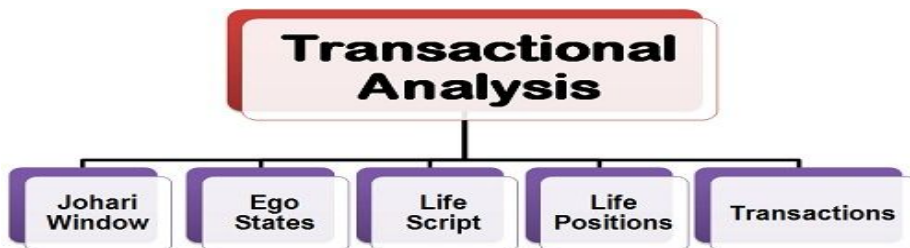
**4. Unknown Self:** a person's unidentified self is a peculiar circumstance that neither he nor others are aware of. Though it may be difficult for both the individual and others to appreciate the depths of his or her feelings, thoughts, and ideas, this does not

mean that they cannot be communicated effectively. As a team, the ultimate objective is to enlarge the open self quadrant so that work may be done more successfully by developing a constructive relationship with oneself and others.

## TRANSACTIONAL ANALYSIS

The psychoanalytic technique of Transactional Analysis is concerned with the study of interpersonal actions. In other words, a social psychology paradigm that discusses personal development and transformation, i.e., recognising each individual's ego states in order to understand their actions and changing them to address emotional difficulties.

This paradigm was created by Dr. Eric Berne, who noticed that his patients acted as if they had multiple separate individuals within them while observing them. This compelled him to research his own personality and dynamics, as well as the dynamics of his interaction with others, which aided in defining the types of behaviours that an individual exhibits in various real-life circumstances. This research has now become a well-established method that is extensively utilised in a variety of sectors, including psychotherapy, counselling, education, and organisational development. Transactional analysis gives rise to a number of theories that aid in describing the bonds developed between people as a consequence of their interactions. It mostly entails:





## EGO STATES

**Definition:** One of the most important aspects of transactional analysis is the description of an individual at any given time.

When it comes to human relationships, Dr. Eric Berne says that people tend to engage in a three-tiered manner: Parent, Adult, and Child, or the PAC model. A person's age group is not used in this category; rather, it is based on how the person behaves. As a consequence, it has been revealed that persons of all ages may have different levels of various ego states.

### LET'S UNDERSTAND EACH OF THESE THREE EGO STATES IN DETAIL:

**Ego of the Parent:** The parent ego is defined as the conduct and attitude of an emotionally important person who performed maturely as a youngster. Overprotective, dogmatic, distant, necessary and upright are only few of the parental traits he displays, and he behaves cautiously at all times.

**A parent's ego is divided into two types:** critical and nurturing. When engaging with others, an individual's critical and evaluative conduct is referred to as the critical parent ego. The nurturing parent ego is one where a person behaves in a compassionate and caring manner toward all those with whom he interacts, not only children.

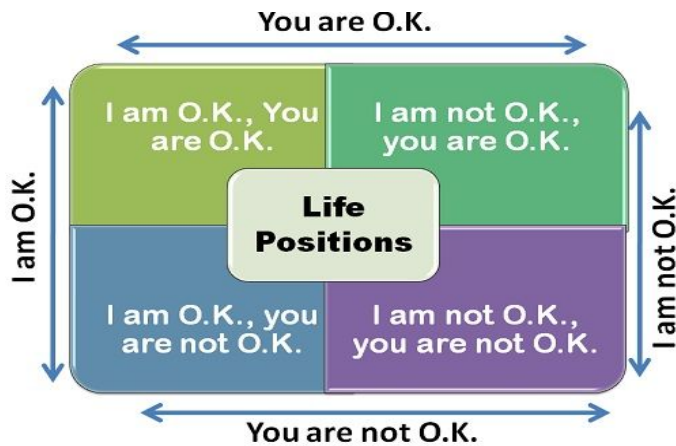
**Adult Ego:** The adult ego demonstrates a person's capacity to think logically and reason. The individual behaving or interacting with mature ego searches out all relevant knowledge, verifies it with his reasoning abilities, and then distributes it to others. Before coming to a resolution, the person with the mature ego may be assessed by his dialogues and the way he thinks about a subject.

Mature people update their parent data as they learn what is and are not acceptable; similarly, children update their child data as they learn what emotions should be expressed and which should be kept bottled up within themselves. The developed ego aids a person in efficiently managing their emotional responses.

**Child Ego:** The child ego refers to a person's condition when he acts irrationally and performs hasty actions to meet urgent wants without considering the repercussions. Some of the key features of this ego state are creativity, sadness, conformity, reliance, hatred, fear, and so forth. The kid ego reflects the period of development when a person has not yet developed into a social being. The child ego may be spontaneous, adaptable, and defiant. The natural kid is sensual, impetuous, and loving, and acts in ways that are natural to him or her. The adaptable kid, on the other hand, is one who has been educated and directed by their parents to act in the way that they have taught them. A rebellious kid is one who is not permitted to express his or her feelings, such as anger, fear, or dissatisfaction.

**Definition of Life Positions:** Life Positions refers to a person's distinctive conduct toward others that is learned based on certain assumptions established early in life.

The following are the several types of life positions:



**1. I'm OK, and you're ok:** People in this position have had a lot of pleasant contacts with others, which is why they're in this place in life. This suggests that throughout his upbringing, a person had no serious conflicts or concerns with others and had a normal interaction with them. People who have such positive attitudes about themselves and others may quickly overcome any issue and recognise the importance of others in their lives. This viewpoint is founded on the mature ego.

**2. I'm OK, but you're not fine:** When a person was a youngster, he was often neglected, which leads to this life situation. Here, a person feels that he is correct and that everyone else is wrong. When things don't go their way, these folks tend to act like spoiled brats with a big ego and blame others.

**3. I'm not OK, but you're ok:** When a person believes that others accomplish things better than him, he develops this life stance. He considers himself to be inferior to others and thinks that others are capable of doing many things that he is unable to perform alone. These folks are always complaining about something or other and are unsatisfied with their life.

**4. I'm not okay, you're not ok:** People who don't want to live produce this sort of life situation. They believe life isn't worth living and were raised by slaves after being ignored by their

parents throughout their youth. To terminate their life, such individuals commit suicide or murder.

As a result, the life perspectives discuss how a person develops his identity, feeling of value, and perceptions of others from infancy, believing them to be real until and until a big event alters them.

When it comes to the importance that one places on events that happened in his early years of existence, the Existence Script relates to this. Psychologists think that a person's life script is formed throughout his youth, when he picks up information unconsciously from his parents, grandparents, and other members of his family.

Individuals react to situations by acting on pre-written scripts that they have developed based on their past experiences and the way they interpret their own life circumstances, such as: "I am okay. You are okay." Or, "I am okay. You are not okay." Or, "I am okay. You are not okay."

Understanding how his thoughts, actions, ideas, and other aspects of his life are impacted by his prior experiences may help a person decide his life script. Every person's life is written in a script. As a thorough plan of action, the script incorporates two structures: one that determines a winner or loser, and another that includes authoritative warnings, orders, prescriptions, and permission.

Because life scripts are learnt rather than inborn, they may be modified throughout time. The life script is similar to a movie script in that it includes characters, dialogues, events, and plays, and so on, and progresses to the climax before ending with the curtain closing.

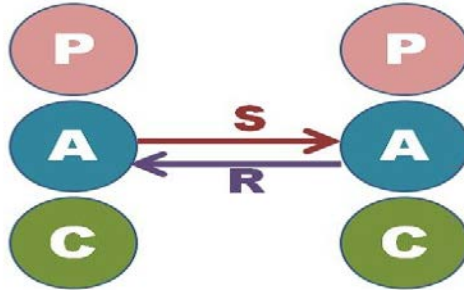
### **Transactions Analysis**

The Social Transactions are formed by people's interactions with one another, and how individuals behave and engage with one another is influenced by their ego states. Transactions that pass through a person's ego state may be categorised as complimentary, crossing, or ulterior.

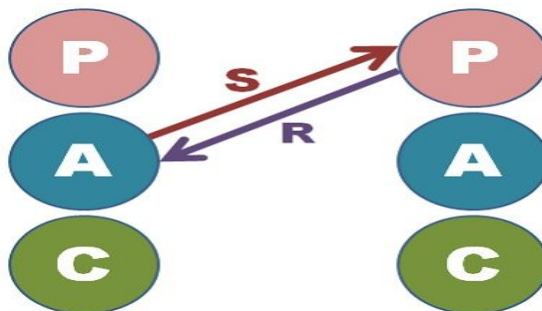
Complementary Transactions: When the individual delivering the message receives the expected reaction from the other person, the transaction is said to be complementary. Thus, the stimulus and response patterns are different from one ego state to the next. '

These are the following:

1. **Adult-Adult Transaction:** To help employees better understand the challenges they face, the manager acts with an adult ego state that is concerned with human needs as well as the realities of the matter. His life philosophy is "I'm OK, you're fine." This is a fantastic offer.

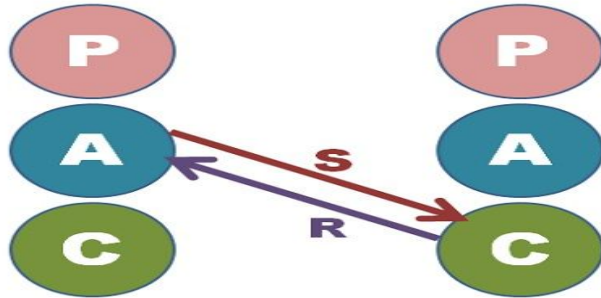


2. **Adult-Parent Transaction:** In this case, the manager attempts to put the knowledge he's processing into practise, whereas those with a strong parent ego stick to the tried-and-true ways of doing things. The employee uses his parent ego to try to dominate the boss, but this is only temporary.

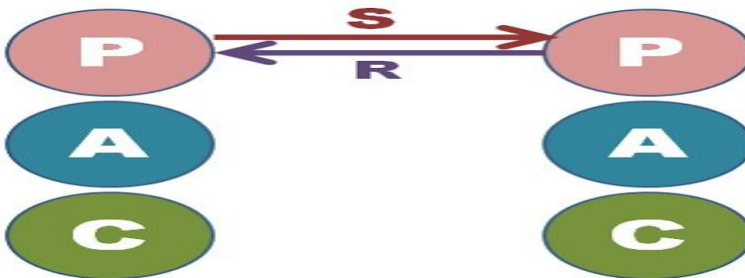


3. **Adult-Child Transaction:** In this case, the employee has a child ego state, If the manager is aware of this and permits his

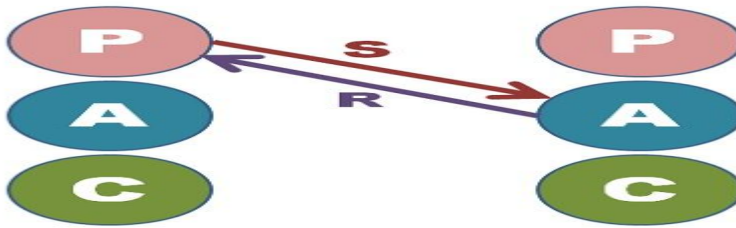
employees to be in this state in order to be creative, it is only a successful strategy.



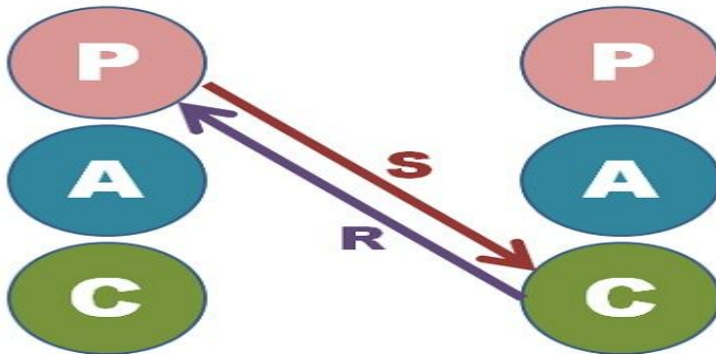
4. Parents and children: In this scenario, the boss is acting like a child, and his life philosophy is "I am OK, but you are not." He will use a variety of techniques, including reprimand, reward, criticism, rules, and praise. An employee's support and cooperation are necessary for this transaction to go through.



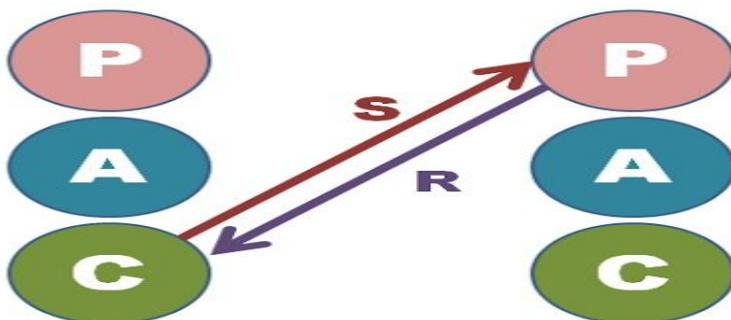
5. Parent-Adult Transaction: It's possible that this circumstance may aggravate both the company's leadership and the employee. If an employee fails to perform as requested, the manager may be distraught, but the employee may be annoyed since the management is not behaving with the mature ego.



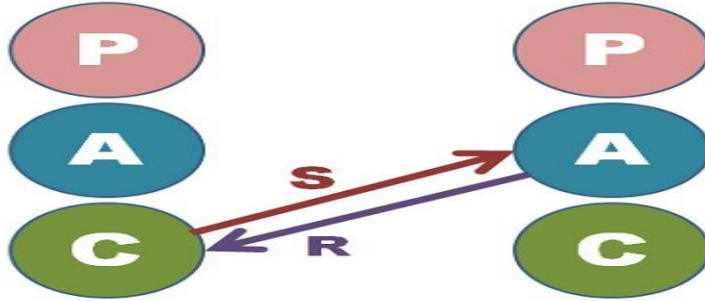
**6. Parent-Child Transaction:** The optimum scenario occurs when the supervisor displays adult ego and the employee displays kid ego. This transaction may be helpful to the employee since it relieves them of responsibilities and strain.



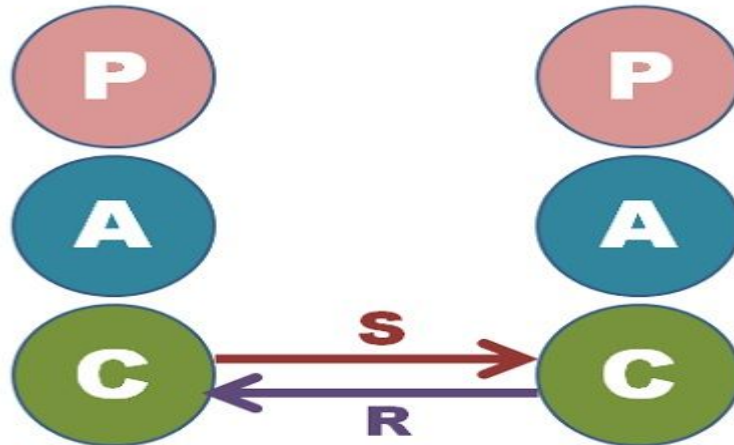
**7. Child-Parent Transaction:** The child ego's manager may not contribute effectively to management effectiveness. Although the kid ego is known for its inventiveness, it is insufficient for the manager's duty. The employee is in charge of the management in this situation.



**8. Child-Adult Transaction:** When a manager behaves with a child ego, there is a lack of logic. The mature ego of the employee is discouraged because he wants to make rational and practical judgments, while the boss may end up making unrealistic decisions based on whims, fancies, and emotions.

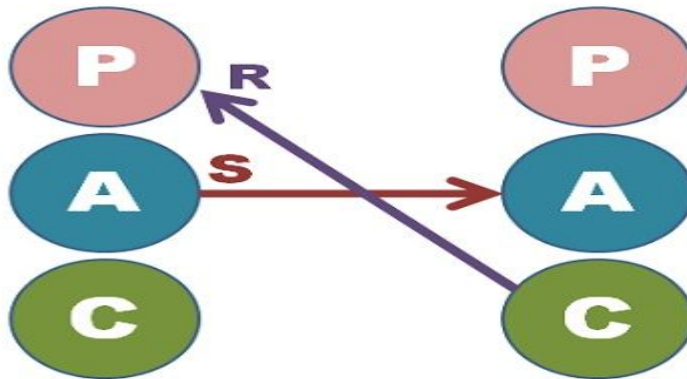


**9. Child-Child Transaction:** A manager who has a childish ego is unable to lead his team and hence becomes a burden to the business. He is ineffective.



**10. Non-Complementary Transactions:** Transactions are defined as non-complementary or crossed when the person giving the message does not get the anticipated response or when stimulus and response lines do not run parallel to one another.





It's impossible to complete transactions when a manager attempts to engage with an employee and the employee responds to the management on a level appropriate for a youngster and his or her parent.

The most complicated transaction is the ulterior transaction, since the communication has two meanings. For example, a communication may seem to have a clear adult meaning on the surface, but it may have a concealed psychological message that is misread.

## **GROUPS**

### **DEFINITION**

In social science, a group refers to a collection of individuals whose actions are interconnected in some manner. It is described as two or more people who interact, are interdependent, and have joined together for a shared purpose. In a group, each member is a distinct person. When two or more individuals work together to accomplish the organization's objectives, they are referred to as a team. These are the building blocks of every organisation.

The majority of work in organisations is done in groups.

Teamwork is essential for high-performance organisations, and the members must be able to communicate and work together effectively. In order to explain a group, one must take into account the fact that it is made up of individuals who interact often, have a feeling of camaraderie, and work together toward a common goal.

### **GROUP CHARACTERISTICS**

- **Group size:** To create a group, there must be at least two people in it. In practice, the number of participants ranges from 15 to 20. Group management becomes more complex as membership increases.
- **Objectives:** Every organisation has a set of goals that act as the driving force behind it.
- **Norms:** There are a set of norms that each group follows when it comes to interacting with its own members.
- **Structure:** Members' responsibilities and roles determine the organization's structure.
- **Roles:** Each member of a group is assigned a specific set of responsibilities and duties by the group leader.
- **Interaction:** It's possible for group members to interact in a number of ways, such as by phone or email or any other medium.
- **Collective Identity:** Members of a group are referred to both individually and collectively as "members," which is another way of saying "we" in this context. Participation, cooperation, trust and bonding among members, open communication, and other factors contribute to a positive group environment.

## **GROUPS AND THEIR FUNCTIONS**

In order to fulfil an organization's goals, groups perform organisational functions.

Some examples of such functions include:

You're working on a challenging, independent task that can't be divided down into smaller tasks or completed by one person.

Aiming to come up with new and creative solutions to problems that need the input of several individuals.

Being a go-between or coordinator for several teams, even small, self-contained ones.

Enabling tough decisions to be implemented. In certain cases, numerous working groups may form a committee to oversee the operations of all the groups.

To educate new employees, groups serve as a medium for teaching them about operating procedures and group norms.

However, it's not an all-encompassing list. We cannot exaggerate the importance of groups in organisations since they perform the majority of organisational activities.

Those that share the same beliefs, attitudes, and values tend to form groups more easily.

As a result of interacting with one another, employees learn that they have many interests, which leads to the establishment of groups.

The growth of organisations is facilitated by the existence of groups whose members have a shared set of interests and aims.

An important factor in the formation of each new organisation is the group's increased power and influence on an individual.

Personal, societal and economic demands drive group formation in most instances. To put it another way, members need to be part of the organisation to fulfil their basic needs for affiliation.

- **Security**

The desire for security is perhaps the most compelling motive for individuals to create groups. We may lessen our uneasiness by joining a group – We have less self-doubt and are better able to withstand hazards.

### **GROUPS CLASSIFICATION -**

There are two sorts of groups:

Ø Formal

Ø Informal

Formal and informal groups are also possible.

**1. Formal Groups:** An organization's structure defines a specified work group. In order to accomplish the organization's goals, the organisation establishes a formal committee. As a member of a formal group, one is expected to behave in a manner consistent with corporate goals. An executive committee, an accounting department, and a product development team are all examples. Command or task groups are examples of formal groupings.

**I) Command Group:** A manager's subordinates form the core of a command group. As a consequence, the organization's structure is used to describe it. The organisational chart determines which employees are members of the group.

**ii) Task Group:** A job group is a group of employees who work together to accomplish a certain goal. A group's boundaries aren't only defined by its immediate supervisor. It's capable of working across command-line boundaries. The employee's participation in the group is determined by the obligations assigned to him or her, i.e., the employee's duty to carry out certain tasks. Task groups might be temporary and have a set duration, or they can be indefinite.

**iii) Committee:** An official group of persons charged with carrying out a task, such as investigating, considering, reporting, or acting on a problem. A committee is a group of people who have been assigned or elected to examine, report on, or act on a certain issue. It looks into the issue, analyses it, discusses it, and gives recommendations. Advisory authority, secretary, and other committee members are normally assigned to each committee. Recommendations are conveyed to the authority in charge of putting them into action.

Formal group characteristics

Designed to do a certain activity or achieve a specific objective

Structure, procedural procedures, and membership are all well established.

Whether it's long-term or short-term (e.g. steering group or problem solving group)

Roles and responsibilities are clearly defined.

Norms that are clearly specific

Goals and timelines that have been established

**2. Informal Groups:** To meet social or affiliation needs, informal groups in an organisation are formed by bringing together people

with shared interests or friendships. Thus, informal groups are coalitions that do not have an official structure or organisation. In the workplace, these are kinds of social connection that arise naturally as a result of people's desire to connect. Many factors influence a person's attraction to another person. One factor is simple proximity; persons who work in close proximity to one another on a daily basis are more likely to make friendships. When persons have similar views, personalities, or economic standing, this risk increases even more.

**I) Friendship Groups:** Friendship groups are formed when individuals have one or more common features. These groupings are referred to as 'friendship groups.' Similar age, political views, college attendance, and other factors might lead to social connections that persist beyond the workplace.

**ii) Interest Groups:** It's possible that individuals who aren't necessarily part of the same command or task force may get together to work toward a similar objective. This is a collection of people who have a common interest.

**iii) Reference Groups:** When making judgments or formulating views, individuals sometimes utilise a group as a reference point. A reference group is one that is utilised in this manner. Employees may belong to reference groups inside or outside of their workplace. The family is the most significant reference group for the majority of individuals. Other important groups of people to consult include coworkers, friends, and members of a person's religious organisation. To serve as a reference group, a group does not need its members to be fond of one another. Some groupings operate as a negative reference; the employee seeks to stand out from the rest.

iv) Members of a group are called members of the group, which includes both official and informal groups that employees join (or affiliation group). There are some rights and obligations that come with belonging to a group that go beyond just serving as a

reference point. This means that every member of the group must do their part in maintaining and enhancing their fellow members' well-being, as well as benefiting from their friendships with other members.

**v) Cliques:** Friendship-based, rather persistent informal groupings. The majority of the friendships were made up of two cliques, each with a hanger-on, and a few isolates. Several diverse occupations were represented in the groupings. They formed opinions about one another. Clique membership operated as a sort of social control, obliging others to follow the wishes of the group. The groups developed standards for productivity, supervisor treatment, reciprocity, and other interpersonal interactions. The cliques functioned as a way for people to make sense of what was going on at work. They formed their own set of beliefs and explained them to one another.

### **EMPATHY AND ASSERTIVENESS IN OB**

Being self-assured and confident without being confrontational is the attribute of assertiveness. The capacity to comprehend what others is thinking and experiencing is known as empathy.

Keep the following three performance management ideas in mind as you work with your team to strike a balance between empathy and assertiveness.

#### **1. Create clarity in order to reduce disagreement.**

Conflict is typically seen to be a bad thing, yet a little amount of it may help us develop by allowing us to try out new ideas, techniques, or points of view. However, many sales executives are wired to avoid conflict, so establishing a set of clear objectives from the outset is a good way to combat this. Develop and express a clear and consistent vision for what your team will achieve and for which they will be held responsible. Employees, after all, can't be held responsible for their performance until precise criteria are created.

Make it clear to your staff that they are working for their own objectives, not yours. This may be accomplished by allowing staff to create their own performance requirements. We take pride in the work we do, and your staff will feel more responsible to the standards they helped build. Also, they'll know that you care about their achievement, so if a circumstance happens where those criteria aren't fulfilled, the conversation will focus on a breach of contract – rather than a dispute about bad performance.

### **2. Salespeople control their own performance; your responsibility is to manage theirs.**

What You Accept is What You Teach: What You Accept is What You Teach is a book by Michael Henry Cohen. Employees should be considered as volunteers or autonomous agents who have the last say over their own conduct and performance when setting standards for employee accountability. As a leader, you can't make people take responsibility for their actions or make them do something they don't want to do. Either your staff are intrinsically motivated and skilled enough to fulfil your goals, or they aren't

The purpose of a leader is to establish a work environment that encourages high performance, which includes providing the tools required for success, delivering clear feedback, and providing coaching as needed.

You must constantly assess how well your team adheres to the expectations once you've worked with them to set precise standards of behaviour. You may identify where focused coaching is required early and prevent avoidable confrontation by carefully analysing behaviour and tracking outcomes.

### **3. it's not about being loved or accepted; it's about being you.**

Most individuals like to avoid disagreement, but many sales executives fall into the trap of mistaking being liked with being trusted or respected. If you want to teach something but don't follow through, you're effectively conveying the message that it's



unimportant. Great leaders stick to their beliefs, and they understand that holding others responsible for exceptional performance is critical not just to their own credibility, but also to the organization's goal. Although it may seem that being empathic and understanding, as well as creating personal ties with your team members, the best method to influence people is to push them out of their comfort zones, your team will struggle to progress if they are not pushed out of their comfort zones. Great leaders understand that leaving their employees alone to "do their own thing" does no one any good.

Employees that are motivated and engaged are continuously striving to better their own performance and are eager for feedback and coaching. So, although you may believe you're giving someone a break by ignoring their bad performance, you're really doing them a disservice if you don't confront the problem and provide your assistance.

### **EMPATHY OR ASSERTIVENESS: WHICH COMES FIRST?**

According to Harvard Business Review study, the most powerful attributes a leader may have are being beloved and strong, but the sequence in which those traits are disclosed to followers is crucial. "Leaders who show strength before building trust risk instilling dread, which may lead to a slew of dysfunctional behaviours." According to a growing body of evidence, the greatest approach to lead and influence is to start with warmth. So utilise your empathy to connect with others around you, but balance it with a healthy dose of assertiveness, and your followers will see you as trustworthy, respected, and capable.

### **GROUP DEVELOPMENT**

#### **DEFINITION:**

Group development is the process of establishing a group of individuals to work together and guide their efforts toward a shared purpose. Each group member's task is interdependent,

therefore one's performance has an impact on the whole group's performance. It's also known as team development or team building.

Coworkers in freshly formed teams get to know each other, define their tasks and roles and learn how to work together effectively in order to achieve their goals as a team. This process is known as group development.

Bruce Tuckman created the most renowned and well-known model of group growth, which includes four stages: An additional adjournment step was introduced after the fourth and fifth stages of the process.



**1. Forming:** Group formation begins here as members meet and interact with one another in a variety of ways to learn about one another. It's clear that people are eager to learn more about the scope of the project and the many ways that may be used. It's common for people to come with the goal of being accepted by their peers and avoiding confrontation.

**2. Storming:** People will begin to interact with one another in the context of the job at hand after the shaping phase. Group members will have a lot of friction and competition at this stage.

There is a clear divide between those who are more powerful and those who are more confrontational in the group (forming).

Concerns about leadership, responsibility, strategy, rules, authority, evaluation, and incentive systems emerge during the storming phase.

**3. Norming:** Once the roles and duties of each team member have been defined, the team members begin to form a cohesive one. Everyone here is committed to the common objective of reaching it, and they each hold the other's knowledge and talents in high regard.

It is at this point in the process that the members of the team begin to work together toward a shared goal. This level is all on adaptability and dependency. There is no challenging issue that the team members can't handle because of their familiarity with one another.

The tasks and responsibilities of members constantly change since everyone is equally task-oriented and people-oriented at this level.

**5. Adjourning:** When a group reaches this last stage, it is dissolved and its members are separated. Every organisation is founded for a certain purpose, and after that purpose is achieved, the group disbands.

Some authors refer to this stage as "mourning or deforming" because the group members experience a sense of loss when they are separated from one other.

As a result, the researchers investigate group development in order to ascertain the changes that occur inside the group.

### **STRUCTURE OF THE GROUP**

The structure of a group is referred to as a group system. One may think of these aspects as a whole: group roles and norms; compliance in the workplace; workplace behaviour; status in

reference groups; social loafing; cohorts; and cohesiveness in groups.

- The multiple responsibilities a person assumes as a member of a group are known as "Group Roles."
- Norms are the common standards that the group sets cooperatively and that all members must adhere to.
- Conformity refers to the majority's judgments or positions in a group.
- Workplace behaviour is the code of conduct that one must adhere to when working for a company.
- Status is a term used to describe how members of a group are classified.
- Social loafing is a phenomenon in which members of a group put in less effort to achieve a goal than they would if they were working alone.
- Cohorts are groups of people who have similar behaviours.
- A group is compared to a reference group when it is compared to other groups.
- Demography of the group The degree to which a group's members exhibit similar behaviours.

There must be a sense of unity It is the extent to which members of a group feel connected to one another.

### **ROLES**

In a social context, a role is a set of behaviours that are expected of someone who holds a given position. In small groups, individuals perform three different sorts of roles.

- Roles in the task
- Roles in construction and maintenance
- Roles that are concentrated on oneself

### **Roles in Tasks**

Task roles are those that are responsible for achieving the group's objective. A group's many task responsibilities are listed below.

- The coordinator connects remarks made by different members of the group.
- "Gita's remark relates nicely to what Ram was saying," for example.
- Activator motivates the group to take action.

In the next meeting, how many of you would be willing to bring in a DVD on conflict?" for example.

- **Elaborator Builds on the ideas of others.**

"I believe Niki and Anni are advising that we start with nonverbal communication before moving on to vocal communication."

- The evaluator-critic assesses the work of the group against higher criteria.

"This is fine, but I believe Shree could provide more input," for example.

- Information-provider dispenses useful information.

"Rohit has several conflict literature that we might utilise," for example.

- Clarification questions from the information seeker

"Could you kindly explain me what you mentioned regarding disconfirming replies, Richa or Trishala?"

- The recorder is in charge of taking notes throughout the meeting.

"We didn't get to A-presentation P's last session," for example.  
"Rahul and Rohit had just completed theirs."

- Procedural Technician is responsible for his or her work.

"I checked out the VCR for Nigaar and Neha's presentations," for example.

Roles in group formation and maintenance

It emphasises the development of interpersonal connections and the maintenance of harmony.

In a group, the numerous maintenance jobs are:

- Positive feedback is given by the encourager.

"I believe Shyam was completely correct," for example.

- A follower gathers information from others in the group

We should follow Adi's strategy since he had the right concept.

Consensus-building Finding a solution that all sides can agree on.

They've come up with three fantastic options: Pratik, Sid, and Nimmi."

The question is, "Why don't we unite them?"

Gatekeeper invites all participants to engage in the discussion.

We have not heard from Madhuri, for example.

- The Harmonizer reduces conflict and stress by bringing people together.

The students should be given a complimentary meal after the examination, for example.

- The observer assesses the progress of the group.

This is what I think we've learned so far," for example. We learned a lot from Monica and Mona, and we're grateful."

Roles that are focused on oneself

These responsibilities are designed to obstruct or disrupt the group's progress toward its objectives. The following are the many self-centered roles in a group:

If you're an Aggressor, you don't like what other members of the group have to say.

I've never heard a better game idea than desert survival, for example.

- The Dominator is in charge of the group's speaking time.

Interrupting Here are seven reasons why this is a wonderful idea:

- Blocker: Refuses to cooperate with the ideas of others. • Blocker:

- For example, "I refuse to play Family Swap."
- In terms of disregarding work, Help-Seeker seems helpless.
- There's no way I can put up a summary, for instance. Instead of me having to deal with this myself, why don't you handle it?

- Loafer is a person who does not work.

"Instead of completing this assignment, why don't we simply go have some coffee?"

- Special Interest Advocate explains his or her own point of view and needs.

"I'm sorry, but I'm unable to meet today." I need to get some rest and contact my mother."

- Self-assured speaks about issues that are essential to him or her alone, rather than to the group.

For example, "I absolutely enjoy tea." The other day, I visited CCD for the first time. Compared to other businesses, "their coffee is outstanding."

### **NORMS**

In a group, norms refer to the established standards of behaviour that are agreed upon by its members. Traditions, attitudes, practises, and expectations about how things should be done vary from group to group.

The way team members interact with one another is governed by these patterns and expectations, which are referred to as "group norms."

Norms may either help or impede a group's ability to accomplish its goals.

### **NORMALISATION TYPES**

There are four primary types of group norms:

Benchmarks are used to measure performance.

Looks and Appearance Standards

Organizational norms in society

Norms for the distribution of resources



### **Performance Standards**

These are questions regarding how much effort a member of a group should put forth. Assisting people in judging how hard they should work and the quality of their product are nonverbal signals.

If a team leader wants to motivate his or her employees, he or she may put up a series of posters across the workplace.

### **Appearance Standards**

Appearance conventions keep us abreast of the latest trends in fashion, hairstyling, and other areas of our physical appearance. They help us seem our best.

We can't, for example, wear a wedding gown to a board meeting while we work for a company with a strict dress code.

### **Norms of Social Arrangement**

Our social behaviour is the subject of this standard. In social situations, there are cues we may pick up on that will help us blend in and feel more at ease with our peers.

It's not acceptable to complete work during a friend's birthday party, for example.

### **Norms for Resource Allocation**

This standard focuses on resource allocation in a corporate setting. This might include raw resources, extra labour, or any other resource discovered or required inside a company.

For instance, if the customer requires the project to be done by tomorrow, it must be accomplished utilising available resources or completed over time.

## **Conformity**

"Accommodating to group demands" is one definition of conformity. Some people call it "majority influence," while others call it "group pressure."

A desire to fit in or be liked, a desire to be correct, or a desire to fit into a social position may be the driving force behind the usage of this word.

### **Social Conformity Types**

There are three different sorts of conformity that may be detected.

Conformity to the norm

Conformity in Information

Conformity of Ingratiation

Conformity to the norm

Members of a social group who succumb to the pressure of their peers. A common reason for people to conform is fear of being rejected or left out of the group.

This sort of conformity generally refers to situations in which a person outwardly adopts a group's viewpoints yet secretly rejects them.

### **Conformity in Information**

It's common for people who lack experience to ask for help from others. It is common for people to make comparisons between their own behaviours and those of the group when they are uncertain about their own conduct in a given scenario.

An individual's acceptance of the beliefs of others and subsequent adoption of those opinions as their own is known as internalisation.

### **Conformity Ingratiation**

When a person submits to obtain the approval or favour of another. It is influenced by norms, but it is fueled by the desire for social benefits rather than the fear of rejection.

To put it another way, group pressure is not necessarily a motivator to comply.

Herbert Kelman, a Harvard psychologist, defined three forms of conformity.

Socially modifying conduct in order to fit in with the group yet privately opposing. To put it another way, adhering to the masses yet not really agreeing with them.

Internalization is socially adjusting one's conduct to fit in with the group while also secretly agreeing with them.

Accepting the demands of a social position via identification. It's comparable to conformity, but there's no change in one's own viewpoint.

### **Groups of Reference**

It's a group to which someone or something else is compared. Reference groups are used to research and determine a person's or a group's features and sociological qualities.

It is the psychologically linked group to which a person connects or wishes to belong. The individual's experiences, perceptions, wants, and self-conceptions are all derived from this framework.

These groupings serve as a point of comparison and contrast for comparing and evaluating group and individual characteristics.

### **Status**

Organizations and people are given a socially defined rank or position based on the opinions of others. The status of a group structure involves the group's rules, culture, and equality in status. "The group's status is disclosed when all of these factors are put together.

Having a good time with friends

What we're referring about here is the phenomenon that occurs when people work together rather than alone to accomplish a task.

Groups are occasionally less successful than the sum of their members' individual efforts, although this should be separated from the unintended coordination challenges that groups sometimes encounter.

The assumption that one's efforts will be inconsequential in the eyes of the group is one of the most common causes of social loafing.

### **Demography of Cohorts and Groups**

Cohorts are individuals who share a similar characteristic as part of a group. Group demography refers to the extent to which a member of a group has a common demographic attribute with his colleagues. In the long term, group demography is an effective strategy for boosting a team's efficiency.

A few examples are age, sex, religion, location, length of service in the organisation, and the impact of this characteristic on turnover.

**Cohesiveness** To what extent members of a group are attracted to each other and inspired to stay in the same place Group cohesion encompasses all of the factors that influence a group's members'

decision to stay in the group or join it. Cohesiveness within a group is the social glue that keeps it together. Some individuals believe that work teams with high levels of group cohesiveness will operate and perform better in meeting their objectives.

Group cohesiveness is the result of the interplay of many factors rather than a single element. While group cohesiveness may influence group performance, group performance can also help to develop or strengthen group cohesion. As a result, group cohesiveness might actually hinder group task performance.

The commitment of group members to the organization's performance objectives and standards is the most powerful component that establishes a favourable association between group cohesiveness and group performance.

### **DECISION-MAKING IN A GROUP**

A situation in which a group of individuals must make a choice from a set of possibilities is known as collaborative decision-making or group decision-making. Because of this, groups tend to form judgments that are more severe than those of individuals.

Individuals and groups employ the same decision-making models. They can examine positive and negative alternatives using linear models, and when there is no prior history of the event, they can rely on intuition. Similarly, decision-making biases may affect groups as well. Their structure, in fact, may provide unique challenges:

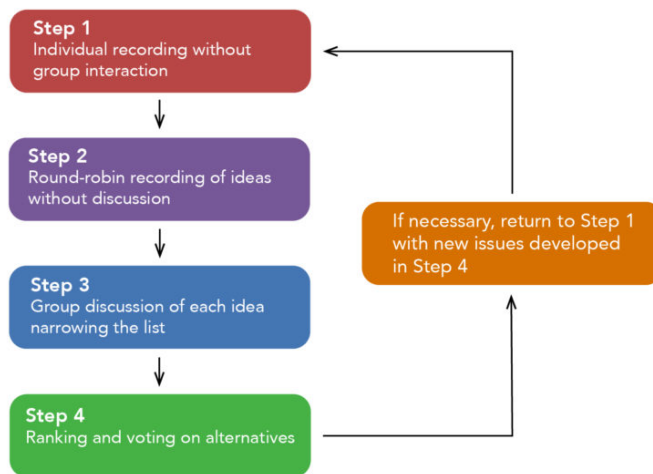
Groupthink and conformity pressures exist in groups

Individuals' participation in groups is influenced by internal structures, which may stymie decision-making. Groups form norms that may influence decision-making, either positively or negatively.

Fortunately, there are certain techniques that may assist organisations in avoiding prejudices and other difficulties. These approaches decrease fear and compliance, discourage censorship, and may help the group produce more high-quality alternatives.

### Technique of the Nominal Group

The nominal group approach is a method for generating and ranking problem-solving ideas in a structured group setting. It's "nominal" because at certain points, the strategy actually inhibits contact between group members.



The stages of the nominal group method are as shown in the model:

**Step 1:** Each member of the group is assigned a task to solve. Each person jots down his or her possible solutions to the situation

**Step 2:** The group discusses and writes down all of the suggestions made by the participants.

**Step 3:** The group discusses each option and narrows the list without revealing who came up with which alternative.

**Step 4:** The group votes on the possibilities that have been reduced down to decide which the best are.

The procedure might be performed many times in order to obtain a consensus on the problem's answers. The key to this technique's effectiveness is to keep group interaction to a minimum during the first alternative-gathering stage. However, the strategy necessitates the presence of a skilled manager or facilitator.

### **The Delphi Methodology**

The Delphi method involves a series of formal surveys and rating scales to gather views on a topic. A facilitator or a small group of people might come together and create a questionnaire that asks for other people's thoughts on a certain issue. When the group or facilitator receives the results, they summarise them and then create a more targeted questionnaire. This may be done numerous times, but generally just twice is sufficient to get to the core of the problem.

The Delphi approach may be employed with large groups of individuals and ensures anonymity, lessening the temptation to comply. It's time-saving, eliminates interpersonal conflict, and is simple to implement utilising technology (email, survey tools, etc.). However, it takes time, and in the end, this method cannot be used to make judgments on its own.

There are a variety of alternative group decision-making assistance systems available. Groupware is software that improves and facilitates group interaction. Computer-aided decision systems (CADS) are a form of software that takes data from members of a group and uses it to make decisions. These methods may be beneficial in both circumstances, but they should not be the sole way for group members to communicate and create alternatives.

Another way organisations may help or hinder decision-making is through... As an example, here are a few:

Performance evaluations. Employees have a strong willingness to carry out their duties. Employees will go to great lengths to keep

bad news from reaching the ears of their superiors. As a result, there may be fewer possibilities explored.

**Incentives-based programmes** The decision-making processes of employees may be impacted by the remuneration structure of a firm, which recommends favourable possibilities. An company that encourages risk aversion is unlikely to evaluate many options with a quantifiable level of risk. One that encourages and fosters risk, on the other hand, will have the opposite effect.

**Regulations in writing.** A company's job description might be a touch too specific at times, leaving little opportunity for personal interpretation. Retail employees, such as cashiers and stockers, have limited liberty in devising solutions to the difficulties they confront on a daily basis.

**There are time limits.** Organizations have a short attention span! They establish timelines for reporting, budgets, and performance reviews, among other things. Frequently, these deadlines do not allow for the development of inventive solutions.

**There is historical precedence for this.** Even the most novice manager may benefit from an organization's history of decisions and their results.

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## MODULE-6

# Team Work

There has never been a more critical time for firms to emphasise the value of working together. There's a lot to be said about the strength of teams, regardless of whether they're used in manufacturing or the "knowledge economy," which is where you'll find most businesses. "People structured to work collaboratively as a group" is how Katzenbach and Smith describe a team in their Harvard Business Review article "The Discipline of Teams."

The definition of a team is "a collection of people organised to work together as a group." A team has a common goal, specified performance targets, complementary strengths, dedication to the way the task is done, and reciprocal accountability, to mention a few features. A team is a group of people who work together to accomplish a common objective. If you're working on something that's going to be out for years, you'll need more than one crew to help you get it done. Project teams, self-managed teams, virtual teams, and operational teams are the four most common forms of teams. The pros and drawbacks of each kind of team are unique to each.



In order to establish a group, at least two or more individuals have to be grouped together, either by the organisation or for social purposes. A team, on the other hand, is made up of a number of people who work together to achieve a common objective. There is a lot of teamwork in the workplace. 26-Jul-2018

### **THESE ARE THE FIVE ELEMENTS THAT MAKE TEAMS WORK:**

- Shared dedication and goal
- Specific performance objectives
- Complementary abilities and knowledge
- Commitment to completing the assignment in the best possible way.
- Each of us has a duty to each other.

In a team, there is a common objective and leadership roles, as well as individual and collective responsibility. A team's success is measured by comparing the outcomes of their work to those of the rest of the team. Wisdom of Teams is mentioned in this passage.

When compared to the conventional working group in an organisation (generally organised by functional area), this one has a focused leader, individual responsibility, and work deliverables that are connected with the wider corporate aim. As an example, think of your company's financial department or a specialised business unit: they are really broader workgroups that handle a fraction of the entire goal. It is their influence on the company's other employees that determine the effectiveness of this group (e.g., financial performance of the business.)

## **EFFECTIVE TEAM CHARACTERISTICS**

We've compiled a list of what we believe are the most important factors for forming productive teams:

- Ideal Membership and Size
- Decision-Making Fairness
- Creativity.
- Accountability.
- Purpose & Objectives
- Plans of action.
- Responsibilities and Roles
- Information exchange.
- Useful information.
- Meeting Techniques and Skills
- Making decisions.
- Participation.
- There are certain ground rules.
- Defined roles.
- Leadership that is well-liked.
- Processes that work.
- Strong bonds with others.
- Outstanding communication skills.

## **TEAM DEVELOPMENT FOR HIGH PERFORMANCE**

The term "high-performance work team" refers to a group of people who work together, collaborate, and produce superior results. They have a wide range of skills that complement each other. In order to achieve its goals, the group relies on shared objectives, open communication, clear role expectations and group operating rules, early dispute resolution, and a strong sense of responsibility and confidence in its members.

## **WORK TEAMS WITH HIGH PERFORMANCE CHARACTERISTICS**

In spite of the fact that there is no simple method to measure the efficacy of a group, there is a general understanding of what makes groups successful, and no two teams are similar. In order to achieve their goals, high-performing teams must have a variety of

factors in place, including the following: goals and objectives, talent and abilities, performance ethics, incentives and motivation, as well as power and empowerment.

The team's mission, objectives, and responsibilities

They are social units that work together to achieve short- and long-term objectives or aims, which are mutually beneficial. They often show unwavering commitment to both the job at hand and to one another. People work better in teams when they have a clear idea of what they are expected to achieve and why. All members of the team must be aware of and supportive of the relevance and importance of the mission and vision of the organisation. To maximise a team's potential, make sure the goal is clearly defined, linked to individual roles and responsibilities, and complemented by "stretch" objectives that heighten the level of difficulty for each member.

### **Talent, abilities, and a strong work ethic**

When building a high-performance team, the first step is to locate and maintain the best people while also helping the worst performers find other positions as quickly as possible. Morale rises in tandem with a company's achievements. Once members of the team have been selected based on their abilities, it is critical that they have complementary capabilities (e.g., technical, problem-solving, decision-making and interpersonal skills). Individuals and teams alike must exhibit a persistent commitment to performance excellence, honesty, and mutual respect, as well as accountability for their own actions and those of their organisations.

### **Motivation, incentives, and effectiveness**

Nonmonetary incentives may have a positive impact on the team's tactical execution of its goals, as well. The biggest long-term impact on performance is exerted by intrinsic motivators, such as work satisfaction and participation in interesting activities. People who trust in their abilities are more willing to take strategic risks for the sake of the team.

### **Leadership**

Leaders who lead high-performing teams tend to have high-performing teams. To be a good leader, you must be able to a) keep the purpose, goals, and approach relevant, and meaningful; b) build confidence; c) ensure that team members constantly improve their skills; d) manage relationships from the outside with a focus on removing obstacles that may hinder group performance; and e) provide opportunities for others without seeking credit. The most successful team leaders focus on purpose, goals, relationships, and an unwavering commitment to results that benefit both the organisation and each individual, according to most industry experts.

### **Conflict and communication**

A high-performing team is built on a foundation of conflict resolution. It's important for these teams to have open communication, which emphasises educating rather than leading and the ability to openly address issues right immediately. For a successful team, open communication channels are necessary. They help motivate and keep interest in the group and stimulate cooperation.

### **Empowerment and power**

Working in a team that is empowered encourages ownership, fosters new skills, and increases project excitement. It also makes it simpler to make decisions. According to academics, the ideal situation is "loose-tight," in which specific decision-making constraints are established with enough flexibility for individuals to make empowered judgments.

### **Norms and benchmarks**

The development and improvement of a team may be aided by the establishment of norms, such as rules governing group behaviour. Individual and team performance evaluations are conducted on a regular basis; members are respected and valued; there is a strong work ethic that is results-oriented; there are open channels of communication; and the team's triumphs are celebrated. Teams

that perform well communicate about and agree on their operating rules—standards that each team member is held accountable for.

## **TEAM DEVELOPMENT STAGES**

Scientist Dr. Bruce Tuckman developed a four-phase model for the development of teams: the formation, storming, norming, and performance stages are all included. It was modified by other researchers, resulting in a well-known procedure that serves as a beneficial foundation for leaders and team members who want to learn more about group dynamics and their development.

The following are the four common stages in the procedure:

The first step in the process of forming. People are still getting to know one another and the firm, so they haven't made any commitments to it just yet. In collaboration with HR, project leaders provide direction and expectations. The results of DISC or Myers-Briggs tests may also be used by HR to aid in the group's understanding of the differences and working styles of each other.

2. There is a lot of rain. This is a period when team members may challenge each other and the leader. Members of the team should be trained and coached on conflict resolution and goal-setting skills by the leader's HR team.

3. Getting used to each other's routines and expectations. When the individuals have overcome their differences, the team begins to develop. People learn to see the value in each other's differences and begin to work together as a result. The leader's job is that of a facilitator, encouraging and guiding the group. HR offers continuous support and may give presentations or conduct training sessions as needed.

4. Putting up a show. They can now manage their connections and work together toward the same goals, thus the team is fully operational. The leader makes the team feel at ease and encourages them to open out to him. While allocating

responsibilities, the leader must also recognise when the team has reached a new level of performance.

A similar procedure has been described by various researchers using different names for the steps (e.g., working group, pseudo team, potential team, real team and ending with a high-performance team). Regardless of the identifiers used, the evolution of high-performance teams is almost consistent across time. Consequently, this four-phase model works well for general organisational reasons, but some academics suggest that a fifth stage occurs when the group dissolves: adjourning or mourning, the emotion of sorrow and loss that comes with the parting of a successful team.

### **COMMON TYPES OF HIGH-PERFORMANCE WORK TEAMS**

Organizations often form five sorts of teams to meet work objectives, albeit their length, purpose, and final goals vary.

#### **Work teams**

A work team is a group of people who work together on a regular basis to produce or provide a product or service. As a rule, they have a stable group of members that are both full-time and defined. Work teams may be found in both production and service contexts, and the bulk of decisions about what gets done, how it gets done, and who gets to do it are made by supervisors. Teams that allow employees to make decisions traditionally made by supervisors are growing increasingly prevalent.

#### **Parallel teams**

Teams that work side by side are known as parallel groups

For activities that are beyond the capabilities of the organisation, personnel from different departments or vocations form parallel teams. There is little power or authority that they can wield, and they are limited to making recommendations. Parallel teams are engaged in problem-solving and improvement-oriented tasks (e.g., quality improvement teams, employee involvement groups, quality circles or task forces).

### **The project teams**

Project teams are often bound by time and provide just one product (e.g., a new product or service, information system or plant). There is no such thing as a one-size-fits-all approach when it comes to project-team responsibilities. A wide range of expertise may be brought to bear on the project as a result of the wide range of disciplines and functional divisions represented in the group.

### **Teams of managers**

The overall performance of a business unit is coordinated and directed by the management teams responsible for each of its subdivisions. The power of the management team is derived from the fact that each member has a position of authority. With their combined experience and shared responsibility for achieving the company's overall success, executives define strategic direction and govern the company's performance.

### **Teams that work remotely**

A virtual team is a group of individuals who work together to accomplish a common goal, regardless of location, time, or organisation. They are linked electronically through webs of communication technologies (e.g., the Internet, Skype, WebEx, internal networks). When working on specific duties for an organisation, members of a virtual team may never meet face-to-face but instead rely on electronic communication and information technology to get the job done. Companies may use virtual teams to get the finest personnel for a project regardless of where they are located. They're also thought to be more efficient in terms of time and associated trip expenses.

### **High-Performance Work Teams Face Common Obstacles**

Given the significance of teamwork in today's economy, experts have concentrated on identifying the distinguishing characteristics of high-performance teams through evidence-based organisational research.



- A high-performance team may be described in a variety of ways, but a lack of these characteristics might be an indication that the team needs to be reinvigorated.
- Leading with a stance of non-participation Members of the team fail to lead in a democratic way that includes and engages all members of the team.
- Making poor decisions. Members of a team that lack a balance of rational and intuitive methods to decision-making tends to act too hastily.
- A lack of communication is a major issue. Communication is very limited and often disrupted.
- There is no consideration for the differences among people. Members of a team don't take into account the diverse backgrounds and experiences of their coworkers, which leads to a lack of diverse viewpoints and less effective decision-making and solutions.
- There is a lack of trust between the parties. Individuals in the team lack total trust in one another and in the group as a whole.
- A lack of emotional maturity allowing resentment to fester and not resolving conflicts in an open and honest manner may have a negative impact on team morale.
- A lack of concentration on the final goal is evident. There is a lack of commitment and engagement on the part of the team members since they are unclear about their responsibilities and the general team goals.
- It's unclear what each person's job responsibilities are.
- They aren't sure what they should or shouldn't be doing in order to show their support for the team and help it succeed.
- Relationship difficulties. A lack of trust in the team has a negative influence on its efficiency and effectiveness.
- There's a bad vibe in the air. There are many factors that contribute to a team's inability to perform at an optimum level.

## **POLITICS AND POWER**

Groups and organisations utilise power and politics to maintain and protect themselves, as well as to govern their members. In order to foster a sense of community among individuals and groups, as well as inside organisations, it is necessary to master the art of managing power and politics. Power and politics have a significant impact on the behaviour of both individuals and groups inside organisations. Their authority is used to satisfy their fundamental needs or achieve desired consequences. Members and employees of organisations rely on politics and the use of power to help them achieve and maintain their goals. Politics and power have a role in organisational leadership and in team processes in Organizational Behaviour (OB). Using power and politics to direct a company's actions may be both unethical and harmful to the business. Organizations are made up of groups of people or systems. All organisations have some kind of political engagement. As a consequence, organisational life is dominated by political ties. The strategic deployment of political power in organisations is the acquisition or control of real symbolic resources. On the subject of organisations as political entities, Max Weber published an article in 1947. The emergence of political ideas in intra-organizational behaviours, according to Bacharach's theory from 1978, is dependent on the existence of interest and coalition groups inside the company. Dehrender's study in 1959 made it clear that there are three groups that are important for the political analysis of any organisation: Work groups, Work groups, and Work groups. Groups of people who have common interests. Groups that form a coalition.

## **EXAMPLE OF POWER DEFINITION**

In 1996, Gbadamosi defined power as "the ability to employ force and mobilise resources, energy, and expertise on behalf of a preferred objective." According to Max Weber, who coined the

term "power" in 1947, it is "the ability to accomplish one's goals despite resistance."

Power is the ability to force one's own will on a group of people despite opposition. Which may include frequent supply interruptions, incentives, and punishment, as well as the consequence of Blan's unfavourable approval in 1964.

### Different Kinds of Power

Etzioni, in 1961, identified three types of power:

Coercive Power is a term used to describe the ability to force someone to do

Remunerative Power is a term that refers to the ability to earn money

Normative Power is a term used to describe a person's ability Coercive Authority

It's predicated on the power to inflict harm on another person.

Powerful Remuneration

Material resources are in charge, and incentives are distributed.

Normative Authority

The control of symbolic rewards underpins this authority.

### **POWER RESOURCES**

There are four basic sources of power after determining the primary source of electricity:

Power in an office or in a structural position Individual Personalities Expertise is a powerful tool, as is the ability to seize opportunities. The ability to wield influence in a position of authority you may have access to a number of power sources because of your position in the workplace or structure. Some jobs may provide less information but more powerful resources, while others may offer the ability to modify symbols or organise internal commitments to particular criteria. Individual Personalities Shakti Charisma is the most prominent personal quality that contributes to this. The captivating leader, according to Weber (1947), has the power of uncommon and frequently unexplained features. However, significant human attributes may

include linguistic abilities, the capacity to successfully argue for viewpoints, or even physical features, such as a supporter's loyalty or the opposing position's physical impairment.

### **The Influence of Expertise**

Expertise is a term that refers to particular knowledge. It is frequently centred on activities that take place outside of the organisation, such as education. It is seen as a source of power rather than a foundation for power in French, since it seems to be a method of bringing a party under control rather than controlling particular information.

### **The Influence of Chance**

This unique source of influence is ingrained in the organization's informal structure. This concept arose from a mechanic's research of the power of in 1962. Regional workers, for example, are at the lowest level of a company. Informal components of formal jobs, as well as unofficially recognised informal positions, may be a significant source of organisational influence.

### **The movement of power**

A typical power transfer occurs from higher to lower managerial positions. It refers to superiors' control over subordinates and pertains to improving subordinate relations as a whole. The treatment of power, on the other hand, implies that subordinates may exercise power as well, and that power is genuinely multifaceted. The multidimensional component of power has the impact of giving subordinates the capacity to influence senior and superiors in order to get the most out of their subordinates as defined in formal role requirements. As a result, a political approach to organisations implies a multidimensional picture of power, as well as a significant difference in terms of structure and impact.

## **POLITICS OF ORGANIZATION**

When the Greek term "polis" was translated into English, it was translated as "city, state, and political." He originally used this

word in his work *Politics* between 384 and 322, when he discussed worries about Greek cities or states. Man, he believes, is a political person who engages with others in a manner that is mutually advantageous for all parties concerned. In 1951, Lasswell described politics as "basically a competition for positions of power and influence through which such monopolies enable society to make choices that touch the life of every person of the nation." Politics may be used in both governments and organisations to struggle for power and influence, as well as for conflict and negotiation. Conciliation, resolution, and agreement are all terms used to describe the process of reaching an agreement. State politics and organisational politics are two different sorts of politics. We'll concentrate on organisational politics here. One of the most important aspects of an organization's politics is a person's activities that are not directly related to the organisation, such as those that are designed to achieve personal and self-serving objectives. They seem impractical, yet there are significant differences from one organisation to the next. Organizational politics often brings up ethical dilemmas, and bargaining is a crucial aspect. Because individuals look at the big picture, organisational politics causes a lot of reactive emotions. The manner in which both negative and positive processes occur is determined by the specific perspective. Those who excel in organisational politics, on the other hand, are perceived as positive, and they may also be successful competitors in other ways.

### **ORGANIZATIONAL POLITICS TACTICS**

To acquire a competitive edge, the following organisational politics strategies have been recommended. Experts can affect the time and location of your negotiation attempts, ensuring that the circumstances are favourable to your objectives. It is often preferable to negotiate in your own neighbourhood. This is a good negotiation approach if you want to keep your genuine interests hidden for as long as feasible. Service Excessive eagerness might result in a loss of district. In relation to other relevant concepts. Shoot for the moon at first so you can settle for less later, but don't

apply this strategy on the same individual. Identify any flaws that might be detrimental and work on them on a regular basis. They should be promoted. Bind assemblies are coalitions that strive to split and conquer by highlighting the differences between the alliance and any of your mutual interests with each member. Form alliances with superiors, peers, and subordinates so that when the time comes, you can rely on them. Allow yourself to be counted on your behalf. Choose subordinates who are not just capable, but also dependable and loyal. You don't get to the point where you can depend on your opponent's knowledge. If you lack expertise in a certain field, hire your own expert and take efforts to gain reputation. Do not damage anybody else in a position where he may be able to retaliate. When you step down, don't alienate or offend former allies. Bridges that have unexpectedly burned may be necessary. If an adversary's proposal is unappealing but cannot be rejected right away, an effort is made to send it to a committee to lower it and expand the negotiation space. When the conclusion is unknown, it is generally preferable to encourage aggressive efforts rather than allowing others to gain an advantage. If you're in a rush to sink, it'll be quicker to get on this method. Control the ship's direction. When dealing with an opponent, strive to keep the door open so that no communication is cut off, and issues may still be handled if required. Avoid dealing with personalities, never attack the opponent personally, and concentrate on the facts and problems at hand. Determine when and under what conditions a vote should be cast. When you've figured out how to let things go, it's time to vote for a resolution. These were the primary political methods used by the group.

### **ORGANISATIONAL BEHAVIOR IN CONFLICT**

Conflict in the workplace, also known as organisational conflict, occurs when there is an actual or perceived conflict of needs, values, and interests amongst colleagues. There are a variety of ways in which conflict may arise in the workplace.

When two or more people feel they are at odds, they are in a conflict situation. Interpersonal conflict occurs when individuals disagree about their goals or the best way to attain them. A quarrel may be both useful and detrimental at the same time. The way in which a conflict is handled may make all the difference. Despite our best efforts, conflict will inevitably arise at some point. When conflict is worked out, it may lead to a number of positive outcomes. A well-managed conflict has the potential to help bring about constructive change in the world. S. R. Robbins defines conflict as "a process in which a person or unit makes a determined endeavour to impede another, resulting in the frustration of the other's goals or the advancement of his or her interests."

According to the aforementioned definitions, if an individual employee, manager, department head, top management person, or trade union leader opposes a particular topic, the smooth operation of the corporate organisation is hampered, and the company's normal work is disrupted.

### **CONFLICT HAS MANY IMPORTANT FEATURES, INCLUDING:**

- 1. It Aids Analytical Thinking:** Conflict may cause ideas, attitudes, rules, policies, objectives, and plans to be challenged, necessitating critical analysis to explain them as they are or make adjustments as needed. "No circumstance is more harmful to an organisation than allowing bad judgments to continue unquestioned," says H. M. Carlisle.
- 2. It Promotes Cohesiveness:** In order to compete with outsiders, conflict between various organisations fosters loyalty and cohesion inside an organisation, as well as a stronger sense of group identity. It promotes devotion and commitment to the organization's objectives.
- 3. Conflict Increases Efforts by Promoting Competition:** It has been noticed that certain people are extremely driven by conflict

and harsh competition. For example, a professor who has been refused promotion due to departmental disagreement may strive harder to demonstrate that he is more competent and deserving of advancement. As a result, it might result in a high degree of effort and productivity.

#### **4. It Provides a Foundation for Organizational Development:**

Change necessitates conflict with the status quo. People that are creative and inventive are continuously seeking for reasons to question the current quo. These difficulties prompt people to look for alternatives to established patterns, resulting in organisational change and growth.

**5. It Lowers Tensions:** Unspoken arguments may lead to imaginary distortions of reality, feelings of irritation and stress, mental exaggerations, and prejudiced views, all of which can lead to dread and mistrust.

The following are the several forms of organisational conflict:

Type #1: Task Conflict: Task conflict refers to the work's substance and objective. Conflict between team members might affect the goals and tasks they are striving to complete, according to Graves. Differences in vision, purpose, and quality expectations may be to blame. Any task disagreement must be focused and channelled so that these differences become collaborative and contribute to improvements in the way current and future tasks are completed. Converting a quarrel into a friendly competition might be a good strategy to get the most out of both parties.

Type # 2: Role Conflict: Role and responsibility conflicts are particularly prevalent during or soon after organisational change, particularly restructurings. It's possible that people are unsure who is accountable for which actions and outcomes.

An employee who previously handled two significant client segments was hesitant to surrender entire responsibility to the



new manager after an international strategic business consulting company reorganised its management team. While his successor tried to establish a fresh course, he continued to question workers and give directives. Employees were caught in the middle with two managers providing input, causing friction among them as well as between the supervisors.

Type #3: Process Conflict: Here, we're talking about the process through which a project is finished. The process, processes, actions, or tactics utilised to achieve a goal are the focus of this kind of dispute. Some people like to plan out their moves in advance, while others prefer to jump right in. Communication breakdowns and, eventually, conflict may result from these disparities in methods or procedures. Healthy variances in process methods often contribute to better work performance.

When two departments, teams, or organisations collaborate on a process, process conflict is typical. They may have different perspectives on the process and disagree on how it should be carried out, or they may point fingers instead of communicating efficiently when issues develop.

Type #4: Directional Conflict: When organisations are compelled to reassess their plans and concentrate on shorter-term operations, as many were during the economic slump, directional conflict occurs. Employees may not understand how to prioritise long-term vs short-term demands, or one department may operate tactically while another operates strategically.

External Conflict (Type # 5): External conflict occurs when consumers or other stakeholders exert pressure on internal choices. Recent economic issues have forced businesses to modify and adapt, such as cutting costs while improving customer service. Sales or customer service representatives lobbying for clients' requirements may have clashed with operations workers attempting to fulfil corporate objectives.

A health-care software business, for example, was attempting to launch a new product. Employees in sales and customer service continued to provide feedback to the programming team, which tried its best to implement the suggestions into the product. The development process was prolonged beyond the scheduled release date as more demands came in. Customers protested that their ideas were not integrated when management eventually opted to release the product without further improvements, causing even more dispute.

### **MODEL FOR CONFLICT RESOLUTION:**

The following are some of the organization's most prevalent strategies:

**1. Avoidance:** In this case, the parties in dispute might either retreat or hide their incompatibility. Avoidance methods are used by the organisation. When there is an obvious benefit to delaying the resolution of the disagreement. If corporations are too preoccupied with more pressing concerns, avoiding is the best option.

We don't explore our own or the other person's stance, therefore the disagreement goes unaddressed. We may just avoid discussing it, defer the matter, or exit from the circumstance. When the issue is laden with emotion that prevents reasonable dialogue, when you have little chance of resolving your problems (e.g., business policy), or when other individuals may be better suited to tackle the problem, avoidance is beneficial.

**2. Competition:** Win-lose strategy in which a person aims to achieve his or her own goals regardless of the implications for other parties engaged in a disagreement. When dealing with strong personalities, organisations use organisational techniques. This is an example of a senior person using their authority to resolve a problem.

We want to assert or 'win' our viewpoint at whatever cost to the other person's wants. To attain this purpose, we employ whatever strength (rank, knowledge, etc.) we have. In emergency circumstances or when strong measures are necessary that are not in the best interests of the other person, such as cost savings, redundancy, regulations, and punishment, competing behaviour may be beneficial.

**3. Collaboration:** When parties collaborate, the goal is to address the issue by resolving disagreements rather than tolerating different points of view. It's a win-win situation in which both sides realise their objectives. When time is of the essence, concerns are insignificant, and the intentions of the other party are incorrect or unlawful, cooperation are unsuitable.

Collaborating is seen to be one of the greatest methods, particularly when the organization's interests are at risk. This strategy is most often utilised when the organisation believes the issue is essential. This strategy is often employed in all organisations where interpersonal conflict must be resolved. It encourages problem-solving creativity. It takes longer than other methods.

We aggressively collaborate with the other person in order to properly address both sides' issues. We examine and collect data, look for underlying reasons, and attempt to view the problem from both perspectives so that no party needs to concede.

Collaboration helps to bring together extremely diverse perspectives on a subject (e.g., the answer is one that neither individual would have come up with on their own), obtain commitment from those who would have to put the solution into action, and form long-term relationships.

**4. Accommodation:** It's a lose-lose scenario in which one party attempts to please an opponent, and that person may be prepared to put the interests of the opponent ahead of his or her own, in other words, one party willing to be self-sacrificing. When a

disagreement arises over a minor issue, the organisation adopts accommodating tactics to settle the problem.

We put our own interests aside for the sake of the other person. We have a proclivity for altruistic kindness, even charity, and are completely noncompetitive. Accommodation is beneficial in the long run, for example, when giving in on this point will lead to better future relations, or when harmony is more essential than this specific problem.

**5. Compromise:** It is a well-accepted conflict-resolution method. There is no apparent winner or loser in this game. It's a circumstance when both parties are prepared to give up something. Its usage is useful when collaboration is necessary but time/resources are limited, or when achieving a result, even if it is less than ideal, is preferable than having no answer. When a creative solution is required, it is not appropriate.

The organization's second alternative is to use compromise techniques. When dealing with moderately significant problems, organisations utilise a compromise technique. It often leads to a speedy resolution. We want to find a solution that is acceptable to all sides and addresses their concerns in part.

It requires a desire to give and take, as well as the assumption that both parties are capable of giving ground. When fulfilling your concerns, although vital, is not worth the work or disruption of more forceful techniques, compromise is beneficial for finding a temporary resolution to a difficult problem or an expedient solution under time constraint.

The manager's job is to keep an eye on his unit's actions. Employees must be closely observed on a regular basis. Employees who are unhappy with one another or their work environment are seldom candid about their grievances. Unfortunately. Instead, they may feel enraged but never attempt to express it.

The conventional 'Win-Win' solution that we frequently want when settling a conflict via negotiation should truly be reached through Collaboration, yet compromise is often the consequence. A Win-Win compromise will end the current problem, but it may not change underlying differences or mindsets.

### **DISADVANTAGES OF ORGANIZATIONAL CONFLICT**

Conflicts may be very harmful and should be avoided for the following reasons

1. Individual productivity is harmed by wasting time and effort.
2. People labour for their personal flaws/interests rather than the goals of the organisation.
3. Instills distrust in the mind about the person, the organisation, or the management.
4. Increase the number of employees who leave.
5. Leads to disloyalty and a rebellious attitude, as well as a loss of inventiveness.
6. People's unresolved rage.
7. There will be more personality confrontations.
8. People have lower self-esteem.
9. Your psychological well-being is in jeopardy.
10. It creates a bad atmosphere.
11. There is a breakdown in group cohesiveness.
12. Make people feel stressed.
13. It causes annoyance.

### **RESOLUTION OF THE CONFLICT**

There are five possible approaches to settle a conflict:

**Way #1: Competitive Style:** When a person needs to take rapid action, make tough decisions, handle essential problems, or be protected in a situation where non-competitive behaviour may be misused, the competitive style is chosen. To cultivate this style, one must learn to discuss and dispute, to utilise one's status or position, to establish one's thoughts and sentiments, and to declare one's stance and stand firm.

There may be a lack of feedback, learning, and empowerment when this strategy is overused. This may result in "Yes-Men" surrounding you. People that engage in a competitive manner typically make inflammatory remarks due to a lack of interpersonal skills training. As a result of heavy usage, the individual will make blunders in work performance by concealing information, speaking behind another person's back (or "backstabbing"), making disapproving eye motions and gestures, and causing distractions by fidgeting or interrupting. There are several indicators of misuse of this approach, such as constant stress or wrath, as well as occasional violent outbursts. Withdrawn contributions and indecisiveness are common side effects of using the competitive style of leadership.

**Way #2: The Avoiding Style:** When you are unable to fulfil your own or the other person's anxieties, this style comes into play. This individual lacks the ability to express themselves and work well with others. The goal is to postpone something that is unavoidable. This technique may be used to cope with small issues, ease tensions, or purchase some more time. For example, avoidance is a good strategy for those in low-power positions, those who must outsource conflict resolution, or those who are concerned about a larger issue that has to be addressed.

This may cause a breakdown in team communication if avoidance is overused, which can cause a lack of input, default decision-making and a lack of problem-solving. Teamwork may be hindered as a result of a lack of productive brainstorming sessions. People who engage in excessive avoidance believe they are unable to communicate openly without fear of penalties. Conflict

avoidance is often used as a consequence of childhood events, prior work-related situations, and bad conflict resolution experiences.

Silence, melancholy, and lying are all behaviours linked with excessive avoidance. More subtle forms of avoidance behaviour include procrastination, adopting an opposing point of view during decision-making, or being aloof or hesitant with other members of the team. When avoidance is employed excessively, it may lead to extreme behaviour. A person becomes cynical, critical, and caustic.

A lack of use of the avoidance method has resulted in a lack of warmth and a negative attitude. Taking on too many things at once might make it harder to prioritise and delegate, making work more challenging. Ineffective avoidance may lead to a team member denying a problem exists and allowing their unhappy feelings to impede discussion.

Using the Compromising Style: This tactic is both aggressive and cooperative at the same time. Compromise may be used when both parties are equally strong and committed to opposing perspectives, but only in topics of intermediate concern. As a backup for the competing and collaborating styles if they fail to settle the situation, this style produces intermediate solutions.

When negotiating a solution for an issue, compromise skills include the ability to communicate and sustain a dialogue; a willingness to give up a piece of what you want; and the ability to assign value to all the components of the problem.

Compromise may lead to a lack of trust, a cynical culture, and a feeling that there are no defined ideals if it is overused. Compromises made to appease others without resolving the original disagreement may be the result of excessive usage of compromise.

A lack of usage leads to unnecessary disputes, frequent power fights, and ineffective negotiations.

**Way #4: The Collaborating Style:** When both parties are concerned, the Collaborating Style is used. It has a strong sense of self-assuredness while yet being quite cooperative. The objective is to develop a solution that benefits both parties. Incorporating solutions, gaining commitment, and improving relationships are all viable uses of the collaborative method. Using this strategy may help with open discussion of problems, task competence, equal distribution of work among team members, enhanced brainstorming, and the development of creative problem-solving abilities. When working in a team environment, this method might be used often. Collaborative skills include the ability to listen effectively, tackle problems in a non-threatening way, analyse information, and discover underlying difficulties. Cooperating too much may lead to waste time on little matters, losing responsibility for the outcome of the project and being a victim of exploitation. Insufficient utilisation may lead to short-term solutions, a lack of commitment from team members, disempowerment, and a loss of creativity.

**The Accommodating Style is the fifth method.** Put your own concerns aside in order to accommodate others' demands, says the Accommodating Style. These people have a low aggression and high collaboration level. The goal is to give up. Accommodating is allowed when you wish to show that you are reasonable, develop performance, generate goodwill, keep peace, retreat or deal with small complaints. Sacrifice, selflessness, obedience, and submission are all examples of accommodating skills. An abuse of the accommodating strategy diminishes the value and impact of the ideas that are being accommodated. Concern about future uncertainty and lack of incentive to change are linked to excessive usage of the accommodating strategy. Lack of trust, low morale, and a reluctance to give in are all possible outcomes of not using the accommodating method. When the accommodating method isn't employed enough, a person may show indifference as a strategy of avoiding dealing with their anger or pain.



### **NEGOTIATION**

Negotiation is a debate between two or more parties with the goal of resolving disagreements and reaching an agreement. Each side strives to further their own interests while simultaneously attempting to reach a compromise. A negotiation may take place in a variety of settings in an organisation, including pay negotiations during recruiting, talks with unions over their wishes, settling employee problems, downsizing choices, financial allocations, and so on.

Negotiation is a method for settling disputes. An agreement or compromise may be reached without the need for confrontation or dispute. In any dispute, people naturally want the best possible outcome for their position (or perhaps an organisation they represent)

The goal of a negotiation is to find a solution to an issue that both parties can agree on. They're both trying to get the other person to agree with their version of the storey in a negotiation. In order to avoid arguing, the parties involved in the negotiation try to come up with a compromise.

### **NEGOTIATION ELEMENTS**

The method people negotiate with each other is referred to as the negotiation process. The approaches and strategies used to negotiate and obtain a solution are included in the process.

The way two parties interact with each other throughout the negotiating process is referred to as behaviour. The way they engage with one another and communicate with one another to make their ideas known all fall under the category of behaviour.

Substance- Individuals must bargain against a set of goals. In order to negotiate, it is necessary to have a subject. Going to a late-night movie was the first item on your list, which you wanted to negotiate with both your parents and your pals.

Finally, negotiation is nothing more than an approach to reaching an agreement through which all sides get something from the process while also avoiding issues.

### **Negotiation Styles**

The following are some of the most popular designs:

- Accommodating - This entails maintaining the connection while also giving in to the desires of others. Such individuals are readily exploitable.
- Avoiding - Unless absolutely necessary, these individuals will avoid it.
- Collaborating - They are attentive to the issues of others and can readily solve complicated problems via negotiation.
- Competing - These people aim to win the talks, which means they attempt to get the most out of the contract for themselves. Relationships are of little value to them.
- Compromising - They are too eager to conclude the transaction by caving in to the other party's demands.

### **MODELS OF NEGOTIATION**

Win-Win Model - In this model, everyone who participates in the negotiation benefits. In this paradigm, no one loses money, and everyone benefits from the negotiation. This is the most often used negotiating model.

Let's look at an example to assist us understand:

Daniel wanted to purchase a laptop, but the model he liked was too pricey. He went to the store and bargained with the vendor for a lower price. It took many rounds of discussion and persuasion before the shopkeeper finally agreed to an acceptable price for both Daniel and himself. Daniel was ecstatic to finally be able to afford the laptop he had always wanted without having to empty his wallet. Due to an increase in income and an additional

customer who would be returning in the future, the company owner also gained.

The Win-Lose Model is one in which one side wins and the other loses. In this paradigm, one side profits while the other remains unhappy after multiple rounds of conversations and negotiations.

Please recall Daniel's desire to purchase a laptop from the last case. In this case, the transaction benefitted both Daniel and the business owner. Let's pretend Daniel can't afford the storeowner's pricing and asks him to reduce it even further. If the shop owner cuts the price much more, he will not be able to make a profit, but Daniel will be overjoyed. As a result, Daniel would be pleased after the discussion, but the shopkeeper would not. In a win-lose scenario, both sides are dissatisfied, but only one of them reaps the benefits.

The Lose-Lose Model is named after the fact that the conclusion of a negotiation under this model is zero. This approach benefits none of the parties involved.

Daniel and the shop owner would have gotten nothing out of the agreement if Daniel had not bought the laptop after numerous rounds of haggling. Daniel would return empty-handed, and the shopkeeper would undoubtedly lose money.

In this approach, the two sides are often unwilling to accept each other's points of view and are unwilling to compromise. There are no conversations that can assist.

### **NEGOTIATION SKILLS DEVELOPMENT**

#### **1. Recognize the need of comprehensive planning.**

However, despite our best efforts, we often fall short in our preparation for negotiations. Underprepared negotiators make unnecessary concessions, fail to see value sources, and walk away from favourable agreements, according to studies. The most important thing you can do to improve your negotiation skills is to meticulously prepare for important encounters. In order to be

prepared for a negotiation, you should set aside a certain amount of time each day for research and study, create a negotiation checklist for tasks to complete, and seek the assistance of a negotiation coach (see point 5 below). Do some research on your best alternative to a deal, or BATNA (what you'll do if this negotiation fails), and try to figure out what your counterpart's BATNA is.

### **2. be proactive when it comes to negotiating training.**

If you're going to work on your negotiating skills via a formal training programme, don't fall into the trap of just taking notes on what your instructor says. In addition to taking notes, think about how these ideas could relate to your own conversations. What are the consequences for your practise of what you've just read? Ask for clarification or a particular example if you don't understand a topic. Students should be able to negotiate with Harvard Business School professor Max H. Bazerman, who advises them to look for recurring themes in the course material. The ability to draw parallels between two or more events has been found to improve our ability to retain information. As a consequence, pupils who pay attention when a subject is brought up several times are more likely to retain the information than those who don't.

### **3. Expect to make mistakes.**

There is a lot of work involved in learning how to negotiate. Students are often required to participate in role-play situations designed to expose flaws in their thinking, such as an overconfidence bias, by their instructors. Student reactions to realising their intuitions were wrong are often fearful and defensive, says Bazerman. However, this is not an indication of a defect in one's character. According to Kurt Lewin, a psychologist who developed an influential model of change, it is necessary to feel uncomfortable with portions of our behaviour in order to improve our negotiation skills. It is easier to acquire healthy negotiating patterns if you recognise the fact that almost everyone has a predisposition for judgement biases that influence our decisions in negotiations, says Bazerman.

### **4. Practice, practice, practice.**

Bazerman argues in the Negotiation Briefings newsletter that developing novel ideas into intuitive methods takes time and experience. Negotiation training and study help us to put principles into practise, but the transformation process does not stop with the training. You must remain vigilant as you prepare to use newly gained negotiating abilities in the job. Consider what you've learnt. You should think about the topics you'd want to employ the most in your conversations and put them into practise both in the workplace and at home. Friends and family members are more forgiving of your mistakes when it comes to negotiating. A new strategy will become second nature and eventually replace old methods if you purposefully use it in numerous applications, according to Bazerman.

### **5. Find a good negotiation coach.**

If you're in the middle of a major negotiation, there's a good chance you can turn to someone in your company for expert counsel. Effective negotiation coaches concentrate on developing your negotiating abilities rather than just instructing you what to do in a certain circumstance. Top negotiators, according to Massachusetts Institute of Technology professor Lawrence Susskind, are well versed in an explicit theory of negotiation (such as the mutual-gains approach taught at Harvard Law School's Program on Negotiation), which allows them to explain and predict what will and won't work. Look for a negotiating coach who can assist you in setting objectives, determining which strategies to attempt, and deciphering what transpired afterward. A competent negotiation coach, according to Susskind,

- (1) guidance that is consistent with their negotiating style,
- (2) emphasises the importance of preparation,
- (3) practises new negotiation skills and debriefs the ultimate results.

### **NEGOTIATION SKILLS' BENEFITS**

Negotiation is a sought-after leadership talent that aids firms in achieving their goals. Here are a few reasons why workplace negotiating skills are so important:

**Builds a relationship:** Regardless of differences of opinion, negotiating skills assist in finding a solution and focusing on building goodwill and value. This helps to establish a long-term connection.

**Provides outstanding results:** Good negotiating abilities guarantee that conflict resolutions are long-term. Because both sides make a compromise only when the solution is agreeable, it focuses on building long-term solutions.

**Future disputes are reduced:** Because both sides agree on a shared solution, the possibilities of future conflicts are greatly reduced.

A business-friendly environment may be created via effective negotiation abilities. This also increases the chance of future business transactions.

### **Negotiation skills examples**

Here are a few examples of negotiating skills that might help you be a better workplace negotiator:

#### **Communication**

The backbone of every negotiation is communication. The outcome of the negotiation is determined by how you communicate. It entails recognising nonverbal signs, choosing the appropriate words, and expressing yourself in a captivating and engaging manner you must provide the proper message to the audience in a concise manner... It's not uncommon for negotiators to be attentive listeners who help them decipher the opposing side's message. A productive discussion provides a win-win situation and prevents misunderstandings that might impede the parties from reaching an agreement.

## **CULTURE OF ORGANIZATION**

For commercial success, having a strong business culture will be essential. Also, the results will be seen in your bank account:

1.5 times more likely to have revenue growth of 15% or more and 2.5 times more likely to see a large stock gain are the organisations with healthy cultures in three years. Despite this, just 31 percent of HR executives believe their organisations have the culture they need to support future success, and getting there isn't simple – 85 percent of companies fail to transform their cultures.

Step-by-step instructions for converting your company's culture into a major asset, from understanding what culture is and why it's crucial to building a culture that consistently generates results.

## **WHERE DOES ORGANIZATIONAL CULTURE COME FROM?**

As a team, we are all guided by a set of values, expectations, and practises known as organisational culture. You might think of it as a list of the attributes that make up your company. It is possible to have a strong corporate culture and a dysfunctional corporate culture, both of which have detrimental effects on business performance.

Don't confuse culture with company goals or a mission statement, despite the fact that both may help define it. Consistent and honest acts, not press releases or policy declarations, are what create a culture. A company's culture may be seen in action via how a CEO responds to a crisis, how a team handles new customer demands, or how a management corrects an employee who makes a mistake.

## **THE VALUE OF CULTURE IN YOUR BUSINESS**

From the tone and timeliness of your company's employees to the terms of their contracts and other benefits, your company's culture has a direct impact on the way you do business. When the workplace culture is matched with the requirements of the employees, they are more likely to feel comfortable, supported,

and respected. In times of uncertainty and change, companies that put a high value on their culture may thrive.

In terms of attracting new employees and outperforming the competition, having a strong corporate culture is critical. 77% of workers who check out a company's culture before applying say they'd be willing to take a lower-paying job with a better culture than their current one. One of the primary reasons why almost two-thirds of employees (65 percent) stay in their positions is because of the company's culture. Culture is a collection of values, expectations, and practises that govern and influence the behaviour of all team members. Think of it as a collection of traits that identify your company. Don't confuse culture with company goals or a mission statement, despite the fact that both may help define it.

### **A GREAT ORGANIZATIONAL CULTURE'S QUALITIES**

For every firm, there is a unique culture that must be preserved. Key traits that you should seek to nurture may be found in the cultures of high-performing companies.

Alignment occurs when a company's goals are aligned with the motivations of its employees. Exceptional companies make it a priority to keep their mission, vision, and goals in harmony at all times.

Recognition may come in many forms, from public acclaim to an individual thank you note. When everyone on the team regularly expresses their thanks and appreciation for the contributions of their colleagues, this is what is meant by a culture of thankfulness.

To be successful, an organisation must be able to foster a culture of trust among its members. When there is a trusting environment, team members can be themselves and know that their colleagues would back them up when they take risks.

Due to the fact that great companies foster a business-oriented culture, results are critical. Profitability and output have grown as a consequence of these companies' talented employees



encouraging one another to succeed. Resilience is essential in situations characterised by rapid and frequent change. The ability to foresee and adapt to change is a key competency for leaders in a strong culture. Teamwork encompasses several different elements, the most important of which are cooperation, communication, and mutual respect. The more everyone in the team cheers each other on, the more work gets done and the happier everyone is. Teams that rely on each other to make decisions, analyse data and develop relationships need integrity, like trust. Honesty and transparency are essential in this area of society. Innovators are able to take use of available resources, technology, and markets. To have a culture of innovation, you must approach everything you do with a fresh perspective, including your own cultural efforts. Creating an environment where employees feel comfortable enough to take chances and provide honest feedback is essential. Managers must take the lead in creating a safe workplace where everyone feels comfortable contributing. Keep in mind that psychological safety starts at the team level, not the individual level.

### **THESE ARE THE EIGHT STEPS TO CREATING A HIGH-PERFORMING ORGANIZATIONAL CULTURE**

Developing and executing a plan with clearly defined objectives that you can work toward and evaluate is essential to creating a successful business culture. You may use the eight steps below as a guide to help your company create an environment of long-term stability.

#### **1. Be recognised for your achievements.**

An organization's culture may be positively impacted by recognising and rewarding employees' contributions. It's easier for people to see how they fit into a larger picture when everyone on the team appreciates each other's triumphs. Even the most jaded workers want to know that their labour is appreciated, and they notice when it isn't – 76 percent of employees don't feel especially recognised by their bosses. According to experts, key metrics like employee engagement, retention, and productivity rise when a

company's culture emphasises the value of recognising employees for their hard work and achievements.

In order for recognition to become a part of your company culture, it has to be done every day, not only on special occasions like anniversaries. Persuade your team members to regularly employ methods of social praise and monetary incentive to motivate one another. It has a substantial financial impact: companies that invest in social recognition are four times more likely to boost stock prices, twice as likely to improve NPS ratings, and twice as likely to improve individual performance.

The significance of receiving a monetary reward cannot be overstated, though. It may be worthwhile to consider using a point-based reward system that enables employees to rapidly accrue big points balances. These employees will appreciate the opportunity to exchange their points for something meaningful to them, rather than just another generic coffee cup or certificate, which will sit on a shelf gathering dust.

Recognition should be clearly tied to business concepts and specific behaviours in order to develop other cultural qualities. A majority of employees agree that when they are recognised for good behaviour, they are more likely to repeat it.

Last but not least, leadership must be at the forefront of your recognition efforts, as they are the cultural trendsetters for your whole enterprise. You should include a discussion of how to recognise people into your leadership training and explain why this is so vital.

### **2. Allow employees to speak out.**

A culture that does not value employee input and actively encourages employee participation could lead to lost revenue and demotivated employees.

To begin, use listening technologies like as pulse surveys and workplace chat bots to collect input and make it easy for employees to express how they're feeling right now. Once you've

analysed the data to see what's working and what isn't in your firm, you should take action while the information is still current. Additionally, it has other benefits such as increased employee satisfaction and profitability. This strengthens your company's culture as well. Gallup found that companies with managers who receive feedback on their strengths are 8.9 percent more profitable than those without.

Do not overlook subtler forms of input, such as those outlined above, which can help you identify cultural flaws in your work. Focus on employees' nonverbal cues like their posture and eye contact. Video conferencing may help maintain this nonverbal communication channel open if you're working with a distant team. Managers should use all of their meetings with workers as chances to collect and react to feedback while also acting as a trusted coach.

### **3. Empower your leaders to be cultural champions.**

Organizational leaders and managers have a direct impact on whether or not your company's attempts to foster a pleasant workplace culture are successful. A company's efforts to promote certain values are damaged if its leadership team does not embody or even contradicts these values. Members of the team will be aware of the mismatch between what they say and what they do. The fact that management seems to be rewarding them for their bad behaviour might lead them to start acting in the same way.

It's possible that your executive team may help you create the culture you want by making it a top priority in all they do. As part of their cultural advocacy efforts, they must be open to receiving feedback from their employees and incorporating it into the organization's culture. While 76 percent of executives believe that their company's values are well conveyed, just 31 percent of employees agree. Employees will follow in the footsteps of their bosses if they see them embodying the values of the company.

### **4. Adhere to the ideals of your firm.**

Your company's principles are at the heart of its culture. Writing a mission statement is a fantastic first step, but it's not enough to live by your company's beliefs. This includes terms like "help," "HR standards," "benefit programmes," and even "out-of-office endeavours" like "voluntourism." You'll gain the respect of your employees, business partners, and clients if you live true to your company's values every day. There are several ways in which you may demonstrate your values aren't simply words and encourage your staff to develop a value-based culture in your company.

### **5. Create bonds amongst team members.**

In order to build an adversity-resistant corporate culture, team members must create deep relationships, but with more distant and terse communication, this may be challenging. While working remotely, promoting collaboration and engaging in team building activities are wonderful ways to bring your team together and increase communication.

Be on the lookout for and assist team members with shared interests, especially those from different generations who would otherwise find it difficult to communicate. These new channels for empathy and understanding might lead to greater communication, innovation, and even conflict resolution in the workplace.

### **6. Put an emphasis on learning and growth.**

Employers and employees who are always learning generate the best working conditions. In order to show your employees that you are invested in their success, you might use training programmes, mentorship, and giving them additional responsibilities.

The bottom line is influenced greatly by a company's learning culture. More than half of companies with engaged employees prioritise soft skill development, according to a new benchmark study by Find Courses. Businesses who saw an increase in

revenue in the previous fiscal year were found to be twice as likely to embrace new learning technologies and three times more likely to increase their learning and development costs.

### **7. Think about culture from the beginning.**

When an employee's opinion varies with the company's, internal conflict is likely to ensue. It's important for companies to hire for culture and reinforce it throughout and after the onboarding process, as well. There must be an exchange of values and the teaching of practises and procedures. Make sure you hire for cultural fit by questioning job candidates about their priorities and motivations for applying. It's important to bear in mind, though, that these questions aren't the only ones to consider while evaluating a potential employee. When onboarding new employees, you should also emphasise the need of fostering social relationships so that they may learn about your company's beliefs and culture. For the length of an employee's tenure with the company, these relationships will be maintained, ensuring that the organization's cultural values are reinforced.

### **Personalize the employee experience**

Make it a priority for your employees to identify with your company's culture since they demand personalised experiences like today's consumers. You may use pulse surveys and employee journey mapping to discover what your employees value and how they see their ideal workplace culture. Take what you've learnt and adapt your activities to provide your employees a more individualized experience. Creating a culture that motivates everyone in your organisation may be achieved if you treat your employees with the same level of respect as you do your customers.

### **Culture development made simple**

However, even if your input isn't solicited, organisational culture will evolve, and it may not be healthy or productive without it. Communication, appreciation, and action are three of the most

important aspects of developing a company's culture. By following the advice in this book, you can improve communication among your employees, begin to cultivate a climate of appreciation, and ensure that everyone on your team is actively contributing to the development of your company's culture.

Achievers Recognize and Achievers Listen can help your company implement all three tactics. Achievers Recognize may be used by your firm to provide a pleasant and simple user experience for your employees by using point-based and social recognition. Achievers Listen allows you to get valuable feedback from your employees through check-ins and pulse surveys, helping you to discover which aspects of your culture are working and which need improvement.

### **MANAGEMENT OF CHANGE**

In today's fast-paced business environment, organisations must be able to quickly react to changing market conditions and customer expectations. Customers and profits may be stolen from a firm that can't change with the times.

Change management, on the other hand, is unquestionably a habit. It is the individuals who must change, not the organisations. That is the essence of change management.

Managers of a business must be able to recognise problems as they occur and adapt their strategies accordingly. Good skills in change management make this process a lot easier.

Techniques and methods used by a firm to explain or execute change in both internal and external operations are known as "change management." Planned change is essential to ensure a seamless transition with little disruption.

Techniques and methods used by a firm to explain or execute change in both internal and external operations are known as "change management." Developing and implementing the

necessary change procedures, as well as monitoring pre- and post-change activities, are all part of this process.

It is tough to implement major organisational transformation. There may be numerous independent organisations inside a single organisation that need to collaborate. Planned change is essential to ensure a seamless transition with little disruption.

If the reform's proponents didn't take into account the healthy, real, and predictable reactions of ordinary people to interruptions in their routines, then the change will fail. Communication is a key success factor in successful change management. Everyone who is affected by the change must be aware of how it progresses through the various stages and observe the repercussions.

### **THERE ARE THREE TYPES OF ORGANIZATIONAL CHANGES**

Three common ways in which organisations undergo change:

The term "developmental change" refers to any organisational change that improves and optimises current processes, strategies, and procedures.

There are several instances of transitional changes, such as mergers and acquisitions, and automation, that help an organisation move from its current state to a new one.

Changes in a company's culture, values, and operations are referred to as "transformational."

### **THE MOST COMMON CHALLENGES IN CHANGE MANAGEMENT**

Many individuals are opposed to change in the job, and it's not necessarily perceived as a good thing. As a consequence, the success of an organisational change is on gaining employee support and establishing new work habits.

Change management experts encounter a wide range of challenges, including the following:

### **1. Establishing objectives in a timely way**

The vast majority of changes are aimed towards enhancing existing processes, items, services, or organisational cultures, rather than creating new ones. It is, nonetheless, essential to have clearly defined goals and milestones.

The following are some of the most common aims and objectives for change management:

Build a culture of innovation.

The firm's best practises need to be updated or revised.

Make use of new, cutting-edge technology.

Prioritise milestones and incentive schemes.

Engage in efforts aimed at spreading information.

Changes in the demographics of those being targeted.

### **2. Ineffective leadership and a lack of coordination**

Leadership has a significant impact on employee engagement. If your leaders aren't convinced of the benefits of change, it will be tough to implement it.

Poor leadership and a lack of alignment among the leaders are two of the most common reasons of organisational transformation failure. However, great leaders know how to excite their workers and embrace change.

Find out how to enhance your communication abilities by reading on.

### **3. Identifying the resources required for change to be successful.**

The people and resources needed to support and lead the change must be identified before the process begins. However, it may be difficult to identify these resources and finances before the process starts.



### **4. A Lack of agility and sluggish approval process**

In organisations that lack agility, implementing change may be tough. Due to lengthy approval processes, it may be difficult to adopt new policies and procedures.

Consequently, everyone must be on the same page in order for the process to go smoothly and on time.

### **5. Making a plan for the following steps**

There should be a well defined strategy for every change management project. A schedule and change milestones should be specified in the plan. Without sufficient preparation, it may be impossible to evaluate the overall success of the transformation process.

### **6. Conflicts and fear**

Organizational changes may cause anxiety and uncertainty. Employees may be taking out their frustrations on one another in this way. In this circumstance, leaders have the responsibility of overcoming obstacles and resolving issues.

An active leader should always be prepared to dive farther into the problem while working in accordance with their organisational change management.

### **7. Lack of commitment and resistance to change**

Some employees are reluctant to change and will not engage in or commit to new practises. It is important for leaders to be able to deal with resistance on a psychological level and remove behavioural hurdles to change before they become an issue,

In the workplace, there is a lack of openness when it comes to information exchange.

Good change management relies heavily on effective communication, and poor communication may be expensive. In

any effective change management team, the need of constant communication is stressed.

### **BEST PRACTICES IN CHANGE MANAGEMENT**

Change management may be a lengthy and difficult undertaking. Workers may experience high levels of stress when their job undergoes a significant shift.

#### **1. Establish clear objectives**

Every attempt at change management should have a clear goal in sight. If it's challenging to come up with SMART goals for change management, firms should nevertheless try to come up with the most explicit aims they can.

This paper may be used by employees and executives to evaluate their change management initiatives.

#### **2. Be truthful and open.**

Over 30% of workers believe their boss is not always genuine and honest.

Employers must be honest and upfront in order to properly execute changes. Being honest at every stage of the change management process helps establish trust and connection with workers, since most employees are uncomfortable with change.

#### **3. Educate and reassure your employees**

Reassure your staff, provide additional training sessions, and give them the time they need to adjust to new procedures. Empathy and assurance speed up the process and make future organisational changes less difficult. Many line managers, on the other hand, have no idea why the transition is taking place.

#### **4. Encourage dialogues and keep in touch on a regular basis.**

Before, during, and after the changes are implemented, employee relations play a vital role.

Have a discussion with your employees about the new projects to see how they feel about it.

### **5. Pay attention to your personnel.**

When it comes to encouraging participation and communication, you shouldn't be the only one speaking out. Keep an ear out for the opinions of your employees. Give them the reins and let them guide the conversation, which will allow other employees to voice their opinions and provide recommendations for how to make it better.

### **6. Enlist the help of your senior executives.**

Excellent change management boosts the business results of change projects, according to the data. So, why is it so difficult to convey these advantages to executives?

Companies should attempt to demonstrate the true value of change management and convey this to company executives in order to get their support and buy-in to the change.

### **7. Select the appropriate communication instrument**

In the workplace, millennials anticipate a more convenient method of communication than email. In reality, many emails are never opened, resulting in critical information being lost.

### **8. Give your staff more control.**

Give your change management leaders and staff the opportunity to make their own choices and execute new ideas so they can participate in the change process.

If your workers do not feel empowered, their engagement will suffer, and they will fight change.

Encourage the exchange of information.

Some workers will adjust to change more quickly than others. Employee knowledge exchange, on the other hand, may greatly speed up the learning process.

Employee collaboration technologies like Smarp make it simple and enjoyable for workers to share organisational information.

### **10. Keep track of information and make it readily accessible.**

It's no good documenting anything if the information isn't freely available to workers. Change management is significantly more efficient when all key papers and information are housed in one single location.

Did you know that on average, workers spend 2.5 hours every day looking for information? Employees may find this irritating and depressing throughout the change management process. Inspire your company to join the #NoSearching Revolution!

### **11. Acknowledge and reward**

77 percent of employees believe they would be more productive if they were recognised for their efforts. So as a consequence, it is possible that this strategy may encourage faster compliance and implementation of modifications.

Employees should be recognised and rewarded for their accomplishments and for adopting new habits throughout the process of change. Be proud of your efforts and wins.

### **12. Incorporate social media.**

If you're proud of a new technological solution you're deploying, tell everyone about it! Modern employee communication technologies make it simple for you and your staff to communicate information both within and outside the company.

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