

ORGANISATIONAL BEHAVIOUR

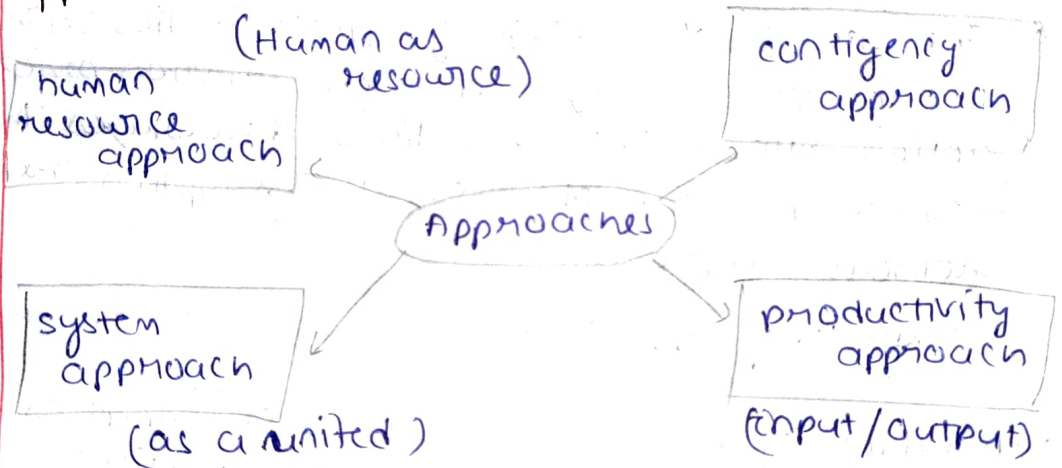
Organizational Behaviour is subset of management activities concerned with understanding, predicting and influencing individual behaviour in organizational setting.

Callahn and Fleenor

OB is a field of study that investigate the impact that the individual, group and structure have on Behaviour within the organisation for the purpose of applying such knowledge for organisational effectiveness.

Stephen P. Robbins

Approaches to OB



Human resource approach

- * This approach recognizes the fact that people are the central resource in any organization and that they should be developed towards higher levels of competency, creativity and fulfilment.
- * The human resource approach is also called as the supportive approach in the sense that the manager's role changes from control of employee to active support of their growth and performance.

Contingency approach

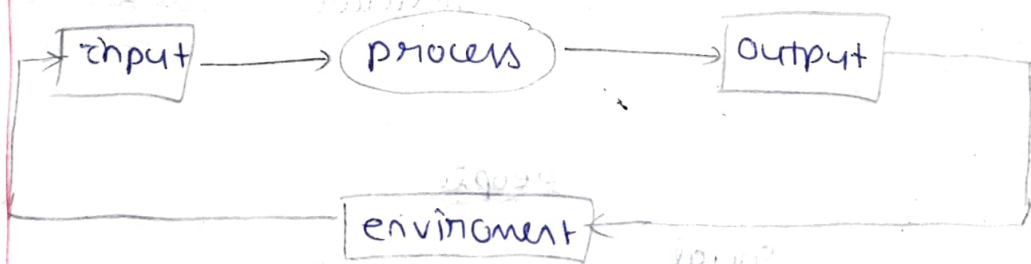
- * The contingency approach (sometimes called situational approach) is based on the premise that methods or behaviours which work effectively in one situation, fail in another. For example - organizational development programs may work brilliantly in one situation but fail miserably in another situation. Results differ because situation differs, the manager's task, therefore is to identify which method will, in a particular situation under particular circumstances and at a particular time best contribute to the attainment of organization's goals.
- * The strength of contingency approach lies in the fact it encourages analysis of each situation prior to action while at the same time discourages the habitual practice of universal assumption about methods and people.

Productivity approach

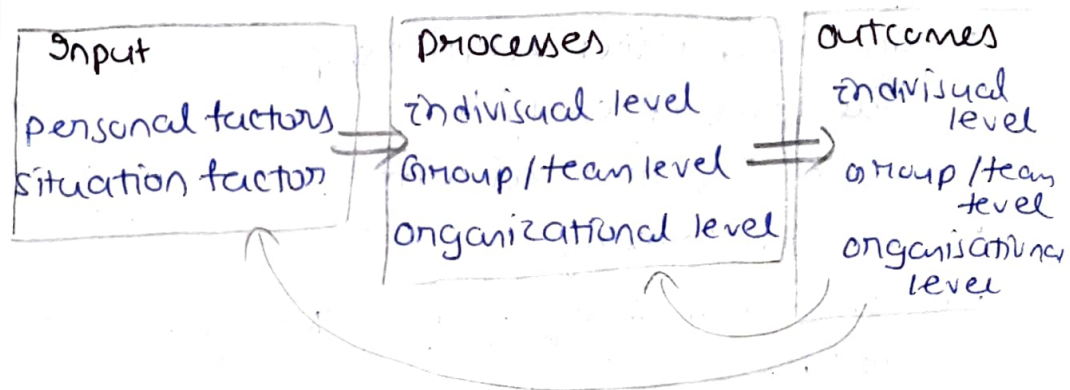
- * Productivity which is the ratio of output to input is a measure of an organization's effectiveness. It also reveals the manager's efficiency in optimizing resource utilization.
- * The higher the numerical value of this ratio, the greater the efficiency.
- * Productivity is generally measured in terms of economic inputs and outputs, but human and social inputs and outputs are also important. For example - if better organizational behaviour can improve job satisfaction, human output or benefit occurs. In the same manner, when employee development programs lead to better citizens in a community, a valuable social output occurs.

System Approach

- * The system approach to OB views the organisation as a united, purposeful system composed of interrelated parts.
- * This approach gives managers a way of looking at the organization as a whole, whole person, whole group and the whole social system.
- * System approach tells us that the activity of any segment of an organization affects, in varying degrees the activity of every other segment. A system view should be concerned of every person in an organisation.
- * The clerk at a service counter, the machinist, the manager, all work with the people and thereby influence the behavioural quality of life in an organization and its input. Managers however tend to have larger responsibility because they are the ones who make the majority are people oriented.

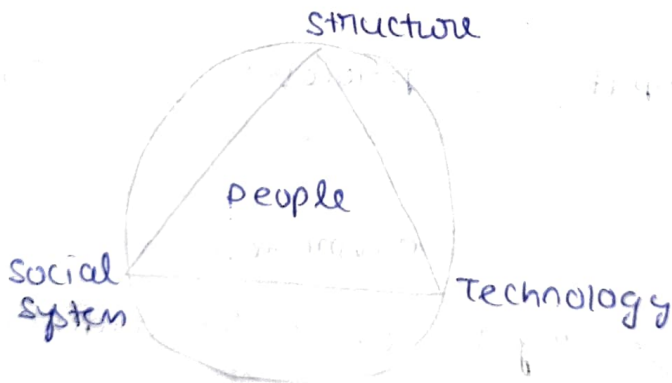


Organizing framework for understanding and applying OB



Inputs	Processes	Outcomes
- <u>Person factors</u> • Intelligences • Personality • Productive personality • Core self evaluation • Self efficacy • Locus of control • Self esteem • Emotional intelligence - <u>Situation factor</u>	- <u>Individual level</u> • emotions - <u>Group/team level</u> • Group/team level dynamics - <u>Organizational level</u>	- <u>Individual level</u> • Task performance • Work attitudes • Well being / flourishing • Turnover • Career outcomes - <u>Group/Team level</u> • Group/team performance • Group satisfaction - <u>Organizational level</u> • Financial performance • Survival • Reputation

characteristics of OB :



Nature of OB :

- Cause and effect relationships
- Three level of analysis
- Science as well as an arts
- Rational thinking
- An interdisciplinary body of theory, research, application

Models of OB

① Autocratic model

- This model depends on power. The manager has the power to demand "you do this or else" and an employee who does not follow orders is punished.
- The manager has formal, official, authority over employees.
- This model assumes that ^{employees} have to be directed and pushed into doing the work. In this model, management does the thinking, employees obey orders and depend on the managers. Employees are totally controlled. The manager can hire, fire and discipline them. Employees may obey managers but employees may not respect management.

② Custodial Model

- This model depends on economic resources: money, for wages and benefits to motivate employees. The company has to have enough money to cover these costs.
- By the 1930's most employees were offered welfare programs ex: insurance, housing, pension, medical care, fewer working hours, sick pay and paid vacation ^{time} off.
- The problem with the custodial model is that it leads to dependence on the organization by the employee because of the security offered. Employees do not want to leave the organization ^{not} so much because they like the job, because they like or depend on the benefits that go with it. They cannot afford to quit.
- The custodial model is a good foundation for organization to grow to the next approaches.

Behavioural Science

Contribution

Unit of analysis

Psychology

Learning
motivation
personality
perception
Training
Leadership effectiveness
Job satisfaction
Individual decision making
performance appraisal
attitude measurement
employee selection
Job design
work stress

Individual

studied
OB

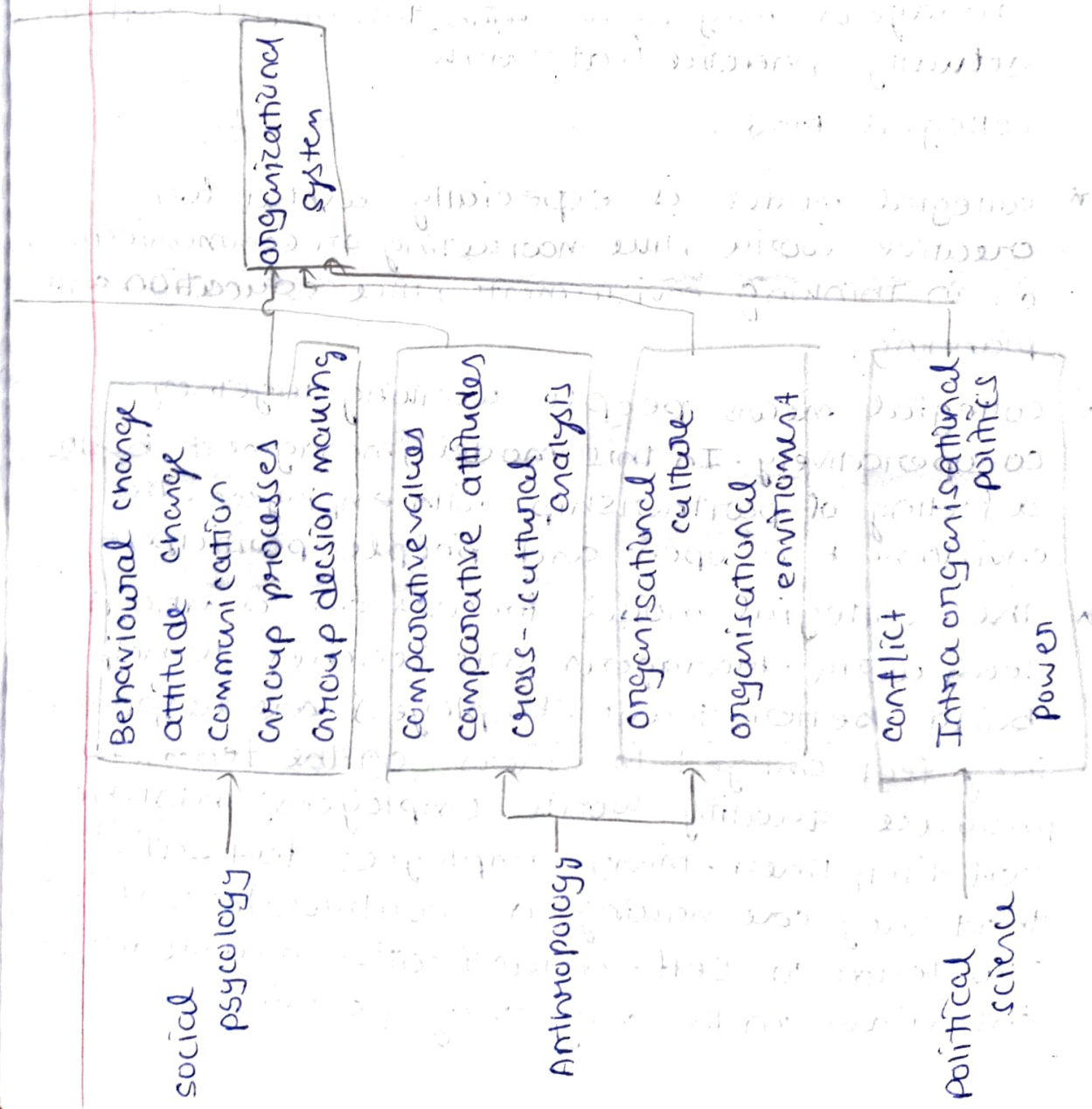
Sociology

Group dynamics; power
communication, conflict
intergroup behaviour
Formal organisation theory
Bureaucracy
organisational technology
organisational change
organisational culture

Group

anthropology
political science
econometrics
psycho-social
social logy
management science

Nature of OB



Supportive model

- It depends on leadership, not authority, money. Though leadership, managers provide a work situation in which employees can develop.
- The supportive model assumes that employees want to work and will take responsibility. Employees can encourage to be involved in the organization. Employees are more strongly motivated because their status and recognition needs are better met than with earlier models.
- The supportive approach is not about money, but about the ^{whole} people, treated at work. A supportive manager helps employees ~~have~~ solve problems and accomplish their work. However, some managers may agree with this model but not actually practice it at work.

collegial model

- collegial model is especially useful for creative work, like motivating on communication or in thinking environment, like education and planning.
- collegial means people working together co-operatively. In this model, management builds a feeling of partnership with employees. The environment is open and people participate.
- The collegial model ~~focuses on~~ is about team work. Managers are coaches to help build better teams. Employees are responsible they feel obliged to others on the team to produce quality work. Employees must be self-disciplined. Many employees feel satisfied that they are making a worthwhile contribution. This leads to self actualization and moderate enthusiasm in the way they perform.

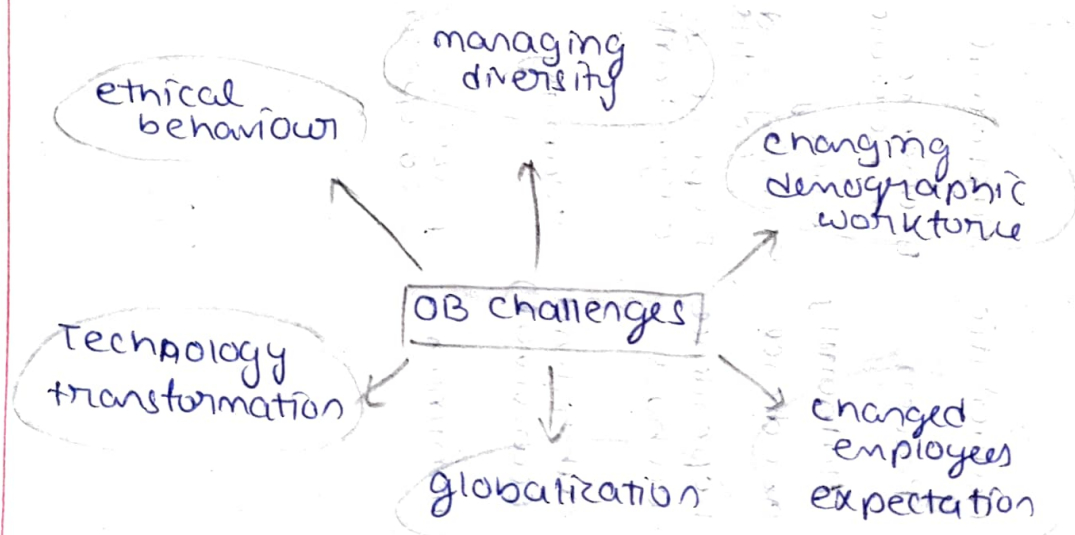
MODELS OF OB

	Autocratic	Custodial	Supportive	Collegial	System
Based on managerial orientation	Power	Economic resources	Leadership	partnership	Trust, sharing
employers orientation	Authority	money	support	teamwork	caring, companionship
employee psychological result	obedience	security and benefits	Job performance	responsible behaviour	psychological ownership
employees needs met	Dependence on boss	Depend on organization	participation	self discipline	self motivation
	subistence (survival)	security	status and recognition	self actualization	wide range
performance result	minimum	passive co-operation	awakened drives	moderate enthusiasm	passion and commitment to organisational goals.

System Model

- In this model, people want more than money, job security and co-operative teams. Employees today want trust, an ethical workplace, managers who show care and compassion and a workplace that has a sense of community.
- The system model focuses on identifying developing and managing the strengths within employees. Managers focus on "helping" employees develop feelings of hope, optimism, self-confidence, empathy, trustworthiness, esteem, courage, efficacy, resiliency.
- Managers and employees see the mutual benefits and obligations they share in the organization. Everyone has psychological ownership for the organization, its products and services. Everyone feels possessive, responsible, "at home" in the organization.

challenges of OB



Managing diversity :-

- * The workplace is continually in change mode with more and more diversification of workers. Diversification includes racial, cultural backgrounds, religious and national differences as well as age and sexual orientations.
- * Despite the constant need to hire people with specific requirements and skills. The reason is that each person has a particular set of characteristics, attitudes, response to authority, ideology on team work with diverse team.
- * The process may require the manager to treat people differently and come up with strategic, innovative ways of ensuring people work correlatively. For instance, the use of employee training such as inclusivity of teamwork training is the best way to achieve a diverse workforce working together.

Ethical behaviour :-

- * The complexity in business operations is forcing the workforce to face ethical dilemmas, where they are required to define right and wrong conduct to complete their assigned activities.
- * The challenge for managers is to promote an ethical organizational behaviour and culture such that employees will not put their individual interests ahead of organizational interests.
- * Corporate scandals involving unethical behaviour can be made public within a short time. Organisation often have policies that facilitate ethical behaviour within the workplace.
- * Personal interest is an aspect of organizational behaviour and managers face the task of encouraging group interest over personal interest so as to preserve ethical values.

Globalization :-

- * Today's business is mostly market-driven, where even the demands exist irrespective of distance, location, climatic conditions, the business.
- * Operations are expanded to gain their market share and to remain in the top rank etc. Business operations are no longer restricted to a particular locality or region.
- * The company's products or services are spreading across nations using mass communication, internet, faster transportation etc. More than 95% of Nokia (now Microsoft) hand phones are being sold outside of their home country Finland.
- * Japanese cars are being sold in different parts of the globe. Sri Lankan tea is exported to many cities around the globe.
- * Managers have to manage a workforce that is likely to have very different needs, aspirations and attitudes from ^{the} ~~that~~ ones that they are used to manage in their home countries.

changed employee expectation :-

- * Employees expectations are also changing with change in workforce demographics. Traditional motivators like job securities, attractive pay package, additional perquisites do not attract retain today's workforce.
- * Nowadays employees demand empowerment and expect equality of status with the management. Authoritative leadership is giving way to participative management with employee influence and involvement along with mechanism upward communication.

- * Flexitings, opportunities to work from home, leading by example are the more recent trends Today's average workers demand better treatment, challenging jobs and career advancement.

Ti Te

Technology Transformation :-

- * The top five challenges are employees pushback, lack of expertise to lead digitalization initiatives, organisational structure, lack of overall Digitalization strategy, limited budget etc regarding technology transformation.
- * If there are four generation people working at an organization then the new generation are more familiar with their new-technology whereas others are not so it is challenging in a same workplace.

changing demographic workforce :-

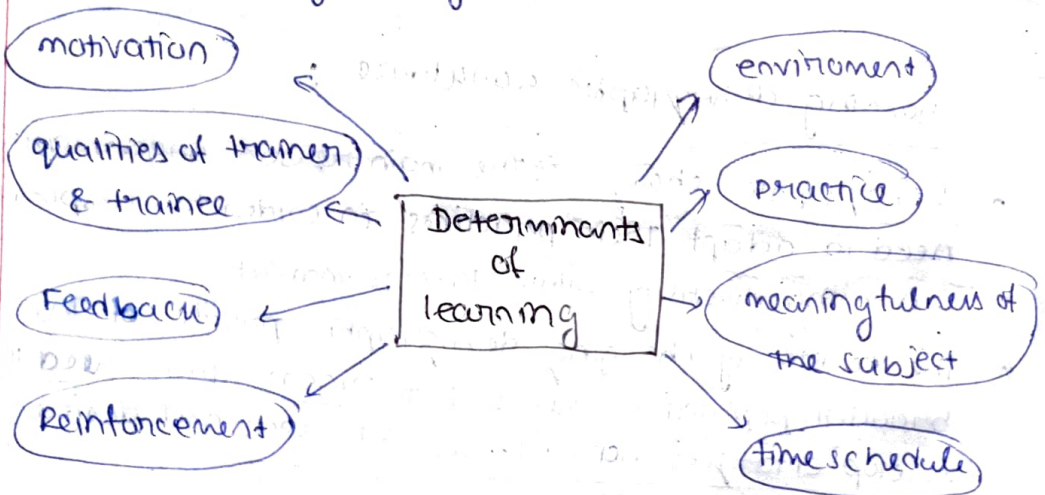
- * Demographic change is the main reason organizations need to adapt their practices in order to respond to increasing diversity within labour markets.
- * The constantly changing demographic profile of the broader population means that organization need to develop strategies that will meet the needs and desires of the country's citizen.

Learning of OB

- Learning is the process of having one's behaviour modified more or less permanently by what he does and the consequences of his action or by what he observes. (Munn and others)
- Relatively permanent change in behaviour potentially that results from reinforced practice or experience (Steers and Lyman)

Nature of characteristics of Learning

- Any change in behaviour due to ageing, illness or injury is not the result of learning. A change in behaviour is deemed to be the outcome of learning only if it arises out of observation, training or practice.
- Any positive change has to be permanent. To achieve permanency, the practice needs to be reinforced, supported or strengthened. In the absence of reinforcement, the expected behaviour will gradually disappear.
- Learning is a continuous process. It is not something that occurs only during a particular stage in one's life.



Theories of Learning

- (i) classical conditioning theory
- (ii) operant conditioning theory
- (iii) cognitive theory
- (iv) Social learning theory

Classical conditioning theory:-

* Russian physiologist Ivan Pavlov developed classical conditioning theory.

Pavlov's experiment in three stages

Stage-1 When Pavlov presented the dog with a piece of meat, the dog exhibited a noticeable increase in salivation. The meat is unconditional stimulus and dog salivation is unconditional response.

Stage-2 The dog was not given a piece of meat but only exposed to a sound of ringing bell; The dog did not salivate to the mere sound of a ringing bell.

Stage-3 Pavlov decided to link both the presentation of meat and ringing of a bell one after the other with an interval of 5 mins. After repeatedly hearing the bell before getting the meat, the dog began to salivate as soon as the bell rang. There is a link between the meat and the bell. After repeating this association, the dog started salivating merely at the sound of the bell, even if no food is offered. Now the dog is conditioned to respond a sound of bell and started salivating. This is called classical conditioning process.

* The classical conditioning is defined as the formation of S-R link (Stimulus-Response) or habit between a conditioned stimulus and a conditional response through the repeated offering pairing of conditioned stimulus with

an unconditioned stimulus

In the upper experiment, the meat is unconditional stimulus and the expected response is salivating to the meat is called unconditioned response. The sound of the bell is a neutral stimulus which does not have any property to elicit salivation is called conditioned stimulus. Although it was originally neutral, if the bell was paired with meat (unconditioned stimulus) it acquired the same property as meat eliciting the salivation.

The sound of the bell produced salivation when presented alone. This is called conditioned response i.e. now the dog is conditioned to respond to the sound of a bell.

- * Learning conditioned response involved building up an association between a conditioned stimulus and unconditioned stimulus. When the stimuli, one is natural and other is neutral ~~period~~ are paired the neutral one becomes a conditioned stimulus and hence takes on the properties of the unconditioned stimulus.

application of classical conditioning principles at work:

Whenever President of corporate office visit factory site the employees in the shop floor will more attentive at work and look more prim, proper and active in their work. It is quite natural as the visit (Unconditioned stimulus), being prim, proper at work (unconditioned response). The routine of cleaning windows or floor is a neutral stimulus. If the visit of the top management is associated with such cleaning process, eventually would turn on their best output and look prim and active the moment windows and floors are being cleaned up.

The employees had learned to associate the cleaning of the windows with a visit from head office. The cleaning process (conditioned stimulus) evoked attentive and active work behaviour (conditioned response).

Operant conditioning

- * Operant conditioned principle is proposed by B.F. Skinner, an American Psychologist.
- * It is a type of conditioning in which desired voluntary behaviour leads to a reward or prevents a punishment. It emphasizes strongly that the behaviour of an individual is a function of its consequences. If the consequences are pleasant, the behaviour associated with such consequences will be repeated again and again. If the consequences are unpleasant, then the behaviour is extinct.

Skinner's experiment :-

Skinner developed an apparatus to conduct a series of learning experiment using rat. He named the box as Skinner's box which has certain features such as a lever, bowl, light, water container etc. A highly deprived rat is placed in the box. Once a rat touched the lever attached in the corner of the box, a piece of food pellet is dropped in the bowl. By trial and error, the rat learns the hitting the lever is followed by getting a food pellet in the bowl.

A Skinner box, hitting the lever is an operant response and the increased rate of lever hitting that occurs when the response is followed by a pellet of food implies the operant conditioning.

application in work life

- * If a sales person who hits the assigned target of sales quota will be reinforced with a suitable reward the chances of hitting former sales target in future will be exemplified.
- * Skinner argued that creating pleasant consequences (giving attractive reward) to follow specific form of behaviour (hitting sales target) would increase the frequency of that behaviour.
- * People will most likely engage in desired behaviour if they are positively reinforced for doing so. Reward will be most effective if they immediately follow the desired response.
- * Behaviour that is not rewarded is less likely to be repeated.

Cognitive theory:

classical conditioning theory

operant conditioning theory

- | classical conditioning theory | operant conditioning theory |
|--|---|
| * Nature of response - involuntary | * Nature of response - voluntary |
| * In classical conditioning theory, elicited from the individual | * In this theory, incorporated in the individual |
| * There is an association of conditional and unconditional stimulus. | * There is an association between behaviour and reward. |
| * It is psychological and intentional behaviour. | * It is a rational behaviour. |
| * expectation | * The performance of behaviour depends upon the reward or punishment. |
| * timing of stimulus - precedes the response | * timing of stimulus after desired response |
| * role of learner is passive | * role of learner is active |

cognitive theory :-

cognition refers to an individual's thoughts, knowledge, interpretations, understandings or views about oneself and his/her environment. Based on it cognitive theory argues that the person tries to form his/her cognitive structure in memory which preserves and organizes all information relating to the events that may occur in learning situation.

Here an experiment was conducted on a monkey by Kohler. Kohler presented two sticks to a monkey in a cage. Both sticks were too short to reach a banana lying in the trees outside the cage. This produced an experience on cognition insight monkey. Monkey join both the sticks together and pulled the banana side the cage. Learning took place inside the mind of monkey.

- * The learning process involved in this case is putting or organizing bits of information in new manner perceived inside the mind. This type of learning is very imp in organizational behaviour for changing attitudes by the individuals.

Social learning theory :-

People learn through both observation and direct experience, which is called social learning theory. Individuals learn by observing what happens to other people and just by being told about something as well as by direct experiences. By observing people around us mostly from parents, teachers, peers, films and television performers, bosses we learn new behaviour pattern.

The following four processes are vital to determining the influence that a model ^{will} have on an individual.

- (i) Attention process - people learn from model only when they recognize and pay attention to its critical features. People tend to be most influenced by models that are attractive, repeatedly visible, similar to us, in our estimation.
 - (ii) Retention process - A model's influence will depend on how well the individual remembers the model's action after the model is no longer readily available.
 - (iii) Motor/reproduction process - After a person has seen a new behaviour by observing the model the watching.
 - (iv) Reinforcement Process - Individual will be motivated to exhibit they modeled behaviour if positive incentives or rewards are provided. Behaviour that is positively reinforced will be given more attention, learned better and performed more often.
 - (v) Motor Reproduction Process - After a person has seen a new behaviour by observing the model the watching must be converted to doing. This process then demonstrates that the individual can perform the modeled activities.
- principles

- (i) Reinforcement
- (ii) styles of learning
- (iii) motivation
- (iv) curving (learning curves)

Reinforcement

- positive reinforcement (pleasant action) Objective: increase frequency of desired behaviour
- negative reinforcement (unpleasant action) to increase frequency of desired behav.
- Punishment (unpleasant action) to decrease frequency of undesired behaviour
- Extinction

(avoiding the undesired behaviour)

These are required for an individual's ^{behaviour} strengthening or reinforcement.

Reinforcement

- * Increase the frequency of desired behaviour.
- * negative reinforcement
adding something unpleasant.
- * positive reinforcement

Adding something desirable or pleasant.

+ve	-ve
applies stimulus	removes stimulus
eg:- awards	- wearing seat belt to avoid seat belt alarm
- promotions	
- raises	
- bonus	
- praise	

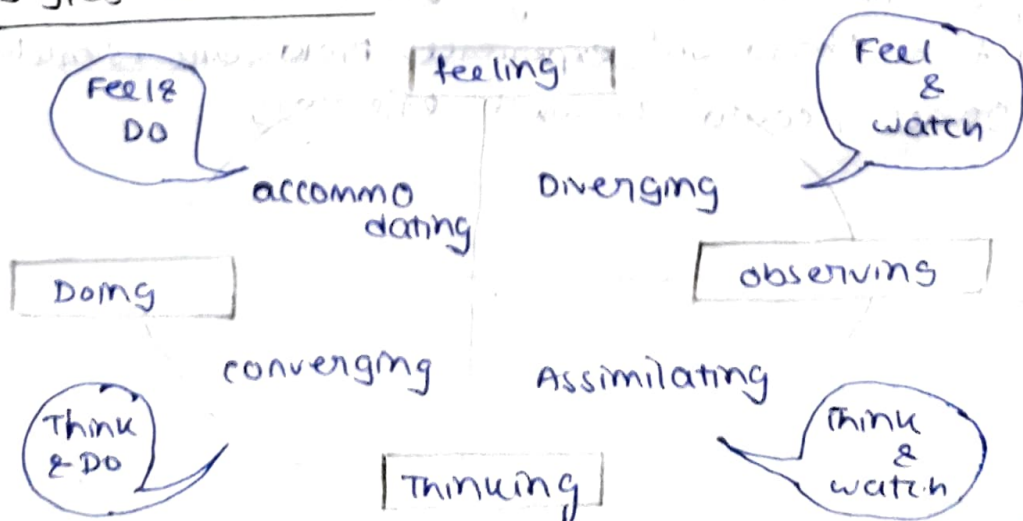
Punishment

- * To decrease the frequency of undesired behaviour
- * negative punishment
removing something valuable or desired.
- * positive punishment

Adding something unpleasant

+ve	-ve
applies stimulus	removes stimulus
eg:- adding more work	* terminate job
- fine / charges	

styles of learning



Diverging

people with a diverging learning style have broad cultural interests and like to gather information. They are interested in people tend to be imaginative and emotional and tend to be strong in the arts.

Assimilating

The assimilating style's dominant learning abilities are abstract conceptualization and reflective observation. People with this learning styles are best in summarizing a wide range of information into concise, logical form. Assimilating type is best in model building, reading papers and thinking alone.

converging

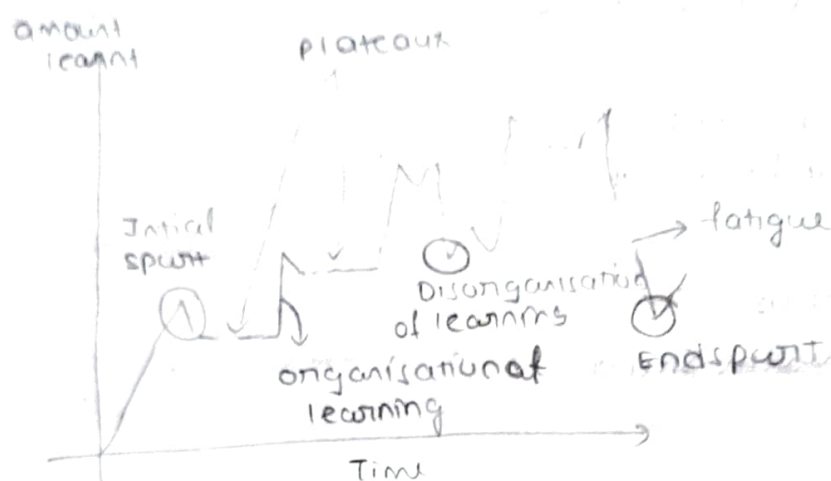
The converging style's dominant learning abilities are abstract conceptualization and active experimentation. People with this learning style are best at finding practical uses for ideas and theories. Converging type prefers real life projects, labs and problem solving.

Accommodating

Accommodating style's dominant learning abilities are concrete experience and active experimentation. People with this learning style preference learn best from 'hand-on' experience. Fieldwork, simulations and games, could be used effectively.

Learning curves :-

- * It is the graphical representation of amount of learning with respect to time.



characteristic :-

Plateaux :- It is to time

There is no change in amount of learning w.r.t. to time

organisation of learning

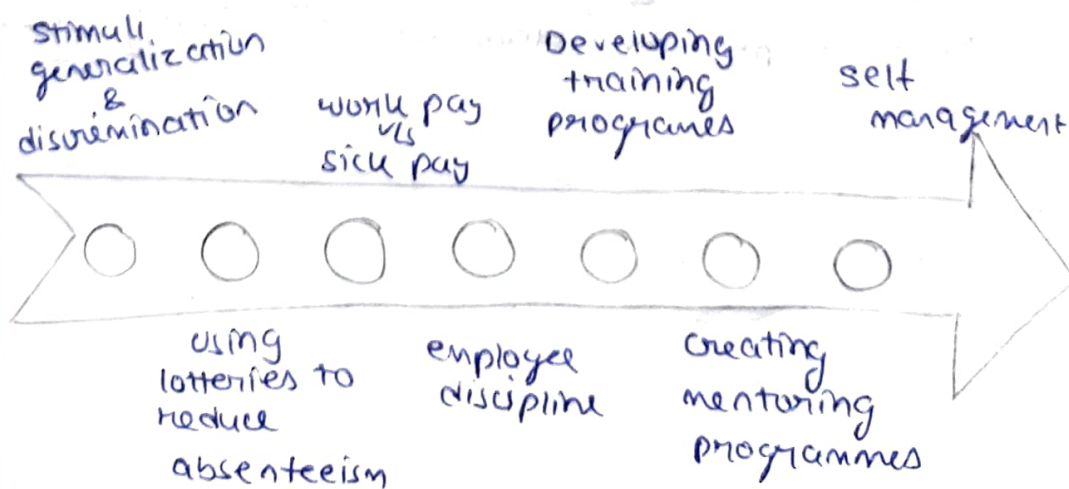
change of amount of learning increases

Disorganisation of learning

when you come from higher plateaux to lower plateaux

- * For knowing individuals performance we need to know the learning curve

Learning & OB



Stimuli
(work station)

Response
(choice of behaviour)

Consequences
(reinforcement)

Stimulus
(new work station)

Is the new stimulus similar to the initial one to expect the same behaviour reinforcement relationship?

yes

No

Generalization
(repeat the behaviour)

Discrimination
(choosing a new behaviour)

* Only by learning you can know how to behave on generalization and discrimination for the stimuli

Using lotteries to reduce absenteeism

- It is as per the classical conditioning theory.