

**MBA 2308**  
**Organizational Behavior**  
**Study Module**

**স্কুল অব বিজনেস**  
**SCHOOL OF BUSINESS**



**Bangladesh Open University**  
**বাংলাদেশ উন্মুক্ত বিশ্ববিদ্যালয়**

*This Study Module, with the help from different Organizational Behavior Books of home and abroad, will be used by the MBA students for their study purposes only and it is not for sale.*

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**Organizational Behavior**

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# INTRODUCTION TO ORGANIZATIONAL BEHAVIOR

1

## Unit Highlights

- Organizational Behavior: Definition, Objectives Benefits and Variables of OB.
- Key Elements and Contributing discipline to OB Field.
- The Challenges and opportunities of OB.
- Developing a model of OB.
- Role of Information Technology in Organization.
- Managing Organizational Diversity.
- Ethics and Ethical Behavior in Organizations.
- Historical Development of Organizational Behavior.

## Technologies Used for Content Delivery

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
- ❖ Web Radio
- ❖ Mobile Technology with Micro SD Card
- ❖ LP+ Office 365
- ❖ BTV Program
- ❖ Bangladesh Betar Program



## Lesson–1: Introduction to Organizational Behavior

Upon completion of this lesson, you will be able to:

- Define organizational behavior.
- Explain the objectives and Benefits of OB.
- Identify the elements of organizational behavior.
- Know the key functions of organizational behavior.

### Introduction

Organizational behavior is the study and application of knowledge about how people-as individuals and as groups- act within organizations. It strives to identify ways in which people can act more effectively. In an organization, people join their works under particular structures so that they achieve the organizational objectives in a planned way. But it may not be possible without favorable pattern of behavior of other employees of the organization. Organizational behavior gives such knowledge to the learners so that they can learn different dimensions of behaviors of all employees in the organization.

OB can be defined as- "The Study of human behavior in organizational settings, the interface between human behavior and the organizational context and the organization itself."  
--Griffin and Moorhead.

J.W. Newstrom and Keith Davis define OB as follows "Organizational behavior is the study and application of knowledge about human behavior in organizations as it relates to other system elements, such as people, structure, technology and external social system."

Larry L. Cummings says, "OB is a way of thinking, a way of convincing problems and articulating research and action solutions."

According to Fred Luthans "Organizational Behavior is directly concerned with the understanding, prediction and control of human behavior in organizations."

"Organizational behavior is a field of study that investigates the impact of individuals, groups and structure have on behavior within organizations for the purpose of applying such knowledge toward improving an organization's effectiveness." --Stephen P. Robbins.

The above definition has three parts

1. The Individual Behavior
2. The Organization and
3. The interface between these two

Each individual brings to an organization a unique set of beliefs, values, attitudes and other personal characteristics and these characteristics of all individuals must interact with each other in order to create organizational settings.

### Objectives of Organizational Behavior

Organizational behavior provides a useful set of tools at many levels of analysis.

1. It helps managers look at the behavior of *individuals* within an organization.
2. It also aids their understanding of complexities involved in *interpersonal* relation.
3. It valuable for examining the dynamics of relationships within small *groups* both formal teams and informal groups.

4. It interested in *intergroup* relationship.
5. Finally, organizations can also be viewed, and managed, as *whole systems* that have inter-organizational relationship.

## Benefits of Organizational Behavior

There are four basic benefits of Organizational Behavior:

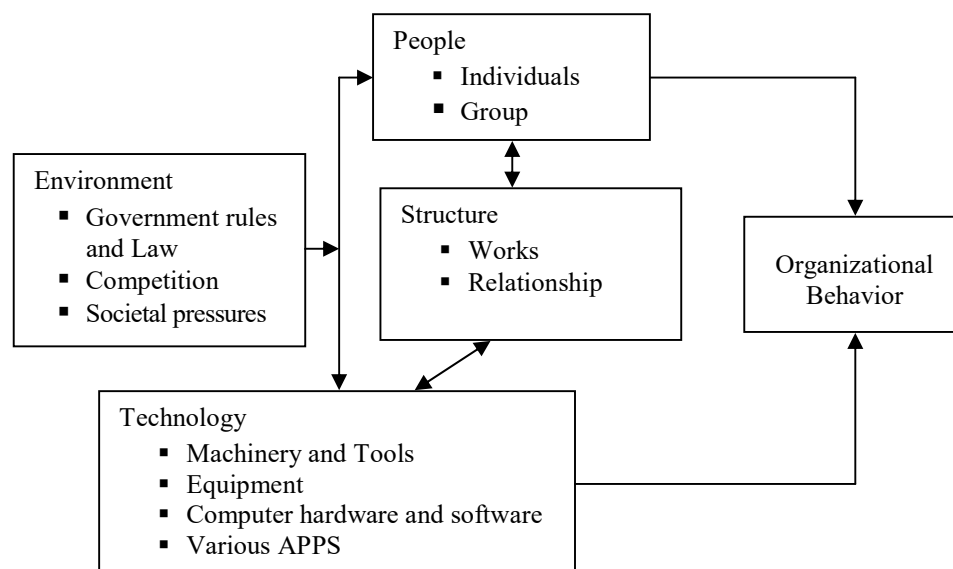
1. Organizational Behavior helps to identify and describe systematically how people of the organization behave under a variety of conditions in the Organization.
2. Organizational Behavior helps to determine and understand the reason why people in the organization behave like this.
3. Organizational Behavior helps to predict the future behavior of the employees in the organization.
4. Organizational Behavior helps to control the behavior of the people of the Organization for the purpose of their effective and efficient performance towards the accomplishment of goals.

## Forces/Variables of Organizational Behavior

A number of Variables affect the activities and behavior of organizations today. These elements are categorized into four classes—people, structure, technology and the environment. These variables are briefly discussed below:

**1. People:** People of the Organization make up an internal social system in the organization. These people consist of individuals and groups. **These groups may be large or small, formal or informal, official or unofficial.** As individuals and groups, people have different values and beliefs which have impact on their action and behavior in the organization.

**2. Structure:** Structure is the formal or official relationships between superiors and subordinates and between departments and sections and between the works and activities. Different people in an organization are given different roles and they have certain relationships with others. It leads to division of labor. So that people can perform their duties or work to accomplish the organizational objectives.



**Exhibit 1.1: Key Variables of Organizational Behavior**

**3. Technology:** Technology provides means and resources with which people perform their tasks effectively and efficiently. The nature of technology depends very much on the nature of organization and influences the work or working conditions. Thus, technology utilizes efficiency and skills of people and brings effectiveness.

**4. Environment:** Every organization must be operated within both internal external environments. The attitude, behavioral patterns and action of the people of the organization are greatly influenced by these environments. Numerous changes in the environment create demands on organizations. Customers expect organizations to be socially responsible; new products and competition for customers come from many sources around the globe; the direct impact of trade unions diminishes, the dramatic pace of change in society quickness. All these factors—but specially the rapid globalization of the market place, whose impact on OB influence one another in a complex system creates a dynamic context for a group of people.

### **Activity**

What are the key forces of organizational behavior in a manufacturing organization of Bangladesh?

### **Discussion Questions**

1. What do you mean by Organizational Behavior? Describe the objectives and benefits of organizational behavior.
2. Discuss in detail the key variables of Organizational Behavior.

## Lesson–2: Key Elements and Contributing discipline to OB Field

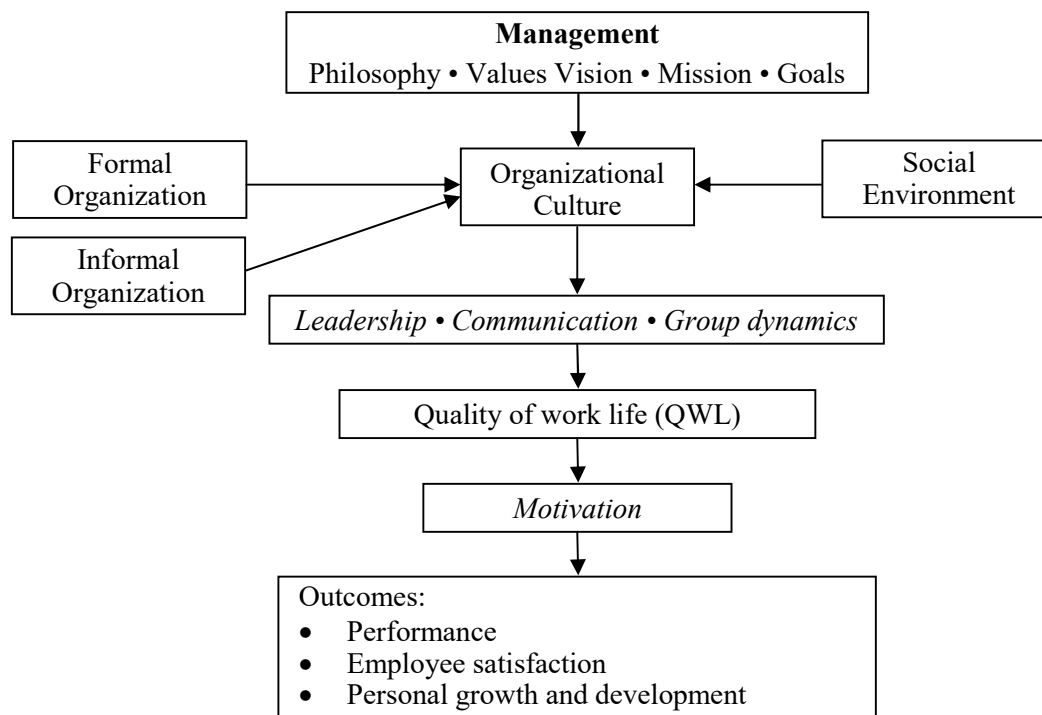
Upon completion of this lesson, you will be able to:

- Describe the organizational behavior system.
- Key Elements of OB.
- Identify the challenges management and organizational behavior.
- The contributing discipline to OB Field.
- Explain the opportunities of future organizational behavior.

### An Organizational Behavior System

Organizations achieve their goals by creating, communicating and operating an organizational behavior system, as showing figure. These systems exist in every organization, but sometimes in varying forms. They have a greater chance of being successful, though, if they have been consciously created and regularly examined and updated to meet new and emerging conditions.

The primary purposes of organizational behavior systems are to identify and then help manipulate the major human and organizational variables that affect the results organizations are trying to achieve. For some of these variables, managers can exert some control over them. The outcomes, or and results, are typically measured in various forms of three basic criteria: *performance* (e.g. quantity and quality of products and services; level of customer services), *employee satisfaction* (often exhibited through lower absenteeism, tardiness, or turnover), or *Personal growth and development* (the acquisition of lifelong knowledge and skills leading to continued employability).



**Exhibit 1.2: Organizational behavior System**

Source: <https://www.slideshare.net/slideshow/models-of-organizational-behavior/1966321>

## Key Elements of Organizational Behavior

- 1. The Philosophy:** The philosophy of organizational behavior held by a manager stem from two sources-fact premises. (1) **Fact premises** represent our descriptive view of how the world behaves. They are drawn from both behavioral science research and our personal experience. (2) **Value premises**, on the other hand, represent our view of the desirability of certain goals and activities.
- 2. Vision, Mission and Goal:** Manager also has primary responsibility for instilling three other elements into the organizational behavior system-vision, mission, and goals. **Vision** represents a challenging portrait of what the organization and its members can be-a possible (and desirable) future. An organization also typically creates a **mission** statement, which identifies the business it is in, the market niches it tries to serve the types of customers it is likely to have, and the reasons for its existence. Goals are relatively concrete formulation of achievements the organizational is aiming for within set periods of time, such as one to five years.
- 3. Organizational Culture:** Philosophy, values, visions, mission, and goals help create a recognizable organizational culture. This culture is also a reflection of the formal organization with its formal policies, structures, and procedures and the existing social and cultural (global) environment.
- 4. Leadership, Communication and Group Dynamics:** Managers are then expected to use a leadership style, communication skill and their knowledge of interpersonal and group dynamics to create an appropriate **quality of work life** for their employees. When this task is done properly, employees will become **motivated** toward the achievement of organizational goals.
- 5. Outcome:** The result of an effective organizational behavior system is motivation which, when combined with employee skills and abilities, results in the achievement of performance goals as well as individual satisfaction.

## Challenges faced by Management and Organizational Behavior

A number of critical changes and challenges faced by managers today. These are:

- 1. Globalization:** Certainly the emergence of a 'borderless' world has had a tremendous impact on the way organisations behave. They are no longer insulated from foreign competition, and this has forced organisations to examine cost efficiencies, structure, job design, human capital, and many other sources of effectiveness and competitiveness.
- 2. Technology:** We have seen tremendous technological advances in the last decade, and this has had a significant impact on the way organisations behave. The Internet has enabled small, start-up companies to become global organisations (even from one's home). We have access to much more information, and we can access it much more quickly. This has a number of effects on organizational behaviour: it has given organisations access to larger, more diverse markets; it enables organisations to market their products and services electronically, it has helped many organisations reduce costs.
- 3. Mergers and acquisitions:** The last numbers of years have been a time of merging and acquiring for many organizations, seeking to increase market share and profitability. But the complexity of these integrations has had a tremendous impact on employees in newly merged organization; they often have great difficulty adjusting to potentially conflicted cultures. This has contributed to many failed mergers and acquisitions.



**4. Workplace diversity:** The workforce in today's new economy is much more diverse, as a result of changing demographics. This necessitates a better understanding of needs and values in the workforce, and careful planning in an effort to provide a work environment that is welcoming and comfortable for all employees.

**5. Organizational structures:** In response to increased competition, many organisations have focused on cost efficiencies and increased effectiveness. Management has argued that the members must 'get closer to the customer' and focus almost exclusively on 'value-added' services in an effort to distinguish themselves from the competition.

**6. Work-life balances:** There was a time when managers (who were mostly men) would not consider turning down a promotion. But today, many members in organizations do just that, because they place a much greater priority on personal time – time for themselves, travel time, time for their families. Organisations have responded in a number of ways: allowing flexible work hours, providing day care in an effort to allow parents to be close to their children, encouraging at home offices, and providing for extended vacations and paid sabbaticals. Employee loyalty is critical in establishing a productive and dedicated workforce, and if these needs are ignored, organisations risk losing these employees.

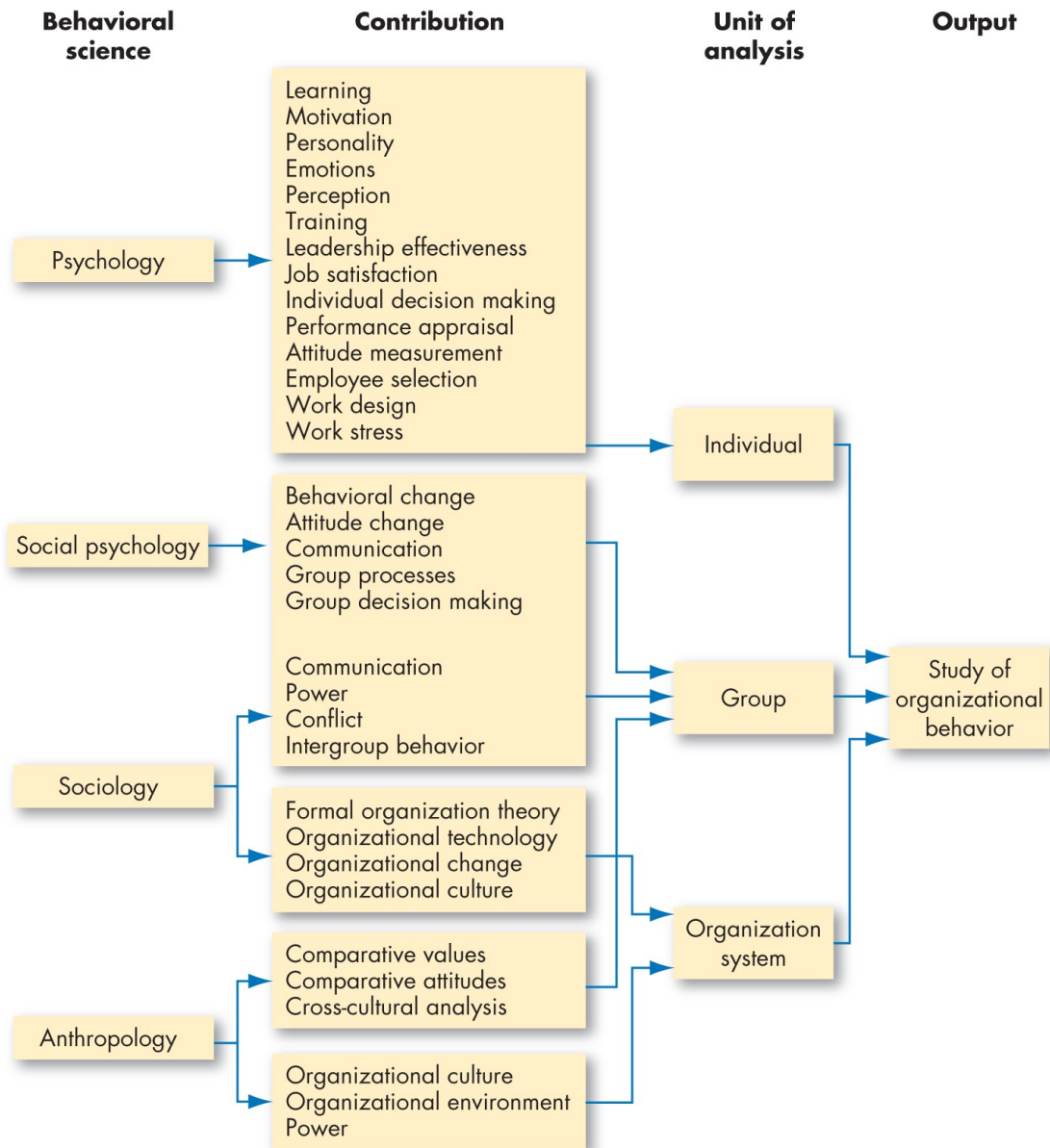
**7. The rate of change:** Some managers have identified the pace of change in today's environment as their number one management challenge. Historically, change appeared to be the exception, while stability in organisations was the norm. We could plan change and progress using historical performance as our guide. That is no longer possible, and in fact potentially dangerous. Our ability to rely on a sense of permanence has been eroded, and this necessitates flexibility, an astute understanding of our markets and our customers, and a tolerance for ambiguity moving forward. Globalisation and technological advances have provided organisations with a guarantee that change is ubiquitous and cannot be ignored.

**8. Increased competition:** Competition has intensified for many organisations over the last decade, primarily as a result of the issues discussed above. Globalisation and technology have facilitated entry into some industries by some organisations, and organisations must compete within a much larger arena. This has resulted in some radical changes, some of which include strategic, structural, and operational.

**9. Increased ethical and social responsibility:** Consumers have access to more information now than ever before, and some would argue that they are more knowledgeable in general about the values and behaviour of the organisations in which they invest. Increased competition has provided consumers with more choices in terms of purchasing products or services. As such, many organisations face an increased need to behave ethically and demonstrate appropriate social behaviour. Unfortunately, not all organisations feel compelled to behave in ethical or moral ways. But they risk being exposed for their negligence, by a whistleblower from within the organisation who wishes to expose the wrongdoing.

## **Disciplines Contributing to Organizational Behavior (OB)**

Organizational Behavior (OB) is an interdisciplinary field that studies human behavior within organizations. It seeks to understand, predict, and manage human behavior in the workplace to improve organizational effectiveness. Various disciplines contribute to the OB field to provide insights into how individuals, groups, and organizations function and interact.



**Exhibit 1.3: Stephen P. Robbins, 17 th edition, Pearson**

## 1. Psychology

Psychology is the scientific study of human behavior and mental processes. In OB, psychology helps analyse individual behavior within organizations, including motivation, perception, decision-making, and stress management. Organizational behavior uses psychological principles to design effective training programs, assess employee satisfaction, and develop strategies for enhancing employee well-being.

## 2. Social Psychology

Social psychology focuses on how individuals' thoughts, feelings, and behaviors are influenced by the presence and actions of others. It explores topics such as group dynamics,

social influence, and leadership. In organizational behavior, social psychology sheds light on issues, like team dynamics, communication, conflict resolution, and leadership effectiveness. It helps organizations create harmonious work environments.

### **3. Sociology**

Sociology examines the structure and functioning of societies and social groups. In OB, sociology is concerned with the organizational structure, culture, and the impact of social norms and values on behavior. Sociological insights help organizations understand the effects of culture on employee behavior, diversity and inclusion, and the role of institutions and systems in shaping organizational practices.

### **4. Anthropology**

Anthropology studies human societies, cultures, and behaviors across time and space. In OB, anthropology explores the cultural aspects of organizations, including norms, rituals, and symbols. Anthropological perspectives assist organizations in managing cultural diversity, developing cross-cultural communication strategies, and adapting to global markets.

### **5. Political Science**

Political Science is the study of government, politics, and the exercise of power in society. Political science is relevant in the context of organizational behavior (OB) because it helps us understand the distribution and dynamics of power within organizations, the influence of individuals and groups in decision-making, and the political strategies employed to shape organizational policies and actions. By applying political science concepts, OB professionals can navigate and manage power relations, conflicts, and the broader political context that affects organizational behavior and effectiveness.

(Source: <https://www.geeksforgeeks.org/disciplines-contributing-to-organisational-behaviour-ob/>)

## **Opportunities of Organizational Behavior**

(Source: <https://www.linkedin.com/pulse/challenges-opportunities-organizational-behavior-mansi-mishra/>)

Main opportunities of organizational behavior are;

1. Improving Peoples' Skills.
2. Improving Quality and Productivity.
3. Total Quality Management (TQM).
4. Managing Workforce Diversity.
5. Responding to Globalization.
6. Empowering People.
7. Coping with Temporariness.
8. Stimulating Innovation and Change.
9. Emergence of E-Organization & E-Commerce.
10. Improving Ethical Behavior.
11. Improving Customer Service.
12. Helping Employees Balance Work-Life Conflicts.
13. Flattening World.

**1. Improving People's Skills:** Technological changes, structural changes, environmental changes are accelerated at a faster rate in the business field. Unless employees and executives are equipped to possess the required skills to adapt to those changes, the targeted goals

cannot be achieved in time. These two different categories of skills – managerial skills and technical skills. Some of the managerial skills include listening skills, motivating skills, planning and organizing skills, leading skills, problem-solving skills, decision-making skills. These skills can be enhanced by organizing a series of training and development programs, career development programs, induction, and socialization.

**2. Improving Quality and Productivity:** Quality is the extent to which the customers or users believe the product or service surpasses their needs and expectations. For example, a customer who purchases an automobile has a certain expectation, one of which is that the automobile engine will start when it is turned on. If the engine fails to start, the customer's expectations will not have been met and the customer will perceive the quality of the car as poor. The key dimensions of quality as follows.

- **Performance:** Primary rating characteristics of a product such as signal coverage, audio quality, display quality, etc.
- **Features:** Secondary characteristics, added features, such as calculators, and alarm clock features in handphone
- **Conformance:** meeting specifications or industry standards, the workmanship of the degree to which a product's design or operating characteristics match pre-established standards
- **Reliability:** The probability of a product's falling within a specified period
- **Durability:** It is a measure of a product's life having both economic and technical dimension
- **Services:** Resolution of problem and complaints, ease of repair
- **Response:** Human to human interfaces, such as the courtesy of the dealer « Aesthetics: Sensory characteristics such exterior finish
- **Reputations:** Past performance and other intangibles, such as being ranked first.

More and more managers are confronting to meet the challenges to fulfill the specific requirements of customers. To improve quality and productivity, they are implementing programs like total quality management and reengineering programs that require extensive employee involvement.

**3. Total Quality Management (TQM):** Total Quality Management (TQM) is a philosophy of management that is driven by the constant attainment of customer satisfaction through the continuous improvement of all organizational processes. The components of TQM are;

- (a) An intense focus on the customer,
- (b) Concern for continual improvement,
- (c) Improvement in the quality of everything the organization does,
- (d) Accurate measurement and,
- (e) Empowerment of employees.

**4. Managing Workforce Diversity:** This refers to employing different categories of employees who are heterogeneous in terms of gender, race, ethnicity, relation, community, physically disadvantaged, elderly people, etc. The primary reason to employ the heterogeneous category of employees is to tap the talents and potentialities, harnessing the innovativeness, obtaining synergetic effect among the diverse workforce.

In general, employees wanted to retain their individual and cultural identity, values and lifestyles even though they are working in the same organization with common rules and regulations. The major challenge for organizations is to become more accommodating to diverse groups of people by addressing their different lifestyles, family needs, and work styles.

**5. Responding to Globalization:** Today's business is mostly market-driven; wherever the demands exist irrespective of distance, locations, 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, the internet, faster transportation, etc. More than 95% of Nokia (Now Microsoft) handphones 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.

Garment products of Bangladesh are exporting in the USA and EU countries. Executives of Multinational corporations are very mobile and move from one subsidiary to another more frequently.

**6. Empowering People:** The main issue is delegating more power and responsibility to the lower level cadre of employees and assigning more freedom to make choices about their schedules, operations, procedures and the method of solving their work-related problems. Encouraging the employees to participate in the work-related decision will sizably enhance their commitment to work. Empowerment is defined as putting employees in charge of what they do by eliciting some sort of ownership in them.

**7. Coping with Temporariness:** In recent times, the product life cycles are slimming, the methods of operations are improving, and fashions are changing very fast. In those days, the managers needed to introduce major change programs once or twice a decade. Today, change is an ongoing activity for most managers.

**8. Stimulating Innovation and Change:** Today's successful organizations must foster innovation and be proficient in the art of change; otherwise, they will become candidates for extinction in due course of time and vanished from their field of business. Victory will go to those organizations that maintain flexibility, continually improve their quality, and beat the competition to the market place with a constant stream of innovative products and services.

**9. The emergence of E-Organization & E-Commerce:** It refers to the business operations involving the electronic mode of transactions. It encompasses presenting products on websites and filling the order. The vast majority of articles and media attention given to using the Internet in business are directed at online shopping. In this process, the marketing and selling of goods and services are being carried out over the Internet.

In e-commerce, the following activities are being taken place quite often – the tremendous numbers of people who are shopping on the Internet, business houses are setting up websites where they can sell goods, conducting the following transactions such as getting paid and fulfilling orders. It is a dramatic change in the way a company relates to its customers. At present e-commerce is exploding. Globally, e-commerce spending was increasing at a tremendous rate.

**10. Improving Ethical Behavior:** 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. For example, Should the employees of a chemical company blow the whistle if they uncover the discharging its untreated effluents into the river are polluting its water resources?

- Do managers give an inflated performance evaluation to an employee they like, knowing that such an evaluation could save that employee's job?

The ground rules governing the constituents of good ethical behavior has not been clearly defined, Differentiating right things from wrong behavior has become more blurred.

**11. Improving Customer Service:** OB can contribute to improving organizational performance by showing that how employees' attitudes and behavior are associated with customer satisfaction. In that case, service should be the first production-oriented by using technological opportunities like a computer, the internet, etc. To improve customer service we need to provide sales service and also the after-sales service.

**12. Helping Employees Balance Work-Life Conflicts:** The typical employee in the 1960s or 1970s showed up at the workplace Monday through Friday and did his or her job 8 or 9-hour chunk of time. The workplace and hours were specified. That's no longer true for a large segment of today's workforce.

Employees are increasingly complaining that the line between work and non-work time has become blurred, creating personal conflict and stress. Many forces have contributed to blurring the lines between employees' work life and personal life.

**First**, the creation of global organizations means their world never sleeps. At any time and on any day, for instance, thousands of General Electric employees are working somewhere.

**Second**, communication technology allows employees to do their work at home, in their cars, or on the beach in Cox's Bazar. This lets many people in technical and professional jobs do their work anytime and from any place.

**Third**, organizations are asking employees to put in longer hours.

**Finally**, fewer families have only a single breadwinner. Today's married employee is typically part of a dual-career couple. This makes it increasingly difficult for married employees to find the time to fulfill commitments to home, spouse, children, parents, and friends.

Today's married employee is typically part of a dual-career couple. This makes it increasingly difficult for married employees to find the time to fulfill commitments to home, spouse, children, parents, and friends. Employees are increasingly recognizing that work is squeezing out personal lives and they're not happy about it.

For example, recent studies suggest that employees want jobs that give them flexibility in their work schedules so they can better manage work/life conflicts. Also, the next generation of employees is likely to show similar concerns. A majority of college and university students say that attaining a balance between personal life and work is a primary career goal. They want a life as well as a job.

**13. Flattening World: Thomas Friedman's book The World Is Flat:** A Brief History of the Twenty-First Century makes the point that the Internet has "flattened" the world and created an environment in which there is a more level playing field in terms of access to information. This access to information has led to an increase in innovation, as knowledge can be shared instantly across time zones and cultures. It has also created intense competition, as the speed of business is growing faster and faster all the time.

### **Discussion Question:**

1. Describe the organizational behavior system.
2. Explain the key elements of OB.
3. Identify the challenges management and organizational behavior.
4. Briefly state the contributing discipline to OB Field.
5. Explain the opportunities of future organizational behavior.

## Lesson–3: Models of Organizational Behavior

On completion of this lesson, you will be able to know the:

- Autocratic model of Organizational Behavior
- Custodial model of Organizational Behavior
- Supportive model of Organizational Behavior
- Collegial model of Organizational Behavior

### Models of Organizational Behavior

	<b>Autocratic</b>	<b>Custodial</b>	<b>Supportive</b>	<b>Collegial</b>
Basis of model	Power	Economic resources	Leadership	Partnership
Managerial orientation	Authority	Money	Support	Teamwork
Employee orientation	Obedience	Security and benefits	Job Performance	Responsible behavior
Employee psychological result	Dependence on boss	Dependence on boss	Participation	Self-discipline
Employee needs met	Subsistence	Security	Status and recognition	Self-actualization
Performance result	Minimum	Passive cooperation	Awakened drives	Moderate enthusiasm

**Exhibit 1.4: Model of organizational behavior**

1. **The Autocratic Model:** The autocratic model has its roots in history, and certainly, it became the prevailing model of the industrial revolution. Autocratic model depends on **power**. Those who are in command must have the power or demand “you do this-or else,” meaning that an employee who does not follow orders will be penalized. In an autocratic environment the managerial orientation is formal, official authority. Right of command delegates this authority over the people to whom it applies. Management believes that it knows what is best and that the employee’s obligation is to follow order.

2. **The Custodial Model:** As managers began to study their employees, they soon recognized that although autocratically managed employees did not talk back to their boss, they certainly “though back.” There were many things they wanted to say, and sometimes they did say them when they quit or lost their tempers. Employees were filled with insecurity, frustrations, and aggressions toward their boss. Since they could not vent these feelings directly, sometimes they went home and vented them on their families and neighbors: so the entire community might suffer from this relationship. To satisfy the security needs of employees, a number of companies began welfare programs in the 1890s and 1900s. In their worst form these welfare programs later became known as **paternalism**. In the 1930s welfare programs evolved into a variety of fringe benefits to provide employee security. Employers-and unions and government-began caring for the security needs of workers. They were applying a custodial model of organizational behavior. A successful custodial model depends on *economic resources*. The resulting managerial orientation is toward money to pay wages and benefits. This model leads to employee *dependence on the organization*.

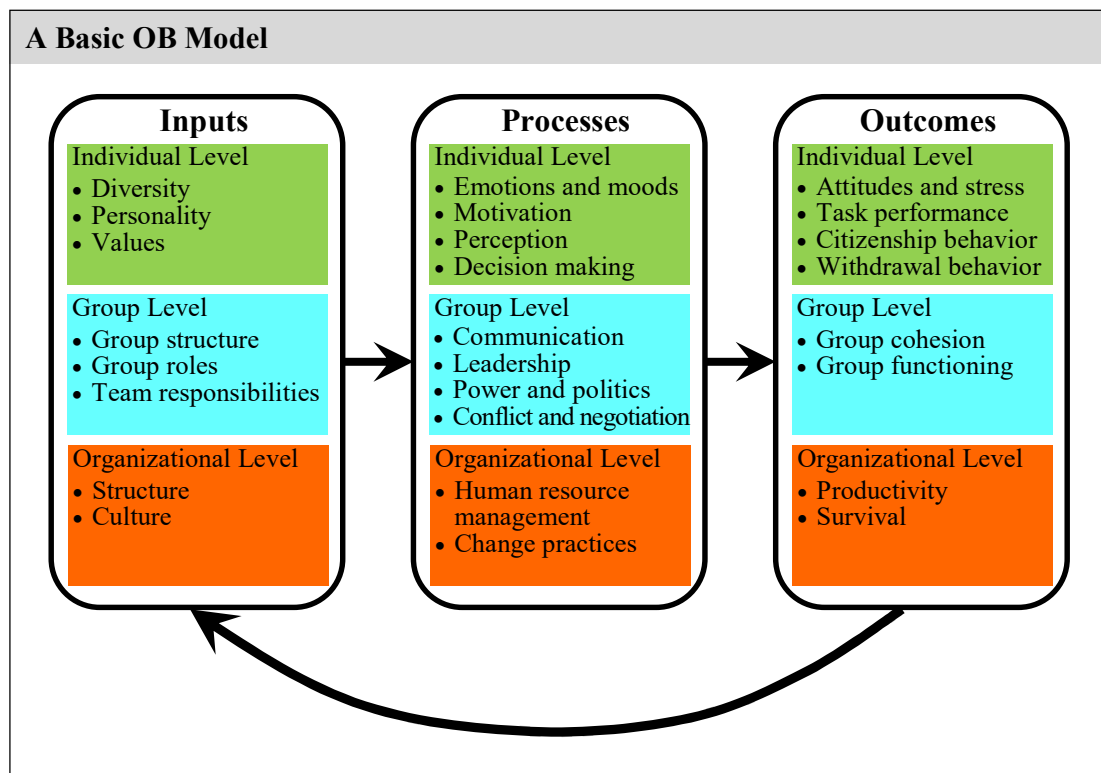
3. **The Supportive Model:** The supportive model of organizational behavior had its origins in the “principle of supportive relationship”. The supportive model depends on *Leadership* instead of power and money. Through leadership, management provides a climate to help employees grow and accomplish in the interests of the organization the things of which they are capable.

4. **The Collegial Model:** A useful extension of the supportive model is the **collegial Model**. The term collegial relates to a body of people having a common purpose. The collegial model, which embodies a team concept, first achieved widespread applications in research laboratories and similar work environments. The collegial model depends on management's building a feeling of partnership with employees. The result is that employees feel needed and useful. They feel managers are contributing also, so it is easy to accept and respect their roles in organization. Managers are seen as joint contributors rather than as bosses.

**Conclusions about the models:** Several conclusions can be made about the models of organizational behavior. They are, in practice, subject to evolutionary change; they are a function of prevailing employee needs; there is a trend toward the newer models; and any of the models can be successfully applied in some situations. In additions, the models can be modified and extended in a variety of way.

### Developing an OB Model

By studying the model, you will have a good picture of how the topics in this text can inform your approach to management issues and opportunities. A model is an abstraction of reality, a simplified representation of some real world phenomenon. Exhibit 1-5 presents the skeleton of our OB model. It proposes three types of variables (**inputs, processes, and outcomes**) at three levels of analysis (individual, group, and organizational).



Source: Stephen P. Robbins, 17th edition, Pearson

The model illustrates that inputs lead to processes, which lead to outcomes; we will discuss interrelationships at each level of analysis. Notice that the model also shows that outcomes can influence inputs in the future, which highlights the broad-reaching effect OB initiatives can have on an organization's future.



**Inputs** are the variables like personality, group structure, and organizational culture that lead to processes. These variables set the stage for what will occur in an organization later. Many are determined in advance of the employment relationship. For example, individual diversity characteristics, personality, and values are shaped by a combination of an individual's genetic inheritance and childhood environment. Group structure, roles, and team responsibilities are typically assigned immediately before or after a group is formed.

**Processes** If inputs are like the nouns in OB, processes are like verbs. Processes are actions that individuals, groups, and organizations engage in as a result of inputs and that lead to certain outcomes. At the individual level, processes include emotions and moods, motivation, perception, and decision making. At the group level, they include communication, leadership, power and politics, and conflict and negotiation. Finally, at the organizational level, processes include human resource management and change practices.

**Outcomes** are the key variables that you want to explain or predict, and that are affected by some other variables. What are the primary outcomes in OB? Scholars have emphasized individual-level outcomes, such as attitudes and stress, task performance, citizenship behavior, and withdrawal behavior.

**Attitudes and Stress** Employee **attitudes** are the evaluations employees make, ranging from positive to negative, about objects, people, or events. For example, the statement "I really think my job is great" is a positive job attitude, and "My job is boring and tedious" is a negative job attitude. **Stress** is an unpleasant psychological process that occurs in response to environmental pressures. Some people might think influencing employee attitudes and stress is purely soft stuff and not the business of serious managers, but as we will show, attitudes often have behavioral consequences that directly relate to organizational effect.

**Task Performance** The combination of effectiveness and efficiency at doing your core job tasks is a reflection of your level of task performance. If we think about the job of a factory worker, task performance could be measured by the number and quality of products produced in an hour. The task performance of a teacher would be the level of education that students obtain. The task performance of consultants might be the timeliness and quality of the presentations they offer to the client.

**Organizational Citizenship Behavior (OCB)** The discretionary behavior that is not part of an employee's formal job requirements, and that contributes to the psychological and social environment of the workplace, is called organizational citizenship behavior (OCB), or simply citizenship behavior. Successful organizations have employees who will do more than their usual job duties—who will provide performance beyond expectations.

**Withdrawal Behavior** We've already mentioned behavior that goes above and beyond task requirements, but what about behavior that in some way is below task requirements? Withdrawal behavior is the set of actions that employees take to separate themselves from the organization. There are many forms of withdrawal, ranging from showing up late or failing to attend meetings to absenteeism and turnover.

### Activity

Which Model is applicable in your organization? Give reasons for your favor.

### Discussion Questions:

1. What are the various models of Organizational Behavior?
2. Briefly discuss the Autocratic Models of Organizational Behavior.
3. State in brief the Supportive Model of Organizational Behavior.
4. Briefly explain the Collegial Model of Organizational Behavior.

## **Lesson-4: Information Technology of Organization**

On completion of this lesson, you will be able to:

- Identify the information technologies of organization
- Analyse the role of information technology of organization.

### **Information Technology of Organization**

Modern managers are studying and gradually adopting several electronic devices that improve communication. These electronic media include personal computers (PCs), minicomputers, mainframe computers, electronic mail (e-mail), voice mail, fax, and cellular telephones for making telephone calls from moving conditions.

### **Computer Networking**

As a matter of fact information technology has changed how people communicate. This has altered, accordingly, the way many organisations are managed. The use of personal computers is noteworthy. Personal computers broke the firm grip of the central computer system on the flow of information in organisations. One consequence of such decentralisation of information was the end of the related firm grip of middle management on corporate communications.

Greater still has been the technological communications. Personal computers put greater power on more people's desks. But those people frequently worked in isolation from other personal computer users. Now, however, a whole new array of products - software capabilities known generally as groupware - has begun to challenge that practice and has begun to change organisational communication patterns. As Linda Applegate says: "Instead of managing data, computers are being used, in effect, to manage networks of relationships between people."

Electronic mail (or E-mail) is one kind of new technological capability. E-mail users send messages between each other's computers. But e-mail is a relatively private communication channel compared to groupware networks, which serve as combinations of bulletin boards and conferences that many managers and employees can tap into at an organisation.

### **Telecommunication**

Telecommunication with or without the use of a computer has been used fruitfully in recent years in various ways by most large-scale companies throughout the world.

The following are some of the examples of its use:

- The computerised railway/airline reservation system facilitates making quick travel arrangements.
- Many banks provide bank-by-phone services available even to individuals.
- Large banks supply hardware and software to their customers so that they can easily transfer funds to their suppliers.
- Facsimile (fax) service transmits information within minutes to any destination on earth.
- Telecommunication provides an important link for just-in-time inventory systems.
- Large enterprises now have detailed personnel information - including performance appraisals and career development plans - in a data bank.

These are some of the many applications of telecommunication. What is important is to ensure its use effectively and for that matter technical experts must make every effort to identify real needs of users (managers, customers etc.) and to design systems that are useful. We may now turn to a specific application of the new technology: teleconferencing.

### **Teleconferencing**

It is very popular in open universities for distance education. Students from different locations can confer with their teacher who is based in a distant place. It is interactive and can be either audio or video or both. In general, most people think of a teleconference as a group of people interacting with each other by means of audio and video media with moving or still pictures.

Full-motion video is sometimes used to hold meetings among executives stationed at different locations. Not only can they hear each other, but they can also see each other's expressions or discuss some visual display. This is, of course, rather expensive but effective.

Some of the potential advantages of teleconferencing include savings in travel expenses and travel time. Also, conferences can be held whenever necessary, since there is no need to make travel plans long in advance. Because meetings can be held more frequently, communication is improved between, for example, headquarters and geographically scattered divisions/branches.

### **E-mail**

E-mail via PCs and PDAs has become commonplace in today's workplace; it is used to communicate with everyone, inside and outside the organization around the world. The same is true of word processing and spreadsheets; this is simply the way business is conducted. In addition, at first electronic data interchange (EDI) and now B2B allows customers, suppliers and manufacturers to communicate directly on a computer-to-computer systems basis. In today's organizations, in western world, written sales and order forms have been eliminated, information is being entered directly to computers, and these machines are being programmed to interpret information and make decision.

### **E-Business**

Herb Kelleher, the well-known founder and head of highly successful southwest Airlines, USA was recently asked what would be the biggest business story of the 21<sup>st</sup> century. He replied:

Even though I'm still into no.2 pencils and legal notepads. I recognize the impact the Internet and e-commerce are having on business. Business has globally just brushed the tip of the iceberg when it comes to tapping the potential the Internet has to change the face of American business. About a third of the world's people now have the Internet access; within five years, that number is expected to be more than 90 percent. That's large base of customer's residing only a few keyboard strokes away.

### **Intranets**

Organizations today are using the wonders of the intranet, but without some of the problems. As one critical analysis pointed out, "Users are driven to distraction by the delays, the muddle and the brainless rubbish. Breakdowns of bits of the Net are hardly new, but when

they happen these days a lot of people notice –as when America online crashed leaving 6 million subscribers to twiddle their thumbs.”

To avoid the increasingly bothersome public access problems while taking advantage of what the Internet and Web technology can offer, almost all organizations are using an Internet. These private Nets or Internets, use the infrastructure and standards of the Internet and World Wide Web, but are cordoned off from the public Internet through software programs known as “fire walls.” With an Intranet, the organization’s employees can venture out into the Internet and all of its wealth of knowledge, and unauthorized users can’t come into their Intranet.

### **Activity**

Is there any scope of e-commerce/ Business in Bangladesh? Mention some advantages and disadvantages of e-commerce / business.

## **Role of Information Technologies (IT) in Modern Organization**

IT (Information Technology) is the process of using any computers, storage, networking, and their physical evidence, infrastructure, and processes. These processes help to create, process, store, secure, and exchange all forms of electronic data.

Information technology plays an important role in the organization or company. It is all about managing the organization. Managing an organization is not an easy task. It deals with operations and resources within an organization. So, IT is the process of managing the organization with the help of technology. It is all about technologies and maintaining resources that are associated with employees of the organization.

It is the process of overseeing all matters regarding information technology operations. Besides, it helps in utilizing all the resources properly and in a way that helps to provide great value for the company. Therefore, effective systems of IT are crucial for all organizations. It makes the organization get optimum benefit from all the sources and helps in gaining maximum profit. On the other hand, it helps organizations in utilizing their staff in a proper way. Besides, it improves the business process and communication in the best way.

These are the most visible IT roles in a organization they support answering, troubleshooting, and resolving technical issues to keep customers. They are also responsible for handling complex tasks and ensuring customer satisfaction. Why is an organization required to hire a help desk analyst? The reasons may be –onflict resolution

- Problem-solving
- Wide range of technical knowledge
- Patience and active learning
- Network administrator

They focus on network building within an organization and their work is slightly different from others. Why is an organization required to hire a network administrator? the reasons may be–

- Experienced in IT systems and networking
- Analytical skills
- Network security
- Attention to details

In today's fast-paced and interconnected world, information technology (IT) plays a pivotal role in the success and growth of modern businesses. The integration of IT into various aspects of business operations has transformed the way companies operate, communicate, and compete. In this blog, we'll explore the key roles that information technology plays in modern business and how it influences everything from communication to innovation.

### **1. Improved Efficiency and Productivity**

One of the most significant contributions of IT to modern business is the enhancement of efficiency and productivity. Automation of routine tasks, data processing, and streamlined workflows through software and applications not only reduces manual errors but also allows employees to focus on more strategic and creative tasks. This leads to increased productivity and a competitive edge in the market.

### **2. Enhanced Communication**

Information technology has revolutionized communication within and outside organizations. Email, instant messaging, video conferencing, and collaboration tools have made it easier for employees to communicate and collaborate irrespective of their geographical locations. This seamless communication fosters better teamwork and decision-making, ultimately leading to improved business outcomes.

### **3. Data Management and Analysis**

In the digital age, businesses generate vast amounts of data daily. IT systems enable efficient data collection, storage, and analysis. Through data analytics tools, companies can extract valuable insights that guide decision-making, customer segmentation, and market trends analysis. This data-driven approach helps businesses make informed decisions and adapt to changing market conditions.

### **4. Enhanced Customer Engagement**

Modern businesses heavily rely on IT to engage with their customers. From e-commerce websites and mobile apps to social media platforms and personalized email marketing campaigns, IT enables companies to reach and interact with their target audience more effectively. Customer relationship management (CRM) software helps businesses manage customer interactions and provide personalized services, fostering loyalty and customer satisfaction.

### **5. Innovation and Competitive Advantage**

Information technology fuels innovation by providing tools and platforms for research, development, and experimentation. Companies can explore emerging technologies like artificial intelligence (AI), machine learning, and blockchain to create innovative products and services that differentiate them from competitors. Staying ahead in the tech race can provide a significant competitive advantage.

### **6. Supply Chain Management**

IT plays a crucial role in optimizing supply chain operations. Through the use of sophisticated software, businesses can track inventory levels, manage logistics, and improve demand forecasting. This ensures timely deliveries, reduces costs, and enhances overall supply chain efficiency.

## **7. Security and Risk Management**

With the increasing reliance on digital systems, cybersecurity has become a paramount concern for modern businesses. IT professionals work diligently to protect sensitive data and information systems from cyber threats. Advanced security measures, such as firewalls, encryption, and intrusion detection systems, are vital for safeguarding a company's reputation and customer trust.

## **8. Cost Reduction**

While the initial investment in IT infrastructure and software can be substantial, it often leads to long-term cost savings. Automation and efficient data management can reduce operational costs, while cloud computing can eliminate the need for expensive on-premises servers and hardware.

In conclusion, information technology is the backbone of modern business operations. Its role extends far beyond mere automation and includes communication, data management, innovation, and competitive advantage. As technology continues to evolve, businesses that embrace IT will be better positioned to thrive in the digital era. To remain competitive, it's crucial for companies to stay abreast of the latest technological developments and incorporate them into their business strategies.

### **Discussion Questions:**

1. Identify and explain the information technologies in organization.
2. Discuss the role of information technology in organization.

## **Lesson-5: Ethics and Ethical Behavior in Organization**

Upon completion of this lesson, you will be able to know the:

- Ethic and Ethical Behavior in Organization.
- Ethics in Business Organization
- Factors influencing Ethical Behavior
- Encouraging Ethical Behavior

### **Ethics and Ethical Behavior in Organization**

Ethics involves moral issues and choices and deals with right and wrong behavior. Only recently has either been fully integrated into the study of organizational behavior. It is now realized that not only individuals and groups but also a number of relevant factors from the cultural, organizational, and external environment determine ethical behavior. Cultural influences on ethical behavior come from family, friends, neighbors, education, religion, and the media. Organizational influences come from ethical codes, role models, policies and practices, and reward and punishment systems. The external forces having an impact on ethical behavior include political, legal, economic, and international developments. These factors often work interdependently in shaping the ethical behavior of individuals and groups in organizations. For example, minimum wage jobs may lock people into an economic existence that prevents them from bettering their lives. Is it ethical to pay people only a minimum wage? Or consider the facts that many obese workers report that they are discriminated against in the workplace and that a research study found that applicants judged to be relatively less attractive were at a distinct disadvantage in decisions involving suitability for hiring and probable organizational progression. Is it ethical to treat these workers differently, given that very limited legal protection is afforded to them and thus they have no recourse?

### **Ethics in Business Organization**

Social responsibility requires individuals engaging in business endeavors to behave in an ethical manner. Ethics are principles of behavior that distinguish between right and wrong. Ethical conducts conform to what a group or society as a whole considers right behavior. People working in business frequently face ethical questions. Business ethics is the evaluation of business activities and behavior as right or wrong. Ethical standards in business are based on commonly accepted principles of behavior established by the expectations of society, the firm, the industry, and an individual's personal values.

With unethical business practices often receiving publicity, the public sometimes believes that people in business are less ethical than others in society. But ethical problems challenge all segments of our society, including government, churches, and higher education.

### **Factors influencing Ethical Behavior**

To encourage ethical behavior, executives, managers, and owners of firms must understand what influences behavior in the first place. Factors that affect individual's behavior in business include the business environment, organizational factors, and an individual's personal moral philosophy.

**The business environment:** Almost daily, business managers face ethical dilemmas resulting from the pressures of the business environment. They are challenged to meet sales

quotas, cut costs, increase efficiency, or overtake competitors. Managers and employees may sometimes think the only way to survive in the competitive world of business is by deception or cheating. In some instances, an organization may use someone else's successful work without the permission of the owner or originator.

**The organization:** The organization itself also influences behavior. Individuals often learn ethical or unethical behaviors by interacting with others in the organization. An employee who sees a superior or co-worker behaving unethically may follow suit.

**The individual:** A person's own moral philosophy also influences his or her ethical behavior. A **moral philosophy** is the set of principles that dictate acceptable behavior. These principles are learned from family, friends, co-workers, and other social groups and through formal education. The Connections quiz will help you evaluate your moral philosophy.

In developing a moral philosophy, individuals can follow two approaches humanistic and utilitarian. The **humanistic philosophy** focuses on individual rights and values. Individuals and organizations adopting this philosophy would honor their moral duties to customers and workers.

Individuals and organizations following the **utilitarian philosophy** seek the greatest good for the largest number of people. Pharmaceutical manufacturers who make vaccine for pursuits, the deadly disease of whooping cough, adhere to this philosophy.

## Encouraging Ethical Behavior

Many organizations take positive steps to encourage ethical behavior. Some offer courses in ethics and include ethics in training programs. (For instance, Boeing Company line managers lead ethics training seminars). Most courses and training seminars focus on how to analyze ethical dilemmas. The emphasis is on understanding why individuals make the decisions they do rather than on teaching ethics or moral principles.

A basic way for an organization to encourage ethical behavior is to establish a code of ethics. A **code of ethics** is a statement specifying exactly what the organization considers ethical behavior. Many firms, as well as trade and professional associations, have established code of ethics. For instance, the American Medical Association has its own code of ethics that limits the amount and types of advertising used by doctors. By enforcing codes of ethics, rewarding ethical behavior, and punishing unethical behavior, a firm limits opportunities to behave unethically.

Employees of an organization can also encourage ethical behavior by reporting unethical practices. **Whistle-blowers** are employees who inform their superiors, the media, or a government regulatory agency about unethical behavior within their organization. Whistle-blowers often risk great professional and personal danger by reporting the unethical behavior of others. They may be harassed by co-workers or supervisors, passed up for promotions, fired, or even threatened with damage to their property or harm to themselves or their families. Nonetheless, some organizations have developed plans that encourage employees to report unethical conduct and that provide protection for whistle-blowers.

## Discussion Questions:

1. Define ethic and ethical behavior in organization.
2. Explain the ethics in business organization.
3. Discuss the factors influencing ethical behavior.
4. Explain the encouraging factors of ethical behavior.



## **Lesson-6: Historical Development of Organizational Behavior**

Upon completion of this lesson, you will be able to know the:

- Early history of the development of Organizational Behavior
- Modern history of the development of Organizational Behavior

### **Historical Development of Organizational Behavior**

The history of human relations is not new. It existed since the beginning of the time but its dealings is quite new with the development of art and science. In the early days people worked alone or in small groups where human relations were not problem because organizations were not so complicated as they are today. Human relations are handled very easily because there were direct links between labor, capital and management. They were supposed to be happy in such conditions and fulfilled their needs but it was all force. Actual conditions were brutal and backbreaking. Life was very hard those days. People worked from dawn to dusk under intolerable conditions of disease, filth, danger and scarcity of resources. They had to work to survive hence there is no possibility of trying to improve the behavioral satisfaction.

Then industrial revolution broke in. In the beginning there was no improvement in human relations but later on improvement was seen in the working conditions of the people. The industry generated a surplus capital of goods and knowledge that eventually provided workers increased wages, shorter hours of work and more work-satisfaction.

In this new industrial environment, a Wales factory owner Mr. Robert Owen was the first to emphasize the human needs of the workers. He refused to employ young children in his factory. He taught his workers cleanliness and self-restraint and improved their working conditions a lot. He was known as father of personnel administration in early days. This could hardly be called modern organizational behavior but it was beginning.

A book entitled 'The Philosophy of Manufacturers' written by Andrew Ure was published in 1835 in which he recognized the mechanical and commercial aspects of manufacturing. He also gave recognition to the human factor to manufacturing. He illustrated how workers are provided with hot tea; medical treatment, ventilation and sick payments. The approaches of Owen and Ure were accepted gradually and gave birth to paternalistic do-good approach to people. It was beginning of the history.

### **Early Development**

During 1900s, F.W. Taylor presented the concept of Scientific Management to the world. He awakened the interest in people at work. He is often called the father of scientific management. He gave the new dimension in the management thought, that paved the way for the subsequent development of organizational behavior. He was first to recognize the fact that improved work situation would certainly add to productivity. He pointed out that just as there was a best machine for a job, so were there best ways for people to do their jobs. The goal still was to improve the technical efficiency, but at least management was to improve the technical efficiency, but at least management was awakened to the importance of one of its higher to neglected resources.

The major work of Mr. F.W. Taylor was published in 1911. During the decade, the interest in human relations at work was accelerated by World War I. 'The National Personnel

Association' was formed in U.S.A. and later in 1923, the name of the association is changed to 'the American Management Association'. Its main object was to devote itself exclusively to the consideration of human factor in commerce and industry. In 1918, a 'silver bay conference' was organized in New York to consider 'Human Relations in Industry' and since then, conference is being regularly held. During the same period Whiting Williams was engaged in studying workers while working with them and his experience were made public in 1920 entitled 'what's on the workers mind.'

### **Mayo and Roethlisberger**

During 1920 and 1930 Elton Mayo and F.J. Roethlisberger at Harvard University gave the academic structure of human behavior at work. They applied keen insight, straight thinking and sociological backgrounds to the industrial experiments at Western Electric Company Hawthorne plant. The study developed the concept that an organization is a social system and the human element is one of the most important elements in it. The experiments showed "worker is not simply a tool but he is a complex personality interacting in a group situation that is hard to deal with and thoroughly misunderstood." Mayo pleaded that the collaboration cannot be left to chance. His colleague Roethlisberger added that 'a human problem to be brought to a human solution requires human data and human tools'.

The Mayo's research, though criticized as being in adequately controlled and interpreted but it was basic idea of social system within the work environment have stood the best of time.

### **Popularity**

During Second World War and after, the industrialists and academicians showed a great interest in human relation organizations. It was due to short supplies of labor during war period. By the 1950s, the study of the subject became the fashion of the day and it became popular. Main reasons of its popularity were:

- i. There was a cultural lag in understanding the human side of organization so that heavy emphasis was laid on its study to achieve development equivalent to that in engineering, production, sales etc.
- ii. Mayo and Roethlisberger researches were followed by fresh researchers, giving managers new understanding in building up a more effective organization.
- iii. Labor unions gained strength and pressed for better working conditions for the workers. Workers also were better-educated and expected better work environment, and more human quality leadership in organization. There was change in social attitudes demanding more social responsibility from organizations.
- iv. Work-environment itself became more complex and needed more attention. Size of organization increased considerably that multiplied the complexity of work. Increased specialization also contributed to the complexity of work because now workers were unable to understand the whole product.

The reasons discussed above show that the emphasis given to organization behavior was a result of trends, developed over a long period of time.

### **Short Questions**

1. Briefly state early history of organizational behavior before nineteenth century.
2. Mention the contribution of Mayo and Roethlisberger in organizational behavior.
3. What do you know about the development of organizational behavior after World War II?



# FOUNDATIONS OF INDIVIDUAL BEHAVIOR AND WORKFORCE DIVERSITY

2

## Unit Highlights

- Foundation of individual behavior.
- Diversity in work place of organizational behavior.

## Technologies Used for Content Delivery

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
- ❖ Web Radio
- ❖ Mobile Technology with Micro SD Card
- ❖ LP+ Office 365
- ❖ BTV Program
- ❖ Bangladesh Betar Program



## Lessons-1 & 2: Foundations of Individual Behavior

Upon completion of this lesson, you will be able to:

- understand the Personal factors affecting individual behavior
- know the Environmental Factors affecting individual behavior
- understand the Organizational Factors affecting individual behavior
- know the different models of man

Source: Geeta Sachdeva (2024).

<https://ebooks.inflibnet.ac.in/hrmp03/chapter/understanding-individual-behaviour/>

### Introduction



Source-<http://www.codenbox.com/assets/images/whycodenbox.jpg>

Organizations are made of individuals and every individual is unlike from each other. The behavior of every individual is influenced by numerous aspects. Each individual has specific purposes, motivations, observations and capabilities. To comprehend the human behavior in organizations in an improved way, a vigilant study of all the factors which affect the human behavior is a necessity. Each organization wishes to acquire the maximum probable efforts and assistances from its employees. The efforts and assistances of human beings are contingent upon their behavior. Therefore, it is very significant for the organizers to recognize how the individual perform. Individual behavior means how an employee or individual behaves, responds or replies in a certain environment. The factors which influence the human behavior are person, environment and the organization itself. So, individual behavior is a function of person, environment & the organization.

### Factors affecting the individual behavior

The factors which influence the individual behavior are:

1. Personal factors
2. Environmental factors
3. Organizational factors

**1. Personal Factors:** The personal factors which affect the individual behavior could be categorized into two groups

- 1.1 Biographical Factors
- 1.2 Learned Factors

**1.1 Biographical Factors:** all the human beings have certain features which are hereditary in nature and are inborn. These are the talents which the individuals are born with. These are

features which cannot be altered; at the maximum, these can be polished to some level. If the managers recognize about the inborn qualities & limitations of the individuals, they can use their organizational behavior methods more efficiently. All these features are clarified in detail as follows:

**Physical Characteristics:** some of these characteristics are connected to height, skin, appearance, vision, form & size of nose, weight etc. All these have an influence on the performance of the persons. It is sometimes supposed that the eyes deceive the character of the being. Likewise, certain thoughts about the behavior can be shaped on the base of whether the person is overweight, tall or slim. Tall & slim persons are probable to dress well & perform in a cultured manner and overweight people are supposed to be of a cheerful nature. Whether there is a relationship between body structure & behavior has not been logically proven. Even if there is association between these two, it is very hard to comprehend which independent variable is & which dependent variable is.

**Age:** age is considered to be a hereditary characteristic because it is decided by the date of birth. The association between age and job performance is a subject of growing performance. Psychologically, younger people are probable to be more active, pioneering, adventurous, and determined and risk taking. While old people are supposed to be conventional, set in their own methods and less flexible. However it is improper to generalize all old people are inadaptatable. Physiologically, performance rests on age, performance drops with progression of age because older people have less energies, remembrance etc. Younger people are probable to change jobs to benefit better job opportunities, but as one matures, the probabilities of his leaving job are less. There is a connection between age and absence also. Older people incline to absent more from their jobs due to inevitable reasons like poor health, while, younger people absent themselves from job due to preventable reasons like going for holiday. However there is no clear cut differentiation between young age & old age but according to Lehman the highest of creative ability is amid people between the age 30 and 40.

**Gender:** Being a male or female is hereditary in nature and it is considered to be an inborn feature. Whether the woman does as well as in jobs as men do, is a subject which has started lot of debates, fallacies and thoughts. The traditional view was that man is tougher than woman or women are extremely emotional than men. But these are some stereotyped groundless conventions. Research has verified that there are few if any, significant differences between man and woman that will affect their job performance. Gender has its influence on absenteeism. The propensity to refrain from work is more in females than in men, because historically, our society has placed home & family accountabilities on the females.

**Religion:** however there are no logical studies to verify it and we cannot generalize it, but religion & religion based cultures play an imperative role in determining some facets of individual behavior, particularly those facets which concern ethics, beliefs & code of conduct. The religion also regulates attitudes towards work & towards financial inducements. People who are extremely religious are supposed to have high moral values e.g. they are authentic, they do not tell lies or talk ill of others. They are supposed to be satisfied.

**Marital Status:** there are not sufficient studies to draw any inference as to whether there is any association between marital status and job performance. Research has constantly showed that as marriage levies enlarged responsibilities, to have a stable job becomes more valuable and significant. Married employees have less absenteeism, less turnover and more job satisfaction as compared to unmarried employees.

**Experience:** The influence of seniority on job performance is a matter which is subjected to a lot of misapprehensions and assumptions. Work experience is considered to be a good indicator of employee productivity. Research specifies that there is a positive relationship between seniority & job performance. Besides studies also indicate that a negative relationship between seniority & job performance.

**Intelligence:** Usually, it is considered that intelligence is a hereditary quality. Some people are born intellectual and in other words intellectual parents produce intellectual children. But practical experience has exposed that sometimes very intellectual parents have less intelligent children & sometimes normal parents have very intellectual children. Furthermore intelligence can be improved with efforts, hard work, appropriate environment & motivation. Intelligent people are normally not obstinate and stalwart, rather they are considered to be steady and expectable.

**Ability:** Ability states to the capacity or capability of a person to perform the numerous tasks in a job. It is the benchmark used to determine what a person can do.

**1.2 Learned Factors:** An individual is born with biographical characteristics which are difficult to change or modify. Thus, the managers lay much stress on studying, learning and forecasting the learned characteristics. Some of these characteristics are as follows:

**Personality:**



Source-<http://www.codenbox.com/assets/images/whycodenbox.jpg>

It is as a vibrant concept describing the growth and development of a person's complete psychological system. Rather than looking at the parts of the individual, personality looks at some collective whole that is bigger than the sum of its parts. It usually states to as dominance, aggressiveness, persistence, and other qualities reflected through an individual's behavior. Some personalities characters like physical built & intellect are biological in nature but most traits like patience, open mindedness, extrovertness, etc. can be learned. People who are open minded appear to work out better in bargaining agreements than people who are narrow minded. Likewise people who are extroverts and outbound are more probable to be successful as managers than those who are introverts.

**Perception:**



Source: <http://mentalhealthandhappiness.com/wpcontent/uploads/2014/07/perception1.jpg>



Perception is the perspective by which one understands a situation. It is the procedure by which information enters our minds and is interpreted in order to give some utilitarian meaning to the world around us. Psychology utters that diverse people see and sense the same thing in dissimilar ways. For instance, if a new manager perceives an employee to be a job shirker, he will give him less significant jobs, even though that employee is very talented person.

**Attitude:** It is just like perception but with frame of reference. It is a propensity to act in a certain way, either favorably or unfavorably regarding objects, people or events. For instance, if I say I am pleased with my job, I am stating my attitude towards my work. An attitude might be demarcated as the way a person feels about something, a person, a place, a thing, a situation or an idea. It expresses a person's positive or negative feeling about some object. Most of our attitudes are such about which we are not aware.

**Values:** Values signify basic belief that a precise mode of conduct is personality or socially desirable to an opposite mode of conduct. Values carry a person's ideas as what is right, good or desirable. All of us have a hierarchy of values that form our value system. This system is recognized by the relative importance we allocate to some values like freedom, self-respect, honesty, obedience, equality and so on. Values are carefully entrenched in the people that these can be detected from their behavior. Individual values are influenced by the parents, teachers, friends and other external forces. Values differ from individual to individual because every individual learns in a diverse way and have diverse type of experience.

**2.1 Environmental Factors:** the external environment is known to have a substantial influence on an individual's behavior. A brief explanation of the external factors as mentioned below:

**Economic factors:** the behavior of an individual is affected to a great extent by the economic environment. A few economic factors which directly or indirectly influence the individual behavior are elucidated below:

**Employment level:** the employment opportunities which are obtainable to the individuals go a long way in manipulating the individual behavior. If the job opportunities are fewer, the individual will have to stick to a specific organization even though he does not have job gratification. He might or might not be faithful to the management but he will continue in the organization for financial benefits only.

**Wage rates:** the main contemplation of every employee who is working in the organization is his salaries. However job satisfaction is very significant but what a person will acquire in money terms is the main factor influencing the decision of a worker to stay in a specific organization or shift to another one which will pay more wages.

**General Economic Environment:** the employees who work in organizations which are severely affected by economic cycles, are exposed to layoffs and cost-cutting. For these employees job security and a steady income is the most significant factor.

**Technological Development:** though technology is not an economic factor, but we contain in the economic factors because of the influence it has on the persons' job opportunities. The technological development has made the job more intelligent and advanced. Some workers will be dislocated unless they are well armed to work on new machines. For those, who pick up and apprise themselves with new technology the jobs will be rewarding and challenging.

**2.2 Socio-cultural Factors:** the social environment of an individual comprises his association with family members, friends, colleagues, supervisors and subordinates. The

behaviour of other people not with the individual but in general is also a part of his social environment. Likewise individual has a cultural background which shapes his values & beliefs. Work ethics achievement need, effort-reward expectations and values are significant cultural factors having impact on the individual behavior.

**2.3 Political Factors:** political environment of the nation would affect the specific behavior not directly, but through some other causes. In a politically steady nation there would be a stable level of employment and high level of capital investment. Whereas corporations are unwilling to invest great sums of money in a politically uneven country.

**2.4 Legal Environment:** rules & regulations are formal and written standards of behavior. Both rules & regulations are severely imposed by the legal system. Laws narrate to all the members of the society. Observing the laws willingly permits for expectedness of individual behavior.

**3. Organizational Factors:** individual behavior is predisposed by varied range of organizational systems & resources. These organizational factors are as elucidated below:

**Physical Facilities:** the physical environment at a work place is the planning of people & things so that it has an optimistic effect on people. Some of the aspects which effect individual behavior are noise level, heat, light, airing, sanitation, nature of job, office furnishing etc.

**Organizational Structure and Design:** these are concerned with the method in which diverse departments in the business are set up. How are the lines of communication established amongst diverse levels in the business? The behavior & performance of the employee is influenced by where that individual fits into the organizational hierarchy.

**Leadership:** the system of leadership is established by the management to offer direction, support, guidance and education to individuals. The human behavior is influenced to a great level by the behavior of the seniors or leaders. Behavior of the leaders are more imperative than their qualities.

**Reward System:** the behavior & the performance of the person is also influenced by the reward system established by the business to reward their employees.

**4. Models of Man:** A number of models of man have been set in terms of his basic nature, his behavior etc. A short explanation of a few models is explained as below:

**4.1 Rational Economic Man:** from the organizational viewpoint, managers had for a long time, observed their employees as rational beings who are mainly encouraged by money. They look at the “Economic Man & “Rational Man” approach to recognize and forecast the human behavior. This model is grounded on classical organization theory. The scientific management drive was grounded on the faith that by rationally elucidating the one finest way to do things and presenting incentives to workers in the method of piece rates & bonuses, organizational productivity can be improved.



Source-<https://qph.ec.quoracdn.net/main-qimg-1e305cb1549e7d5ceacdfa3a4c261d6b-c>

McGregor's assumptions of Theory X mirror this model. The elementary assumptions of the concept of 'Rational Economic Man' are as follows:

- Persons are encouraged mainly by economic incentives. They would do things which get them the utmost economic gain.
- As the organization controls the economic incentives, human beings are basically inactive agents, who are operated, encouraged and controlled by the organization.
- The feelings of the persons are basically irrational & must be controlled to attain rationality and self-interest.
- Organizations can and must be designed in such a way so as to neutralize and control people's feelings & thus their unpredictable traits.

In this model, persons are encouraged to produce more by offering them with economic incentives. In this situation, there is no organization-employees conflict because both are satisfying their needs concurrently.

#### **Drawbacks:**

As this model is grounded on the classical theory, it suffers from the inadequacies intrinsic in that theory and do not outfit the present day organization.

- The economic incentives can work till the man is not sensibly satisfied by the need of money.
- So it can be specified that entire assumptions of Rational Economic man are not adequate in understanding and forecasting human behavior.

#### **4.2 Social Man:**

supporters of this school reflected the worker as a social man. They acknowledged that man is the part of social group, he is influenced by the social forces & gets satisfaction of the needs which are linked to the maintenance of his social relationships.

**Eltan Mayo** considered the concept of social man when he carried out Hawthorne studies during 1927-32. From the reports of this studies the succeeding assumptions about human beings can be drawn:

- a) Human beings are essentially encouraged by social needs & all their efforts focused towards getting this gratification by maintaining relationships with others.
- b) A human group is more reactive to the pressures & permissions of his social group than to the incentives & controls of the management.
- c) The quantity of work to be done by an employee is not determined by his physical capability or by the management but by the social norms.
- d) Normally persons do not act or respond as individuals but as associates of a group.
- e) Informal leaders have an imperative role in setting & imposing the group norms.
- f) Management should change & establish work in such a method that it offers more belongingness not only in terms of interpersonal & group relationships, but also man's relationships with his job.

#### 4.3 Organizational Man:



Source-<http://www.stratoscale.com/wp-content/uploads/Four-Steps-to-Hybrid-Cloud-Solution-1159x1080.jpg>

It is an addition of social man. It was announced by **William Whyte**. He assumed that it is very significant for a person to be faithful to the organization & supportive with the fellow workers. Any individual who believes in this value system & actions in this method is an organization man. The basis of this idea is that every individual should sacrifice his distinctiveness for the sake of the group & the organization.

#### 4.4 The self-Actuating Man:



Source-<http://cdn.rosannadavisonnutrition.com/wp-content/uploads/2015/10/self-actualization-sunset-1200x804.jpg>

The concept of self-actuating man is an additional extension of social man & the organization man models. The social man concept accepts that the creation of social groups is the foundation of satisfaction for the persons. But as against the self-actuating man undertakes that man's intrinsic need is to use his competences & skills in such a means that he should have the gratification of creating certain things. The earlier models do not permit him to satisfy his self-actuating needs.

## 4.5 Complex Man:



**Source-**<https://previews.123rf.com/images/sirylok/sirylok1105/sirylok110500058/9609443->

All the earlier models make very simplistic assumptions about persons & their behavior. Researchers have demonstrated that these assumptions are not right as explicated below:

- a) The initial models undertake that man would always behave as per the certain set patterns. But research has showed that there are numerous complex variables, which determine the human behavior. These variables are pretty erratic. So the human behavior which is grounded on these variables cannot trail as set pattern.
- b) The behaviour of the man can be understood & practiced in the given circumstances, contingent upon the assumptions made. But research has showed that even if cause-effect relationship is recognized between the variables & behavior, it is not easy to comprehend & forecast the individual behavior because of individual variances. It is not essential that everybody will behave accordingly.

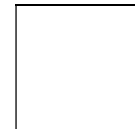
### **Below are the assumptions about the complex man:**

- i) Persons are not only complex but also extremely variable. However their needs can be organized in a hierarchy, but this hierarchy is also not widespread. Diverse persons may have diverse hierarchies.
- ii) Persons are proficient of learning new motives through their organizational experiences.
- iii) Persons' motivations in different organizations or different subparts of the same organization might be dissimilar.
- iv) Persons can respond to numerous diverse kinds of managerial strategies.

However to understand the man is quite complex, human behavior is not as simple as expected in the preceding models. Henceforth current thinking on the subject is to take an approach that different individuals have diverse needs and personality traits and if there is an appropriate match between these and the environment they operate in, functional behavior will arise.

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**you can view video on Understanding Individual Behavior**  
file:///C:/Users/User/Desktop/watch.htm



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### **Discussion Questions**

- 1. Discuss the personal factors affecting individual behavior.
- 2. Describe the environmental factors affecting individual behavior.
- 3. State in brief the organizational factors.

## Lesson-3: Diversity in workplace of organizational behavior

On completion of this lesson, you will be able to know the:

- What is diversity in the workplace?
- Importance of Merit-Based Diversity and Inclusion in the Workplace .
- Reasons for the Emergence of Diversity
- Key Benefits of Having a Merit-Based Diverse Workforce
- What Are the Challenges of Building a Diverse Workforce?
- What Are the Challenges of Building a Diverse Workforce?
- 3 Best Practices for Merit-Based Diversity in the Workplace

*“Diversity in the workplace is defined as a trait of company culture wherein the workforce composition includes employees of different genders, age, sexual orientation, religions, languages, abilities, professional backgrounds, socioeconomic backgrounds, and educational backgrounds.”* “Source: <https://www.spiceworks.com/hr/diversity-inclusion/articles/what-is-diversity-in-the-workplace/>

### What is Diversity in the Workplace?

Enabling diversity in the workplace simply means making an effort to employ a broad cross-section of people from different demographics. Workplace diversity may be defined as a trait of company culture wherein the workforce composition includes employees of different genders, age, sexual orientation, religions, languages, abilities, professional backgrounds, socioeconomic backgrounds, and educational backgrounds.

At a micro-level, diversity brings in varying points of view and disruptive thought processes, preventing companies from stagnating or becoming complacent. A 2019 survey of 6,600+ Americans Opens a new window found that a sizable 75&percent; believe it is very/somewhat important for companies to promote racial and ethnic diversity.

Diversity goes hand in hand with two other concepts:

- **Inclusion:** Not only do companies employ professionals belonging to different demographic groups, but they treat them equally – paying the same wages, providing equal learning opportunities, and sharing workloads equitably.
- **Equity:** Companies level the playing field between different demographics through proactive action. For instance, all employees are offered the same learning opportunities, but education is sponsored for those previously incarcerated.

Together, diversity, inclusion, and equity Opens a new window help to build a workplace that’s conducive and welcoming to every employee – opening the company up to the best talent out there, without bias.

### Importance of Merit-Based Diversity and Inclusion in the Workplace

Merit-based diversity is a widespread practice among companies across the globe. It implies that candidates will be selected based only on merit, and employees will be promoted or given additional responsibility only if they have demonstrated their excellence.

The survey we cited found that according to 74&percent; of Americans, companies should take only qualifications into account when hiring or promoting individuals. This indicates clear support for merit-based diversity.

How can this help? There are three benefits:

- 1. Ethics:** Merit-based diversity is ethical. Consider a movie where the lead actor is chosen based on the producer's personal network and preferences. Now consider one with an open casting call, where thousands of applicants audition and the best candidate is selected. The second scenario may take longer, but it is an ethical process as it offers the same opportunity to a diverse group of people. This is what merit-based hiring diversity tries to achieve.
- 2. Productivity:** Hiring for merit-based diversity provides a richer pool of candidates who are likely to be more productive. Also, merit-based diversity builds up cognitive productivity over time, which means the organization can keep evolving in terms of efficiency.
- 3. Long-term requirements:** A non-diverse workforce may likely follow the same work pattern and processes across years, becoming resistant to change. Eventually, this will hold back a company's agility and sustainability. Merit-based diversity – comprising a diverse C-suite, a diverse board of directors, diverse investors, and diverse shareholders – is integral to long-term success.

### Reasons for the Emergence of Diversity

A major reason for the emergence of diversity as an important challenge is changing demographics. Older workers, women, minorities, and those more with education are now entering the workforce in record numbers. The statistics on these demographic developments are covered in the next section. However, for now it can be noted that the composition of today's and tomorrow's workforce is and will be much different from that of the past. At the more micro level, assuming talent and ability are equally distributed throughout the population and that everyone has an equal opportunity, these means that there should be diversity in every level of an organization.

Another pragmatic reason for diversity in today's organizations stems from legislation and lawsuits. The political and legal systems have compelled organizations to hire more broadly and to provide equal opportunity for all employees. Although legislation going as far back as the Civil Rights Act of 1964 in USA prohibited discrimination in employment, only recently have the full effects of that landmark and other more recent legislation, such as the following, had an impact.

1. *Age Discrimination Act of 1978.* The law at first increased the mandatory retirement age from 65 to 70 and then was later amended to eliminate an upper age limit altogether.
2. *Pregnancy Discrimination Act of 1978.* This law gives full equal opportunity protection to pregnant employees.
3. *Americans with Disabilities Act of 1990.* This law prohibits discrimination against those essentially qualified individuals challenged by a disability and requires organizations to reasonably accommodate them.
4. *Civil Rights Act of 1991.* This law refined the 1964 act reinstated burden proof falls on employers to eliminate discrimination and ensure equal opportunity in employment to employees. It also allows punitive and compensatory damages through jury trials.
5. *Family and Medical Leave Act of 1993.* This law allows the employees to take up to 12 weeks of unpaid leave for family or medical reasons each year.

In Bangladesh many Acts have been enacted. These are Factories Act 1965, Payment of Wages Act, Work men's Compensation Act (Amended) 1984, Industrial Relations Ordinance 1969 and so on. These Acts prohibit discriminations in employment and related matters of factory workers.

These laws, along with lawsuits and the threat of lawsuits, have put teeth into diversity. Individuals and groups that have found themselves excluded from organizations or managerial positions can bring and have brought lawsuits in an effort to overcome discriminatory barriers and ensure themselves equal opportunity in employment.

## **Key Benefits of Having a Merit-Based Diverse Workforce**

There are several ways to make diversity a part of the hiring and workforce management strategy, and a merit-based system is among the most popular approaches. In a merit-based diverse workforce, every employee is evaluated as per their quality of work (both performance and potential), and not any personal traits.

An employee's ethnic background, country of origin, native language, past employment history, or even personality traits like extrovert/introvert don't matter in a merit-based scenario. This leads to the following key benefits:

### **1. It boosts the quality of hire and addresses skill gaps**

In a merit-based system, an employee's skills and capabilities come under scrutiny. This makes it easier to bridge skill gaps. Opens a new window, as recruiters know exactly which skills to hire for and can assess if an employee brings those skills to the table. For instance, in a digital transformation project that requires system integrators, assessing candidates only on their expertise or potential in the field through a skill assessment will boost the overall quality of hire opens a new window.

### **2. It helps to spur innovation and disruption**

Merit-based diversity will bring together the brightest minds from a wide variety of backgrounds. This combats groupthink (a phenomenon where a homogeneous group finds it difficult to solve problems due to the lack of disruptive ideas) and encourages cognitive diversity. Over time, a company's cognitive diversity can enable rapid innovation in core areas such as new product development, marketing outreach, and business transformation.

### **3. It eases a company's entry into new geographies and customer segments**

It is easy to see how merit-based diversity could act as a catalyst for business expansion, helping an organization reach diverse audiences and geographies. A company employing talented professionals from across the world will find it much easier to make inroads into an unfamiliar market, than a company that relies only on candidates sourced from its HQ's nearby regions. It brings perspectives and knowledge specific to the region and allows easier access to the market.

### **4. It positions organizations as a preferred employer**

We live in the age of social media, where every employee will share their workplace experience, either on professional platforms (Glassdoor, Indeed, etc.) or through their personal networks. Merit-based diversity will earn organizations goodwill among the employee and candidate community, as everyone feels welcome in the workplace even as they are motivated to display their abilities.

### **5. It creates a resilient succession plan and leadership pipeline**

Organizations need a leadership pipeline marked by talented professionals that is resilient to changing market dynamics. Diverse leadership brings the much-needed agility, creating familiarity with different cultures as well as adding to the company's cognitive diversity.



Combine this with merit-based hiring and promotions, and it helps create a succession plan opens a new window that's highly resilient and populated with the most talented professionals in the company.

## **6. It fosters a culture of inclusion and employee-centricity**

This is the first and foremost benefit of pursuing merit-based diversity. It builds a culture of inclusion that values employees and actively fights for the representation of minority groups. As a new generation of employees enters the workplace, this atmosphere of inclusion, camaraderie, and respect is essential if to reach the desired productivity goals.

Finally, merit-based diversity makes decision-making processes more transparent, eliminating any risk of bias or favoritism, as there is an explicit parameter for selection. And this is on top of the ethical aspect of it. So, why don't more companies espouse merit-based diversity?

## **Challenges of Building a Diverse Workforce**

Any sort of transformation comes with hurdles. But that doesn't mean it isn't worth an investment. Instead, challenges should be accounted for when transforming the workplace with an eye on increased diversity.

Here are some of the critical challenges to expect:

### **1. Navigating immigration and employment laws can be difficult**

This is an operational challenge, one that can prevent many merit-based diversity hires from being executed. Imagine a company that has conducted its equivalent of an open casting call, interviewing hundreds of candidates online to find the perfect fit. But it appears that 50&percent; of the shortlist comprises candidates with different countries of origin, posing immigration complexities.

### **2. Varying work styles could lead to conflict**

This is among the common issues organizations may face after switching to merit-based diversity. The workplace will now include people with different personalities, backgrounds, and approaches, all with their preferred mode of working. Consider a work environment where a veteran in their fifties works alongside a group of Gen Z coders. Initially, there might be a conflict in approaches and viewpoints.

### **3. Even merit-based hiring could become one-dimensional**

Consider a company that wants to hire based on merit but hasn't invested in defining a multifaceted strategy document. Instead, the company considers a superficial measure of excellence – such as a degree from an Ivy League school. Over time, this leads to a one-dimensional workforce as candidates from a similar educational background with near-identical work histories are recruited into the company.

This requires a carefully outlined merit-based hiring strategy based on diverse decision-making flows. It also requires the implementation of technology to avoid diversity hiring bottlenecks and training decision-makers to exercise their discretion with a focus on ethics.

### **4. Some stakeholders could be resistant to change**

Embracing merit-based diversity means undoing centuries of prejudice that are ingrained in our thought processes and institutions. The first step is to acknowledge this and the resulting

risk of unconscious bias before moving ahead. Some stakeholders, particularly those who have been with the organization for a long time, and are familiar with a different approach, could be resistant to change.

### **Three Best Practices for Merit-Based Diversity in the Workplace**

Companies in the bottom quartile for gender and ethnic/cultural diversity are 29&percent; less likely to see above-average profits than diverse companies. Depending on the scale of a business, this could mean thousands or even millions of dollars in variance.

That's why diversity in the workplace is so important – and merit-based systems are an excellent way to go. Here are a few best practices to remember when implementing merit-based diversity:

- Adopt blind hiring so that there is zero risk of bias creeping in
- Target a vast candidate pool without limiting recruitment efforts to a specific network or job portal
- Institute mechanisms for reporting activities that go against the merit-based diversity policy

The last point is probably the most crucial. Merit-based diversity makes a difference only when there is an actionable enforcement plan for it.

By setting up a dedicated diversity task force and placing institutionalized channels to report policy violations, an organization's diversity and inclusion strategies become more sustainable, rewarding positive behavior, and taking the company to new heights of success.

### **Discussion Questions**

1. What is diversity in the workplace?
2. Explain the importance of Merit-Based diversity and inclusion in the workplace.
3. Discuss the reasons of emergence of diversity.
4. Describe the key benefits of having a merit-based diverse workforce
5. What are the challenges of building a diverse workforce?
6. Describe the three best practices for merit-based diversity in the workplace.



## ATTITUDES AND JOB SATISFACTION

3

### Unit Highlights

- Attitudes of individual behavior
- Functions and measures of attitudes of individual behavior
- Job satisfaction
- Measurement and determinants of job satisfaction

### Technologies Used for Content Delivery

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
- ❖ Web Radio
- ❖ Mobile Technology with Micro SD Card
- ❖ LP+ Office 365
- ❖ BTV Program
- ❖ Bangladesh Betar Program



## Lesson-1: Attitudes of Individual Behavior

Upon completion of this lesson, you will be able to:

- Define attitudes.
- To know the characteristic and nature of attitudes.
- To understand the types of attitudes.
- To identify the components of attitudes.

Attitude has been widely studied in organizational behavior because it is considered as an important variable of human behavior. Attitude has a psychological attribute that shapes human behavior. Work related attitudes of an individual tend to influence job related behaviors of employees such as absenteeism, performance, turnover and organizational citizenship behavior very strongly.

### Attitudes/Concept of

The term “attitude” frequently is used in describing people and explaining their behavior. For example: “He has a poor attitudes.” “I like her attitude.” An attitude can be defined as a persistence tendency to feel and behave in a particular way toward some object. For example, Karim does not like working in night shift. He has a negative attitude toward his work assignment. **Attitudes** are evaluative statements—either favorable or unfavorable—about objects, people, or events; They reflect how we feel about something. Attitudes are evaluative statements which are frequently used to describe people, events and objects. These statements can be either favourable or unfavourable. Attitude reflects one’s feelings towards particular object, event or person.

### Characteristics of an Attitudes

Attitudes can be characterized three ways:

1. They tend to persist unless something is done to change them.
2. Attitudes can fall anywhere along a continuum from very favorable to very unfavorable.
3. Attitudes are directed toward some object about which a person has feeling (sometimes called “affect) and beliefs.

### Nature of Attitude

From the definitions of attitude discussed above, following inferences can be drawn about nature of the attitude:

- a) Attitudes are evaluative statements, either favourable or unfavourable.
- b) Attitude refers to feeling or beliefs of individuals or group of individuals.
- c) The feelings and beliefs are often directed towards objects, people, events or ideas. For example, when somebody says, “I like my job”. It shows his positive attitude towards his job.
- d) Attitudes result in the behavior or actions of people.
- e) Attitude is psychological phenomenon which cannot be observed directly. However, it can be noticed indirectly by noticing behavior of an individual. For example, if a person is very regular on the job and perform very well on the job, we can judge that he likes his job.
- f) Attitudes are acquired over a period of time. The process of attitude formation starts from childhood stage of an individual and continues throughout the life time.
- g) Attitude is an enduring characteristic of individual behavior, which is difficult to change.
- h) Every person irrespective of his status and intelligence hold attitudes.

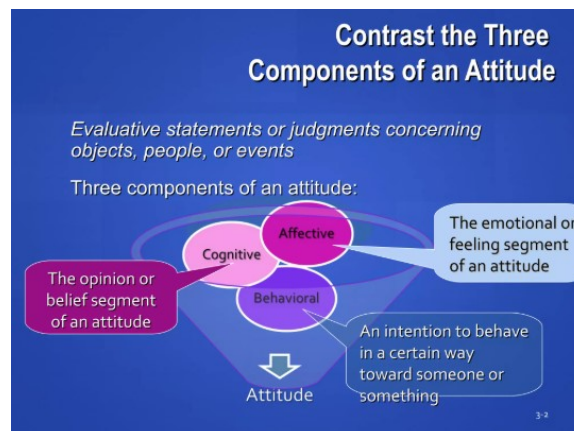
## Types of Attitudes

1. A person can have thousands of attitudes but OB focuses attitudes on a very limited number of job related attitudes. Most of the research in OB has been concerned with three attitudes.
2. **Job Satisfaction:** The term job satisfaction refers to an individual's general attitude toward his or her job. A person with a high level of job satisfaction holds positive attitudes toward the job, while a person who is dissatisfied with his or her job holds negative attitudes about the job.
3. **Job Involvement:** The term Job involvement is a more recent addition to the OB literature. Job Involvement measures the degree to which a person identifies with his or her job, actively participates in it and considers his or her performance important to self-worth.
4. **Organizational Commitment:** Organizational Commitment measures the degree to which an employee identifies with a particular organization and its goal and wishes to maintain membership in the organization.

## Components of Attitude

Attitude is comprised of three components viz. Cognitive, Affective and Behavioural. These components are described as follows:

- a) **Cognitive or informational component:** Cognitive component of attitude is the description of beliefs and ideas about other persons, objects or events. This component describes the information an individual has towards others no matters whether this information is correct or not. For example, a person in search of new job may acquire information from his own sources that salary package and chances of promotion are very favourable in a particular company. In reality, this information may or may not be correct, the person will use this information to develop his feelings or action tendencies.
- b) **Affective or emotional component:** This component reflects the emotions or feelings of an individual towards a person, object or events. The feelings or emotions can be positive or negative and favourable or unfavourable. For example, "I like this job", this statement reflects a person's positive feelings for the job in question.
- c) **Behavioral component:** This component includes the behavioral tendencies or intentions of an individual to act in a particular manner towards an object, event or person. For example, "I am going to join this job", this statement reflects a person's intentions to act in a particular manner.



Source: <https://www.slideshare.net/slideshow/attitudes-and-job-satisfaction-organizational-behavior/96595941>

These three components of attitude are very important to study in order to understand the relationship between attitude and behavior and also to understand the complexity of this relationship. These three components are very closely related, specifically cognitive and affective components are almost inseparable. Out of the three components, only behavioral component can be observed directly whereas, the other two components can only be inferred but cannot be observed directly.

### **Discussion Questions**

1. Define attitudes.
2. Explain the characteristic and nature of attitudes.
3. State the types of attitudes.
4. Identify and Brief the components of attitudes.



## Lesson-2: Functions and Measures of Attitudes of Individual Behavior

Upon completion of this lesson, you will be able to:

- To describe the functions of attitudes.
- To know the measurement of attitudes.
- To understand the work related attitudes.
- To explain the changing of attitudes of employee.

### Functions of Attitude

Why do people develop attitude toward individuals or objects? Why do people resist changing their attitude? This is because attitude helps an individual to respond towards an individual or object in a meaningful way. Specifically attitude serves four important functions viz. utilitarian function, ego-defensive function, value expressive function and knowledge function. These functions are explained as follows:

**a) Utilitarian function:** Individuals may develop attitude because sometimes attitude is helpful in obtaining rewards or avoiding punishments. For example, a worker reveals that when he expresses positive attitude towards management and supervisor in front of his colleagues, they neglect him, but when he expresses negative attitude towards management and supervisor, he gains attention and sympathy of his colleagues. Thus, he finds negative attitude towards top management instrumental in gaining acceptance and avoiding rejection from his group members.

**b) Ego-defensive function:** Generally people develop certain type of attitude because attitude helps them in maintain or defending their self images. For example, workers in an organization may feel threatened because of appointment of some new workers. These workers may develop prejudices against new workers that new workers are less qualified and less experienced. Such ego defensive attitude is formed to cope up with the feeling of threat and guilt. This attitude will never be changed unless or until the negative feeling is removed.

**c) Value expressive function:** Attitudes reflect our value system. Such attitudes which reflect our values are closely related to our self-concept. For example, a person whose value system is centralised towards equality in the organization will express a very positive attitude towards participative style of management, decentralized decision making etc.

**d) Knowledge function:** Attitude can also serve as substitute for knowledge. In the absence of relevant information, attitudes help us in organizing and drawing inference from the perceived object. Stereotyping is the perfect example of this. In the absence of knowledge towards a person we use stereotyped attitude for judging the person.

### Measurement of Attitude

It has been discussed earlier that studying attitude of an individual is very important to predict his behavior and reasons behind the behavior. Various methods have been developed to assess attitude of employees and executives in an organization. Some important methods are explained as below:

**1) Thurston Attitude Scale:** Thurston attitude scale is comprised of questionnaires which are filled up by the employees. This method of attitude scaling is widely used for

measurement of attitude. The scaling procedure was developed before the wide use of computers and, therefore, relied heavily on manual procedures. However, with the rapid introduction of computers in the late 50's and early 60's, Thurston scaling procedures became less dominant. Development of Thurston attitude scale involve following steps:

- (i) First of all, large numbers of one-dimensional statements pertaining to employee's feelings towards jobs or other factors of organization are listed. The items should be phrased in such a way that response to these statements can be generated in the form of 'yes' or 'no'.
- (ii) After this, statements are typed on a separate slip of paper and a panel of judges is asked to place the statements in one of several piles (usually 7,9 or 11) ranging from statements representing the least favourable view point to statements representing the most favourable view points.

**2) Likert scale:** This method of attitude measurement is relatively simpler than Thurston method and does not require involvement of judges in the process of scale construction. In this method every statement which is included in the scale has five degrees of responses viz. strongly agree, agree, undecided, disagree and strongly disagree. The individual responding to the scale is asked to state the extent to which he agrees or disagrees with the statement. Score is assigned to each response and total scores of each statement are summed up to produce overall score. This overall score indicates the respondent's attitude.

Validity of the scale is measured with the help of following three methods:

- a) Internal consistency
- b) Judgement of experts
- c) Comparing the results obtained from the scale with the results obtained from already established scale.

**3) Interviews:** Interview is the method of obtaining information about employees' attitude towards organization, job related factors, working conditions or other parameters. The interviews of workers should be taken by the representatives from outside the organization. The information obtained from the responses given by the employees is then analysed to make a generalization about the attitude of employees.

## Work related attitudes

An individual may develop hundreds of attitudes in his life towards any number of people, objects or events, but in the study of organizational behavior, our prime focus is on individual's work related attitudes. These work related attitudes generally express an employee's favourable or unfavourable evaluations about the work or work environment. Important work related attitudes are discussed as below:

**a) Job satisfaction:** Job satisfaction reflects a general attitude or feeling of liking or disliking of an employee towards his job. A person who is highly satisfied from his job, will express a positive attitude towards the job and the person who is highly dissatisfied, will express negative attitude towards the job. For example, a person who is highly satisfied from the job will tend to be regular, punctual and perform well.

**b) Job involvement:** Job involvement is the degree to which an individual identifies psychologically with his or her job and consider his or her perceived performance level important to self worth. Employees with high level of job involvement identify themselves

with their jobs very strongly and are generally very particular about their performance. High level of involvement leads to less absenteeism and lower turnover rates. Another concept which is very closely related to job involvement is *psychological empowerment*. Psychological empowerment is the degree to which individuals believe that they have influence over their work environment, their capability, perceived autonomy and meaningfulness of their job. Both job involvement and psychological empowerment are positively related to performance of the employees.

**c) Organizational commitment:** Organizational commitment refers to the job attitude in which an employee identifies with a particular organization and its goals and wishes to maintain his membership in that organization. Where job involvement refers to identification with one's job, organizational commitment refers to identification with one's organization and its goals. There is a positive relationship between organizational commitment and productivity. Organizational commitment is "relative strength of an individual's identification with and involvement in a particular organization". Strongly committed employees tend to remain in the organization for a longer period of time than those who have lower commitment. There are three components of organizational commitment:

1. ***Affective commitment:*** Affective commitment refers to emotional attachment of an employee with his organization and its values. For example, an employee may be emotionally attached to its organization because it is following environment friendly practices.
2. ***Continuance commitment:*** Continuance commitment refers to an employee's perception about economic benefits of remaining in the organization. An employee may be committed to the organization because he is getting very good salary package which he would not get in any other organization.
3. ***Normative commitment:*** Normative commitment is when an employee feels obligation to remain in the organization for ethical or moral reasons. For example, an employee who is heading a new project in the organization may not leave the organization because he feels that it would be morally wrong if he leaves the organization without completing the project.

**d) Perceived organizational support:** Perceived organizational support is the degree to which employees feel that their organization values their involvement in the organization and cares for their well being. Usually employees perceive their organizations as supportive when the reward system in the organization is fair, they participate in the decision making and when they find their supervisors supportive to them. Individuals with strong perception of organizational support are more likely to express organizational citizenship behavior, lower levels of lethargy and decreased rate of absenteeism.

**e) Employee engagement:** Employee engagement is the term which refers to individual's level of involvement, satisfaction and interest for the job he is performing. Highly engaged employees feel a strong connection with their work and the company whereas, disengaged employees just invest their time in the organization but not energy and attention into their work. Research on employee engagement has pointed out that the organizations whose employees had higher levels of employee engagement were more productive, earned more profits, had highly satisfied customers, experienced lower levels of turnover and faced fewer accidents than other companies.

## Changing Attitudes of Employees

There are three bases for attitude change: **compliance**, **identification**, and **internalization**. These three processes represent the different levels of attitude change (Kelman, 1918).

**Compliance:** Compliance refers to a change in behavior based on consequences, such as an individual's hopes to gain rewards or avoid punishment from another group or person. The individual does not necessarily experience changes in beliefs or evaluations of an attitude object, but rather is influenced by the social outcomes of adopting a change in behavior. The individual is also often aware that he or she is being urged to respond in a certain way.

**Identification:** Identification explains one's change of beliefs and affect in order to be similar to someone one admires or likes. In this case, the individual adopts the new attitude, not due to the specific content of the attitude object, but because it is associated with the desired relationship. Often, children's attitudes on race, or their political party affiliations are adopted from their parents' attitudes and beliefs.

**Internalization:** Internalization refers to the change in beliefs and affect when one finds the content of the attitude to be intrinsically rewarding, and thus leads to actual change in beliefs or evaluations of an attitude object. The new attitude or behavior is consistent with the individual's value system, and tends to be merged with the individual's existing values and beliefs. Therefore, behaviors adopted through internalization are due to the content of the attitude object.

## Discussion Questions

1. Describe the functions of attitudes.
2. Explain the measurement of attitudes.
3. State the work related attitudes.
4. Explain the changing of attitudes of employee.

## Lesson-3: Job Satisfaction

Upon completion of this lesson, you will be able to:

- Define Job satisfaction.
- To know the characteristic job satisfaction.
- To understand the importance of job satisfaction.
- To identify the job satisfaction factors.

### Job satisfaction

Definition of job satisfaction as “ a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience.” There are three important dimensions to job satisfaction. **First**, job satisfaction is an emotional response to a job situation. **Second**, job satisfaction is often determined by how well outcomes meet or exceed expectations. **Third**, job satisfaction represents several related attitudes. Job satisfaction stems from positive feelings and attitudes towards your job, leading to various outcomes that can greatly impact both individual employees and the wider organization.

There are five dimensions that represent the most **important characteristics** of a job about which people have affective responses. These are:

1. **The work itself:** The extent to which the job provides the individual with interesting tasks, opportunity for learning and chance to accept responsibility.
2. **Pay:** The amount of financial remuneration that is received and the degree to which this is viewed as equitable vis-à-vis that of others in the organization.
3. **Promotion opportunities:** The chance for advancement in the organization.
4. **Supervisor:** The abilities of the supervisor to provide technical assistance and behavioral support.
5. **Co-workers:** The degree to which fellow workers are technically proficient and socially supportive.

### Importance of Job Satisfaction

A satisfied employee is always important for an organization as he/she aims to deliver the best of their capability. Every employee wants a strong career growth and work life balance at workplace. If an employee feels happy with their company & work, they look to give back to the company with all their efforts.

Importance of job satisfaction can be seen from two perspectives:

**For Employees: Job satisfaction from an employee perspective is to earn a good gross salary, have job stability, have a steady career growth, get rewards & recognition and constantly have new opportunities.**

**For Employers: For an employer, job satisfaction for an employee is an important aspect to get the best out of them.**

A satisfied employee always contributes more to the company, helps control attrition & helps the company grow. Employers needs to ensure a good job description to attract employees and constantly give opportunities to individuals to learn and grow.

The positive effects of job satisfaction include:

1. More efficiency of employees of workplace if they are satisfied with their job.
2. Higher employee loyalty leading to more commitment.
3. Job satisfaction of employees eventually results in higher profits for companies.
4. High employee retention is possible if employees are happy.

## Job Satisfaction Factors

Job satisfaction is related to the psychology of an employee. A happy & content employee at a job is always motivated to contribute more. On the other hand, a dissatisfied employee is lethargic, makes mistakes & becomes a burden to the company. The elements & factors which contribute to job satisfaction are:

### 1. Compensation & Working conditions

One of the biggest factors of job satisfaction are the compensation and benefits given to an employee. An employee with a good salary, incentives, bonuses, healthcare options etc. is happier with their job as compared to someone who doesn't have the same. A healthy workplace environment also adds value to an employee.

### 2. Work life balance

Every individual wants to have a good workplace which allow them time to spend with their family & friends. Job satisfaction for employees is often due a good work life balance policy, which ensures that an employee spends quality time with their family along with doing their work. This improves the employee's quality of work life.

### 3. Respect & Recognition

Any individual appreciates and feels motivated if they are respected at their workplace. Also, if they are awarded for their hard work, it further motivates employees.

### 4. Job security

If an employee is assured that the company would retain them even if the market is turbulent, it gives them immense confidence. Job security is one of the main reasons for job satisfaction for employees.

### 5. Challenges

Monotonous work activities can lead to dissatisfied employees. Hence, things like job rotation, job enrichment etc can help in job satisfaction of employees as well.

### 6. Career Growth

Employees always keep their career growth part as a high priority in their life. Hence, if a company helps groom employees and gives them newer job roles, it enhances the job satisfaction as they know they would get a boost in their career.



<https://www.mbaskool.com/business-concepts/human-resources-hr-terms/4394-job-satisfaction.html>

### **Discussion Questions**

1. Define Job satisfaction.
2. Explain the characteristic job satisfaction.
3. Discuss the importance of job satisfaction.
4. Identify and explain the job satisfaction factors.

## Lesson-4: Measurement and Determinants of Job Satisfaction

Upon completion of this lesson, you will be able to:

- To identify the outcomes of job satisfaction.
- To understand the measurement of job satisfaction.
- To analyze the determinants of job satisfaction.
- To explain the effect of job satisfaction on employee performance.

### Outcomes of Job Satisfaction

1. **Satisfaction and productivity:** Satisfied workers more productivity than their less satisfied counterparts.
2. **Satisfaction and Turnover:** High employee job satisfaction result in low turnover.
3. **Satisfaction and Absenteeism:** Research has pretty well demonstrated an invers relationship between satisfaction and absenteeism.
4. **Other effects:** Highly satisfied employees tend to have better mental and physical health, learn new job-related tasks more quickly, have fewer on the job accidents, and file fewer grievances.

### Measuring Job Satisfaction

Job satisfaction can be defined as a collection of feelings that an individual holds towards his or her job. The two most widely used approaches are a single global rating and summation score made up of a number of job facets.

- **Single global rating:** The single global method is nothing more than asking individuals to respond to one question, such as “all things considered, how satisfied are you with the job?” respondent then reply by circling a number from one to five that correspond to answers from highly satisfied to highly dissatisfied.
- **Summation score:** A summation of job facets is more sophisticated. It identified key elements in a job and asks for the employee’s feelings about each. Typical factors that would be included are the nature of the work, supervision, present pay, promotion opportunities and relation with coworkers. These factors are rated on a standardized scale and then added up to create an overall job satisfaction score.

### What Determines/Determiners Job Satisfaction

- **Mentally challenging work:** Employees tend to prefer jobs that give them opportunities to use their skills and abilities and offer a variety of tasks, freedom and feedback on how well they are doing. These characteristics make work mentally challenging.
- **Equitable rewards:** Employees want pay systems and promotion policies that they perceive as being just, unambiguous and in line with their expectations. When pay is seen as fair based on job demands, individual skill level and community pay standards, satisfaction is likely to result.
- **Supportive working conditions:** Employees are concerned with their work environment for both personal comfort and facilitating doing a good job. Employees prefer physical surroundings that are not dangerous or uncomfortable.



- **Supportive colleagues:** People get more out of work than merely money or tangible achievement. For most employees, work also fills the need for social interaction. Having friendly and supportive co-workers leads to increased job satisfaction.

## Effects of Job Satisfaction on Employee Performance

Managers' interest in job satisfaction tends to centre on its effect on employee performance.

- **Satisfaction and productivity:** Interestingly, if we move from the individual level to that of the organization, there is renewed support for the original satisfaction – performance relationship. When satisfaction and productivity data are gathered for the organization as a whole, rather than at the individual level, we find that the organization with more satisfied employees tends to be more effective than organization with fewer satisfied employees. So it might be true that the happy organizations are more productive.
- **Satisfaction and absenteeism:** We find a consistent negative relationship between satisfaction and absenteeism. Although it certainly makes sense that dissatisfied employees are more likely to miss work, other factors have an impact on the relationship and reduce the correlation coefficient.
- **Satisfaction and turnover:** Satisfaction is also negatively related to turnover, but the correlation is stronger than what we found for absenteeism. Evidence indicates that an important moderator of the satisfaction – turnover relationship is the employee's level of performance. Specially, the level of satisfaction is less important in predicting turnover for superior performance.

## Broad Questions

1. Describe the outcomes of job satisfaction.
2. Identify and discuss the measurement of job satisfaction.
3. Analyze the determinants of job satisfaction.
4. Explain the effect of job satisfaction on employee performance.

## EMOTIONS AND MOOD

# 4

### Unit Highlights

- Emotion of organizational behavior
- Moods of organizational behavior

### Technologies Used for Content Delivery

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
- ❖ Web Radio
- ❖ Mobile Technology with Micro SD Card
- ❖ LP+ Office 365
- ❖ BTV Program
- ❖ Bangladesh Betar Program



## Lesson-1: Emotion of Organizational Behavior

Upon completion of this lesson, you will be able to:

- Define the overall meaning of personality.
- Know the role of heredity and the brain
- Identify the “big five” personality traits and the Myers Briggs types.

### Introduction

Work emotions refer to a wide array of complex emotional experiences and feelings stemming from work-related incidents and interactions within the workplace environment.

In our analysis, we’ll need three terms that are closely intertwined: affect, emotions, and moods. Affect is a generic term that covers a broad range of feelings, including both emotions and moods. Emotions are intense feelings directed at someone or something. Moods are less intense feelings than emotions and often arise without a specific event acting as a stimulus. Exhibit 4-1 shows the relationships among affect, emotions, and moods. First, as the exhibit shows, affect is a broad term that encompasses emotions and moods. Second, there are differences between emotions and moods.

Emotions are more likely to be caused by a specific event and are more fleeting than moods. Also, some researchers speculate that emotions may be more action oriented—they may lead us to some immediate action—while moods may be more cognitive, meaning they may cause us to think or brood for a while.<sup>4</sup> Affect, emotions, and moods are separable in theory; in practice the distinction isn’t always defined. When we review the OB topics on emotions and moods, you may see more information about emotions in one area and moods in another. This is simply the state of the research. Let’s start with a review of the basic emotions.

### Some Aspects of Emotions

There are some other fundamental aspects of emotions that we need to consider. These aspects include the biology of emotions, the intensity of emotions, their frequency and duration, the relationship between rationality and emotions, and the functions of emotions. Let’s deal with each of these aspects in turn. **The Biology of Emotions** All emotions originate in the brain’s limbic system, which is about the size of a walnut and near our brain stem.<sup>19</sup> People tend to be happiest (report more positive than negative emotions) when their limbic system is relatively inactive. When the limbic system “heats up,” negative emotions such as anger and guilt dominate over positive ones such as joy and happiness. Overall, the limbic system provides a lens through which you interpret events. When it’s active, you see things in a negative light. When it’s inactive, you interpret information more positively.

**Intensity** People give different responses to identical emotion-provoking stimuli. In some cases, personality is responsible for the difference. Other times, it’s a result of the job requirements.

**Frequency and Duration** Sean Wolfson is basically a quiet and reserved person. He loves his job as a financial planner. He doesn’t enjoy, however, having to give speeches to increase his visibility and to promote his programs. But he still has to give speeches occasionally. “If I had to speak to large audiences every day, I’d quit this business,” he says. “I think this works for me because I can fake excitement and enthusiasm for an hour, a couple of times a month.”

Do Emotions Make Us Irrational? How often have you heard someone say, “Oh, you’re just being emotional”? You might have been offended. The famous astronomer Carl Sagan once wrote, “Where we have strong emotions, we’re liable to fool ourselves.” These observations suggest that rationality and emotion are in conflict with one another and that if you exhibit emotion, you are likely to act irrationally.

What Functions Do Emotions Serve? Why do we have emotions? What role do they serve? We just discussed one function—that we need them to think rationally. Charles Darwin, however, took a broader approach. In *The Expression of the Emotions in Man and Animals*, Darwin argued that emotions developed over time to help humans solve problems. Emotions are useful, he said, because they motivate people to engage in actions important for survival—actions such as foraging for food, seeking shelter, choosing mates, guarding against predators, and predicting others’ behaviors.

**Emotional labor** refers to the regulation of feelings and expressions for organizational purposes. Grandey, A. (2000). Emotional regulations in the workplace: A new way to conceptualize emotional labor. *Journal of Occupational Health Psychology*, 5, 95–110. Three major levels of emotional labor have been identified.

1. **Surface acting** requires an individual to exhibit physical signs, such as smiling, that reflect emotions customers want to experience. A children's hairdresser cutting the hair of a crying toddler may smile and act sympathetic without actually feeling so. In this case, the person is engaged in surface acting.
2. **Deep acting** takes surface acting one step further. This time, instead of faking an emotion that a customer may want to see, an employee will actively try to experience the emotion they are displaying. This genuine attempt at empathy helps align the emotions one is experiencing with the emotions one is displaying. The children's hairdresser may empathize with the toddler by imagining how stressful it must be for one so little to be constrained in a chair and be in an unfamiliar environment, and the hairdresser may genuinely begin to feel sad for the child.
3. **Genuine acting** occurs when individuals are asked to display emotions that are aligned with their own. If a job requires genuine acting, less emotional labor is required because the actions are consistent with true feeling.

## Types of Emotion

Emotions fundamentally exist on a binary spectrum, categorized as positive or negative based on their functionality or experience. **Positive emotions** such as joy, love, and excitement are typically attributed to desirable situations and outcomes, leading to pleasant experiences. **Negative emotions** like sadness, anger, and fear usually derive from adverse circumstances and can create discomfort, but these emotions also serve essential roles.

For instance, positive emotions can:

- Boost creativity and problem-solving skills
- Foster cooperative social interactions
- Improve physical health

Conversely, negative emotions provide valuable functions, such as:

- Alerting us to threats and motivating defensive reactions (fear)
- Signalling that we are being obstructed and driving us to confront what's blocking us (anger)
- Indicating loss and prompting us to withdraw and recover (sadness)

## Understanding the 3 Functions of Emotions

Emotions have three primary functions in the world of organizational behavior: adaptive, social, and enabling thoughts.

- Adaptive functions help you respond effectively to environmental changes.
- Social functions aid in establishing and maintaining relationships.
- Emotions also improve cognitive functions by facilitating decision-making and memory.

## Origin and Significance of Work Emotions

Workplace emotions originate from an employee's perception of their working environment and how they mentally process their job. This involves **intrinsic motivation**, job satisfaction, **work-life balance**, and interpersonal relationships at work.

Work emotions not only affect individual workers but also influence the overall culture and dynamic of the workplace. Here is why work emotions matter:

- They affect job satisfaction and productivity
- Impact teamwork and collaboration
- Influence decision-making and problem-solving abilities
- Affect the level of creativity and innovation

## The Impact of Work Emotions on Job Performance

Work emotions bear crucial implications for job performance. Positive emotions, like enthusiasm, joy, and pride can enhance an employee's motivation and productivity. In contrast, negative emotions like frustration, anger, and disappointment can lead to lack of motivation, absenteeism, and high turnover rates.

## How Work Emotions Influence Employee Behavior

An employee's work emotions can significantly affect how they behave in the workplace. Positive emotions foster creativity, collaboration and productivity. On the other hand, negative emotions can lead to disengagement, conflict and reduced productivity. The connection between work emotions and employee behavior is so profound that it shapes the overall organizational culture.

**Positive work emotions** at the workplace are triggered typically by successful achievements, recognition, or supportive and friendly interpersonal relationships. These emotions often drive employees to go above and beyond their basic job requirements. They're more likely to take initiatives, contribute ideas, and engage in problem-solving strategies. Satisfactory work emotions can also result in enhanced well-being of the employees, reducing the chances of burnout and stress-related health issues.

**Negative work emotions**, however, might stem from stressful work conditions, interpersonal conflicts, or a sense of under appreciation. Negative emotions not only hamper an employee's performance but can also take a toll on their physical and mental health. It might lead to detrimental behavior like isolation, withdrawal, conflict and sometimes even further escalated to workplace bullying and harassment.

## Managing Work Emotions for Wellbeing of Employees

Managing work emotions effectively is a critical aspect of maintaining a healthy and productive workforce. A well-rounded emotion management strategy could include a

combination of measures such as creating a positive work environment, providing constructive feedback, providing employee assistance programs, promoting **work-life balance**, and more.

HR and management should promote open and transparent communication at all levels in the organization to make employees feel valued and understood. Recognizing the efforts and achievements of employees also contributes to positive emotions and encourages higher job satisfaction.

### **Negative Work Emotion Examples and Their Effect on Employees**

Negative emotions at work are a common occurrence, especially in high-pressure and demanding job roles. Negative work emotions can affect an employee's productivity and wellbeing on multiple levels.

**Frustration** can occur when employees feel that they are obstructed in achieving their goals. If a project or task fails despite hard work and effort, employees can experience frustration, which often results in decreased motivation.

**Job-related anxiety** is another frequently encountered negative work emotion. Deadlines, high workloads or tough performance targets can lead to feelings of anxiety. This state of constant worry can affect the overall productivity of employees and also their mental health.

### **Strategies to Overcome Negative Work Emotions in Employees**

Negative work emotions can pose significant challenges to maintain employee's morale and productivity. It's crucial for organizations to have strategies in place to help employees overcome these negative work emotions.

Implementing stress management strategies, such as providing regular breaks, promoting a work-life balance, offering flexible working hours, and ensuring reasonable task expectations can significantly contribute to managing negative work emotions.

Organizations could also provide counselling services and well-being programs to help distressed employees. If the negative emotions are left unchecked, it could lead to long-term consequences like high turnover rates, low productivity rates, poor team collaboration, and decreased employee satisfaction.

### **Discussion Questions**

1. What is emotion? Discuss the different aspects of emotion.
2. Describe the different types of emotion.
3. Explain the impact of work emotion on employees' job performance.
4. How work emotions can be managed for the wellbeing of employees.
5. How negative work emotion can be overcome? Discuss.

## Lesson-2: Mood

Upon completion of this lesson, you will be able to:

- Define moods.
- Distinguish between emotion and moods.
- Explain the various types of moods.

### Mood

**Moods** are longer lasting than emotions, but they do not have an identifiable point of formation. For this reason, they are more impactful in a work environment. Moods are the result of multiple emotions and can take a long time to become apparently noticeable. Different types of moods can be caused by different types of emotions. For example, Brian may work in an environment where everyone is happy. He arrives at work each day in an enthusiastic mood because he is supported by other people with positive emotions. If Brian worked in an intense environment where his peers were unhappy and overworked, he may come to work each day in a stressed disposition.

### Emotion Vs Mood

At some point in every person's life, they have experienced emotions and moods of happiness, sorrow, anger, positivity, or negativity. These experiences can be brought upon by a number of causes, and each is reflected by the individual over a period of time. The psychological process of expressing moods and emotions is a natural occurrence throughout many peoples' lives.

How are moods and emotions different? The most basic answer is the amount of time that each expression of mood vs. emotion takes place for. An **emotion** is a short-lived feeling that comes from a known cause, or the way a person feels at a particular time. Emotions can determine how a person acts for a period of time through their body language, sudden facial expressions, and decision making. A **mood** takes place for a longer period of time and has no clear or identifiable beginning of formation. Moods are typically prolonged instances of multiple emotions, though they may not be shown as strongly.

### Different Types of Moods

Our moods are not as simple as we think they are. They are not just temporary feelings that come and go. They are longer-lived and affect our day-to-day functioning. Moods are affected without a specific external cause or stimuli.

Different factors can cause your change in mood. The different types of moods can be categorized into four, depending on how they affect the individual. A mood can have a:

- High positive affect,
- Low positive affect,
- High negative affect, and
- Low negative affect.

Feeling excited or elated **positively** affects an individual, whereas nervousness or stress affects them **negatively**. Examples of low negative affect moods include feeling relaxed or calm. Fatigue and boredom are low positive affect moods. Moods influence every individual differently. Some people experience it more intensely than others.



## Causes of Different Types of Moods/Factors Influence on Mood

Different factors can influence our moods. A mood can last for many hours or days. Some of the primary influencers of mood include:

- personality,
- time of day,
- day of the week,
- weather,
- stress,
- social activities,
- sleep,
- exercise, and
- age.

**Personality** - individuals experience the same mood in different ways. While some people are deeply affected by their moods, others are not. The difference in intensity with which individuals experience their moods can make them very emotional or not.

**Time of day** - we experience different moods depending on the time of the day. Our moods are most positively affected around 10 a.m. until noon, after which it gradually begins to drop. An individual's highest negative affect can be seen during the late evenings.

**Day of the week** - the best way to describe how a day of the week can affect our mood can be explained by two simple words - Monday blues. People are happiest on weekends and feel their lowest on Mondays. The positive effect on mood gradually increases during the week, from Monday to Sunday. It starts to decline on Sunday. The positive mood is lower than it was on Saturday but higher than it will be on Monday.<sup>2</sup>

**Weather** - many people believe that the weather affects their mood. This is an example of illusory correlation, as weather can not scientifically affect an individual's mood.

**Stress** - being continuously stressed can affect their mood negatively. It will either reduce or increase productivity, but continued or increased stress levels will negatively affect the individual.

**Social activities** - surrounding ourselves with people we love and spending time doing things that make us happy, our moods are positively affected. It works both ways. Activities we enjoy can uplift our mood, and being in a mood can make us want to do things we enjoy.

**Sleep** - quality sleep is essential to feel positive and productive the following day. Sleep patterns can affect an individual's mood and decision-making abilities.

**Exercise** - exercising helps individuals in uplifting their mood. People feel energized and positive after exercising. It results from the release of endorphins and serotonin, which help improve our mood. It also helps reduce stress and anxiety.<sup>3</sup>

**Age** - the older population focuses more on positivity than the younger generation. This keeps them in a much better mood than the younger generation.

## Types of Moods in the Workplace

People in the workplace mainly experience six types of moods, and they are:

- Positive moods,
- Negative moods,
- Strong moods,
- Weak moods,
- Intentional moods, and
- Inherent moods.

**Positive mood** - emotions such as elation and happiness put people in a positive mood. This leads to increased and better productivity. Experiencing a positive mood invokes creativity in people. They become more helpful and useful in the workplace.

**Negative mood** - nervousness and stress put people in a negative mood. They tend to feel unsatisfied with their jobs, affecting their productivity. Their approach will be less creative and more elemental. It becomes challenging to focus on the positive aspects of the job.

**Strong mood** - a sense of hard work is considered a strong mood. Employees work to achieve a certain goal when a strong mood is displayed among co-workers.

**Weak mood** - unsatisfied employees who are no longer working towards company goals can result from weak moods. In such cases, the company's productivity decreases, and the company's turnover increases.

**Intentional mood** - the company or team recognizing their goals and intentionally setting their mood accordingly to achieve the goal is known as intentional mood.

**Inherent mood** - the company's or a team's general mood or approach towards their goals and competition is known as their inherent mood.

## Effects of Emotions and Moods:

1. **Decision-making, creativity, motivation, leadership, negotiation, customer service, and work-life balance** are some **parameters** that are highly dependent on emotions and moods.
2. **Positive emotions and moods, or positive affect**, are dimensions dimension consist of excitement, enthusiasm, and elation at the high end and boredom, sluggishness, and tiredness at the low end. seem to help better to make a good decision.
3. **The negative emotions and moods, or negative affect**, are a dimension of nervousness, stress, and anxiety at the high end. Individuals with negative emotions and moods take higher risks than others.
4. The above-mentioned parameters are **directly related to positive affect and inversely to negative affect**.

## Discussion Questions

1. What is mood? Is there any relationship between emotion and mood?
2. Discuss the different forms/types of mood.
3. Describe the factors that influence on mood.
4. Discuss the different types of moods that are found on at the workplace.
5. State the effects of emotion and moods.



## PERSONALITY AND VALUES

5

### Unit Highlights

- Nature and Traits of Personality
- Values and organizational values

### Technologies Used for Content Delivery

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
- ❖ Web Radio
- ❖ Mobile Technology with Micro SD Card
- ❖ LP+ Office 365
- ❖ BTV Program
- ❖ Bangladesh Betar Program



## Lessons-1 & 2: Nature and Traits of Personality

Upon completion of this lesson, you will be able to:

- Define the overall meaning of personality.
- Know the personality determinants.
- Identify the major personality traits that are relevant to organizational behavior.
- Identify the major personality attributes influencing organizational behavior.
- Understand the development of personality.

### Introduction

Personality encompasses a person's relatively stable feelings, thoughts, and behavioral patterns. Each of us has a unique personality that differentiates us from other people, and understanding someone's personality gives us clues about how that person is likely to act and feel in a variety of situations. To manage effectively, it is helpful to understand the personalities of different employees. Having this knowledge is also useful for placing people into jobs and organizations.

### Meaning of Personality

Much of the controversy can be attributed to the fact that people in general and those in the behavioral sciences define "personality" from different perspectives. Most people tend to equate personality with social success (being good or popular, or having "a lot of personality") and to describe personality by a single dominant characteristic (strong, weak, or polite).

Personality will mean how people affect others and how they understand and view themselves, as well as their pattern of inner and outer measurable traits and the persons-situation interaction.

### Personality Determinants

An adult's personality is now generally considered to be made up of both hereditary and environmental factors, moderated by situational conditions.

1. **Heredity:** Heredity refers to those factors that were determined at conception. Physical stature, facial attractiveness, gender, temperament, muscle composition and reflexes, energy level, and biological rhythms are characteristics that generally considered to be either completely or substantially influenced by who your parents were: that is, by their biological, physiological and inherent psychological makeup. The heredity approach argues that the ultimate explanation of individual's personality is the molecular structure of the genes, located in the chromosomes.
2. **Environment:** Among the factors that exert pressures on our personality formation are the culture in which we are raised, our early conditioning, the norms among our family, friends, and social groups, and other influences that we experience. The environment we are exposed to plays a substantial role in shaping personalities.
3. **Situation:** A third factor, the situation, influences the effects of heredity and environment on personality. An individual's personality, although generally stable and consistent, does change in different situations. The different demands of different situations call forth different aspects of one's personality.

## Personality Traits

Popular characteristics include shy, aggressive, submissive, lazy, ambitious, loyal and timid. Those characteristics, when they are exhibited in a large number of situations, are called personality traits.

In particular, five personality traits (the so-called big five) have recently emerged from research as being especially related to job performance. Characteristics of these traits can be summarized briefly as follows:

Trait	Description
<b>O</b> penness	Curious, original, intellectual, creative, and open to new ideas.
<b>C</b> onscientiousness	Organized, systematic, punctual, achievement oriented, and dependable.
<b>E</b> xtraversion	Outgoing, talkative, sociable, and enjoys being in social situations.
<b>A</b> greeableness	Affable, tolerant, sensitive, trusting, kind, and warm.
<b>N</b> euroticism	Anxious, irritable, temperamental, and moody.

### Exhibit 5.1: Personality Traits

Source: Goldberg, L. R. (1990). An alternative “description of personality”: The big-five factor structure. *Journal of Personality & Social Psychology*, 59, 1216–1229.

As you can see, the Big Five dimension

1. **Extraversion:** This dimension captures one’s comfort level with relationship. Extraverts (high in extraversion) tend to be friendly and outgoing and to spend much of their time maintaining and enjoying a large number of relationships. The man will be sociable, talkative and assertive.
2. **Agreeableness:** This dimension refers to an individual’s propensity to defer to others. High agreeable people value harmony more than they value having their say or their way. They are Good-natured, cooperative, and trusting.
3. **Conscientiousness:** This dimension refers to the number of goals on which a person focuses. A high conscientiousness person tends to be responsible, dependable. Persistent, and achievement-oriented.
4. **Openness to experience:** The final dimension addresses one’s range of interests. Extremely open people are fascinated by novelty and innovation. They tend to be imaginative, artistically sensitive, and intellectual.

5. **Neuroticism** refers to the degree to which a person is anxious, irritable, temperamental, and moody. It is perhaps the only Big Five dimension where scoring high is undesirable. Neurotic people have a tendency to have emotional adjustment problems and habitually experience stress and depression. People very high in Neuroticism experience a number of problems at work. For example, they have trouble forming and maintaining relationships and are less likely to be someone people go to for advice and friendship (Klein, et. al., 2004).

## Other Personality Dimensions

In addition to the Big Five, researchers have proposed various other dimensions, or traits, of personality. These include self-monitoring, proactive personality, self-esteem, and self-efficacy.

**Self-monitoring** refers to the extent to which a person is capable of monitoring his or her actions and appearance in social situations. People who are social monitors are social chameleons who understand what the situation demands and act accordingly, while low social monitors tend to act the way they feel (Snyder, 1974; Snyder, 1987). High social monitors are sensitive to the types of behaviors the social environment expects from them. Their ability to modify their behavior according to the demands of the situation they are in and to manage their impressions effectively are great advantages for them (Turnley & Bolino, 2001).

**Proactive personality** refers to a person's inclination to fix what is wrong, change things, and use initiative to solve problems. Instead of waiting to be told what to do, proactive people take action to initiate meaningful change and remove the obstacles they face along the way. Proactive individuals tend to be more successful in their job searches (Brown, et. al., 2006).

**Self-esteem** is the degree to which a person has overall positive feelings about himself or herself. People with high self-esteem view themselves in a positive light, are confident, and respect themselves. In contrast, people with low self-esteem experience high levels of self-doubt and question their self-worth. High self-esteem is related to higher levels of satisfaction with one's job and higher levels of performance on the job (Judge & Bono, 2001).

**Self-efficacy** is a belief that one can perform a specific task successfully. Research shows that the belief that we can do something is a good predictor of whether we can actually do it. Self-efficacy is different from other personality traits in that it is job specific.

## Major Personality Attributes Influencing on Organizational Behavior

There are some specific personality attributes that have been found to be powerful predictors of behavior in organizations. These are:

1. **Locus of control:** Some people believe that they are master of their own fate. Other people believe that what happens to them is due to luck or chance. The first type, those who believe that they control their destinies, have been labeled internals, whereas the latter, who see their lives as being controlled by outside forces, have been called externals. A person's perception of the source of his or her fate is termed locus of control.
2. **Self-esteem:** People differ in the degree to which they like or dislike themselves. This trait is called self-esteem. The research on self-esteem offers some interesting insights into organizational behavior. For example, self-esteem is directly related to expectations for success. High self-esteems believe that they possess the ability they need to succeed at work.



3. **Self-monitoring:** Self-monitoring refers to an individual ability to adjust his or her behavior to external, situational factor. Individuals high in self monitoring show considerable adaptability in adjusting their behavior to external situational factors. High self-monitor can capable of presenting striking contradictions between their public persona and their private self. Low self-monitor tends to display their true disposition and attitudes in every situation; hence there is high behavioral consistency between who they are and what they do.
4. **Risk taking:** People differ in their willingness to take chances. High risk taking managers made more rapid decisions and uses less information in making their choices than did the low risk taking managers.
5. **Type A personality:** A person with a Type A personality is aggressively involved in a chronic, incessant struggle to achieve more and more in less and less time, and, if required to do so , against the opposing efforts of other things or persons. The features of Type A's:
  - a. Are always moving, walking and eating rapidly;
  - b. Feel impatient with the rate at which most event take place;
  - c. Strive to think or do two or more things at once;
  - d. Cannot core with leisure time;
  - e. Are obsessed with numbers, measuring their success in terms of how many or how much of everything they acquire.
6. **Proactive personality:** Proactive identify opportunities, show initiative, take action and preserve until meaningful change occur. They create positive change in their environment, regardless or even in spite of constraints or obstacles. Proactive have many desirable behaviors that organization covet (desire). For instance, the evidence indicates that proactive are more likely to be seen as leaders and more likely to act as change agents within the organization.

### **The Development of Personality**

The development of personality has traditionally been an important area for understanding human behavior. The study of personality has attempted to identify specific physiological and psychological stages that occur in the development of human personality. This “stage” approach has been theoretical in nature. Particularly relevant to the understanding of organizational behavior are theories provided by Levinson, Hall, and Argyris.

The work of Daniel Levison on adult life stages has received attention. At first, he believed that “the life structure evolves through a relatively orderly sequence through out the adult years, and unlike other stage theories that were event-oriented (for example, marriage, parenthood, or retirement), his age-based. In particular, he believed there was little variability in four identifiable stable periods:

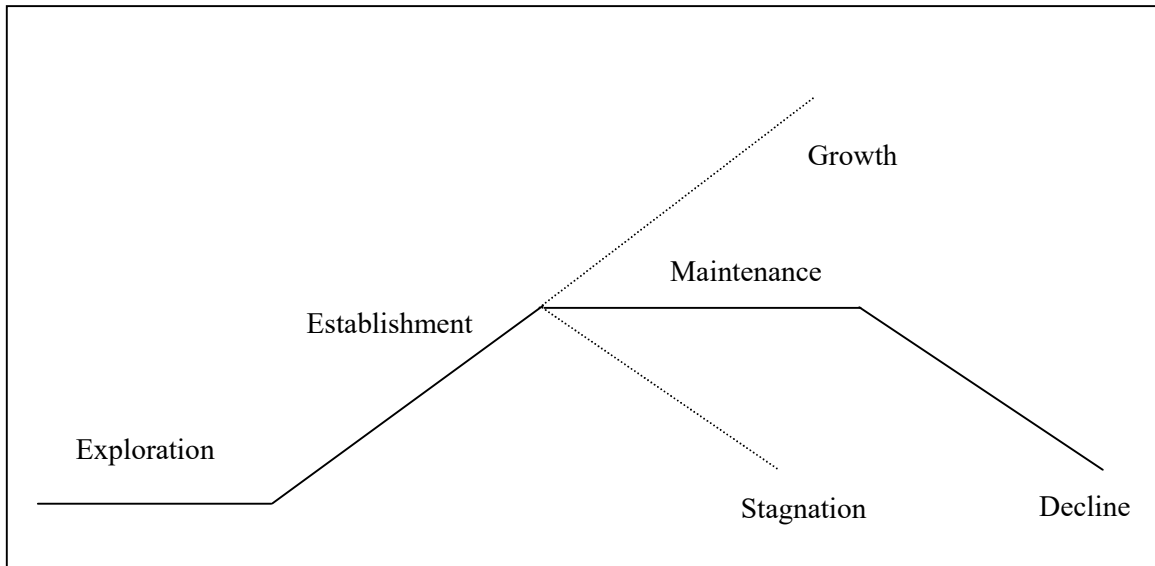
1. Entering the adult world (ages twenty-two to twenty-eight)
2. Settling down (ages thirty-three to forty)
3. Entering middle adulthood(ages forty-five to fifty)
4. Culmination of middle adulthood (ages fifty-five to sixty)

### **Daniel Levison identified four transitional periods:**

1. Age-thirty transition (ages twenty-eight to thirty-three)
2. Mid-life transition (ages forty to forty five)
3. Age-fifty transition (ages fifty to fifty-five)
4. Late adult transition (ages sixty to sixty-five)

Douglas T. Hall has synthesized Levinson's theory and other adult stages theories (in particular the work of Erikson and Super) into an overall model for career stages. Following figure shows that there are four major career stages. Those are:

(1) Exploration (2) Establishment (3) Maintenance and (4) Decline



**Exhibit 5.2: Career Stages**

**1. Exploration:** The exploration period ends for most of us in our mid-twenty five as we make the transition from academic institution. From an organizational standpoint, therefore. The exploration period is a time when a number of expectations about one's career are developed many of which are unrealistic.

**2. Establishment:** The establishment period begins with the search for work and includes getting first job, being accepted by peers, learning the job and gaining the first tangible evidence of success or failure in the 'real world'.

**3. Mid-Career:** At this point in a career, one is expected to have moved beyond apprenticeship to journeyman status. To those who make the successful transition go greater responsibilities and rewards.

**4. Late Career:** It is a time where one can rest on one's laurels and bask in the respect given by younger employees. During the late career, individuals are no longer learning nor is it expected that they should be trying to outdo their levels of performance from previous years.

**5. Decline:** The final stage in one's career is difficult for everyone but, ironically, is probably hardest on those who have had continued successes in the earlier stages. These point individuals are forced to step out of the limelight and give up a major component of their identities.

### Discussion Questions

1. What do you mean by the term Personality? Explain the determinants of personality.
2. Mention the Big Five Personality Traits that are relevant to organizational behavior..
3. Explain the positive impact of conscientiousness.
4. Discuss the major personality attributes influencing organizational behavior.
5. State the development of personality.

## Lessons-3 & 4: Values and Organizational Values

Upon completion of this lesson, you will be able to:

- Define the values and organizational values.
- Understand the importance of organizational values.
- Know the benefits of organizational values
- A closer look at the types of organizational values
- Formulating your unique organizational values
- Real-world examples of organizational values
- Delivering on your organizational values

### Concept of Values

**Values** refer to people's stable life goals, reflecting what is most important to them. Values are established throughout one's life as a result of accumulating life experiences, and values tend to be relatively stable (Rokeach, 1973). The values that are important to a person tend to affect the types of decisions they make, how they perceive their environment, and their actual behaviors. Moreover, a person is more likely to accept a job offer when the company possesses the values he or she cares about (Judge & Bretz, 1992; Ravlin & Meglino, 1987). Value attainment is one reason people stay in a company. When a job does not help them attain their values, they are likely to decide to leave if they are dissatisfied with the job (George & Jones, 1996).

Values	Definition
Achievement	The desire for personal success.
Benevolence	The desire to protect the well-being of people who are close to the person.
Conformity	Being motivated by being self-disciplined and obedient. Conforming to others.
Hedonism	The desire for pleasure in life.
Power	The desire for control over others, attaining power and prestige.
Security	Valuing safety and stability.
Self-direction	The desire to be free and independent.
Stimulation	The desire for a stimulating and exciting life.
Tradition	Acceptance of social customs and traditional ideas in a society.
Universalism	The desire to protect the well-being of all people. Caring about social justice.

**Exhibit 5.2: Values Included in Schwartz's (1992) Value Inventory**

## **What are organizational values?**

Organizational values are the fundamental principles and beliefs that steer a company's operation. They cultivate the corporate culture, dictate conduct, and set the tone for interpersonal interactions within the business, from customers and employees to senior stakeholders. As an ethical guide, these values encapsulate the company's ethos and future goals. Essentially, they offer a sense of purpose and a strategic direction, assisting the organization in maneuvering through the intricate world of business.

It's quite possible for an individual or group's high affinity to certain values and beliefs to inspire and drive the creation of a business. This means that the values aren't just an afterthought or a byproduct of the business; they are the foundation upon which the business is built.

## **The importance of organizational values**

Organizational values guide employees' actions and attitudes, fostering a shared understanding of what is important in the workplace. This creates a sense of unity and cohesion among team members, enhancing collaboration and productivity.

These values also influence the company's approach to problem-solving and innovation. For instance, a business that values creativity will likely foster an environment where new ideas are encouraged and rewarded, driving continual improvement and growth.

From a macro business perspective, organizational values are important because they are key in shaping the business landscape and industry standards. They influence the competitive dynamics within an industry, defining what is considered acceptable or desirable behavior among competitors.

*“Focusing on the long term may seem impossible in our unsettled times when many leaders are overwhelmed by the fallout of COVID-19 and scrambling just to manage day-to-day operations. Yet having a vision of the end goal is particularly important during a crisis—in fact, it may be the key factor that motivates managers and employees to keep going.”* — McKinsey.

For instance, if a leading company in an industry prioritizes innovation as a value, it sets a standard that encourages other companies to invest in research and development to remain competitive. Similarly, a company that strongly values customer service can set consumer expectations for the entire industry, pushing other businesses to improve their service levels.

## **Define values and value system**

### **Values**

Values represent basic convictions (firm belief) that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence. They contain a judgmental element in that they carry an individual's ideas as to what is right, good or desirable. Values have both content and intensity attributes. The content attribute says that a mode of conduct or end-state of existence is important. The intensity attribute specifies how important it is.

### **Value system**

Value system is a hierarchy based on a ranking of an individual's values in terms of their intensity (honesty, obedience, equality etc.). All of us have a hierarchy of values that form our value system. This system is identified by the relative importance we assign to values such as freedom, pleasure, self-respect, honesty, obedience, and equality.

## Importance of values

Values are important to the study of organizational behavior because they lay the foundation or the understanding of attitudes and motivation and because they influence our perceptions. Individual enter into organization with perceived notions of what ‘ought’ and what ‘ought not’ to be. Of course, these notions are not value free. On the contrary, they contain interpretations of right and wrong. Furthermore they imply that certain behaviors or outcomes are preferred over others.

Values generally influence attitudes and behavior. Suppose, you enter an organization with the view that allocating pay on the basis of performance is right, while allocating pay on the basis of seniority is wrong. How are you going to react if you find that the organization you have just joined rewards seniority not performance? You are likely to be disappointed – and this can lead to job dissatisfaction and the decision not to exert a high level of effort.

## The benefits of organizational values

### The benefits of organizational values

- ☑ Unity and Cohesion
- ☑ Guided Decision-Making
- ☑ Enhanced Employee Engagement
- ☑ Attracting and Retaining Talent
- ☑ Reputation Management
- ☑ Competitive Advantage
- ☑ Innovation Stimulation

### Exhibit 5.3: Benefits of organizational values

Source: <https://www.walkme.com/blog/organizational-values/>

Now we’ve delved into the importance of organizational values, it’s equally important to understand their tangible benefits. These principles are not just abstract ideals; they have a real and profound impact on every facet of a business. They shape the culture, influence decision-making, and ultimately, determine success.

### Let’s explore the top benefits companies can expect when instilling and upholding strong organizational values.

**Unity and Cohesion:** Values unite employees under a shared purpose and vision, fostering teamwork and collaboration.

**Guided Decision-Making:** They provide a framework for decision-making, ensuring consistency and alignment with the company’s mission.

**Enhanced Employee Engagement:** When employees resonate with the company’s values, they are more likely to be engaged, motivated, and productive.

**Attracting and Retaining Talent:** Companies with clear values attract like-minded individuals and are more likely to retain employees who align with these values.

**Reputation Management:** Strong organizational values can enhance a company’s reputation, building trust with customers, partners, and other stakeholders.

**Competitive Advantage:** Values can differentiate a company from its competitors, offering a unique selling proposition.

**Innovation Stimulation:** When values such as creativity and innovation are promoted, it fosters an environment conducive to new ideas and continual improvement.

### A closer look at the types of organizational values

#### A closer look at the types of organizational values

- ❶ Ethical Values
- ❷ Financial Values
- ❸ Market Values
- ❹ Social Values
- ❺ Cultural Values
- ❻ Innovation Values
- ❼ Performance Values
- ❽ Customer-Centric Values

#### Exhibit 5.3: Types of organizational values

Source: <https://www.walkme.com/blog/organizational-values/>

Establishing strong organizational values requires an understanding of their diverse types. These values vary; each type impacts a company's operations and culture. Below we'll examine these different categories and their significance in an organization.

1. **Ethical Values:** These relate to moral principles that guide actions, like honesty (truthful communication), integrity (acting consistently with principles), and fairness (equitable treatment of all).
2. **Financial Values:** These relate to an organization's financial goals and strategies. They include principles like fiscal responsibility, profitability, growth, or value creation for shareholders.
3. **Market Values:** These are values that focus on an organization's position within its market. They involve competitiveness, innovation, customer orientation, or adaptability to market changes.
4. **Social Values:** These demonstrate a company's societal responsibilities: diversity (inclusive practices), environmental sustainability (eco-friendly operations), and community engagement (active involvement in local communities).
5. **Cultural Values:** These shape the company's internal environment: teamwork (collaborative efforts), respect (valuing differences and rights of others), and communication (open and effective exchange of information).
6. **Innovation Values:** These foster a creative climate: innovation (encouraging new ideas), agility (swift adaptation to changes), and risk-taking (embracing failure as a pathway to success).
7. **Performance Values:** These drive business outcomes: excellence (striving for high standards), accountability (taking responsibility for actions), and results-orientation (focus on achieving goals).
8. **Customer-Centric Values:** These ensure customer satisfaction: customer service (providing quality assistance), quality (delivering superior products/services), and value (offering practical solutions).

## Types of values

There are two sets of values. These are as follows:

**Terminal values:** Terminal values refer to desirable end-states of existence. These are the goals that a person would like to achieve during his or her lifetime (self respect, family security).

**Instrumental values:** Instrumental values refer to preferable modes of behavior or means of achieving the terminal values. (Honest, responsible).

**Example:**

### Terminal values

Self respect  
Family security  
A sense of accomplishment  
Happiness

### Instrumental values

Honest  
Responsible  
Ambitions  
Independent

## Formulating your unique organizational values



**Exhibit 5.4: Formulating unique organizational values**

Source: <https://www.walkme.com/blog/organizational-values/>

Formulating organizational values involves thoughtful introspection, collaboration, and alignment with the company's mission. **Here are some steps:**

1. **Understand Your Current Culture:** Assess the existing culture and values. This includes understanding what drives your team, what they value, and how they perceive the organization.
2. **Identify Core Beliefs:** The leadership team should identify the core beliefs that drive their decisions and actions. These beliefs often form the basis of organizational values.
3. **Involve Your Team:** Organizational values should not be top-down. Involve team members in brainstorming sessions to identify the values they believe in. This ensures buy-in from the team and makes the values more authentic.
4. **Align with Business Goals:** The values should align with the organization's strategic business goals. They should support the vision and mission of the organization.

5. **Be Specific and Actionable:** Instead of generic values like ‘integrity’ or ‘innovation,’ go for more specific ones that indicate the expected behavior. For instance, ‘we believe in open and honest communication’ or ‘we encourage out-of-the-box thinking.’
6. **Communicate and Embed:** Once the values are defined, they should be communicated to all employees and embedded in all aspects of the business – from hiring and onboarding to performance reviews.

Remember, organizational values should be more than just words on a wall. They should guide decision-making, influence behavior, and shape the organization’s culture.

### **Real-world examples of organizational values**

In the following section, we’ll examine some noteworthy examples of organizations and how their core values have been diffused throughout their operations.

From sustainable practices and treating customers with respect to embracing adventure and having fun, these companies have leveraged their values to drive innovation and success. This is supported by research showing that 46% of job seekers cite company culture as very important when applying to a company.

1. **Microsoft:** Microsoft’s values are centered around empowering every individual and organization across the globe to achieve their potential. They believe in creating a work environment that respects diversity, fosters collaboration, and operates with integrity and trust. With this approach, Microsoft has successfully innovated and delivered cutting-edge technology solutions while making meaningful contributions to society.
2. **Salesforce:** Salesforce has built its company culture on a foundation of trust. Their values prioritize building trust with everyone they do business with – customers, employees, partners, and communities. This value has been successfully diffused throughout their organization, resulting in high customer satisfaction rates, more engaged employees, and a strong reputation as a trustworthy company.
3. **Apple:** At Apple, their core values include innovation, design, and customer experience. They strive to create aesthetically pleasing, intuitive, and user-friendly products. These values have been successfully diffused throughout their company culture, leading to a strong brand identity that resonates with consumers.
4. **Google:** Google’s core values include focusing on the user, speed, and doing the right thing. They prioritize delivering the best possible user experience by providing fast and reliable search results while adhering to ethical principles. These values have helped Google become one of the most successful tech companies in the world.
5. **JPMorgan Chase & Co.:** JPMorgan Chase & Co.’s values prioritize integrity, excellence, and teamwork. They believe in conducting business ethically and transparently, providing high-quality financial services, and working collaboratively. These values have helped JPMorgan Chase & Co. build trust with its clients and set a standard of excellence within the finance industry.

### **Delivering on your organizational values**

Identifying organizational values is the first step in creating a thriving company culture. The real challenge lies in implementing those values and ensuring they resonate across all levels of your organization.



One effective way to achieve this is by leading by example. A leader who models their values inspires employees to do the same. Leading by example means demonstrating to your employees that living up to your organizational values is not just a company policy but a personal philosophy.

*“I don’t think you can create culture and develop core values during great times. I think it’s when the company faces adversity of extraordinary proportions, when there’s no reason for the company to survive when you’re looking at incredible odds — that’s when culture is developed, character is developed,”* says Nvidia’s founder and CEO Jensen Huang.

Effective communication is another key component in diffusing organizational values. Highlight your values through success stories, recognize individuals who embody your values, and make sure to clearly and regularly reiterate your values with your employees.

By connecting with your employees on a deeper level and making them feel invested in your company’s values, you can create a culture where everyone is working together towards a shared vision. This fosters a sense of community and leads to increased loyalty and commitment to the organization.

When your employees are aligned with your organizational values, they are more likely to work harder, be more productive, and help drive the company’s success.

## Values across culture

One of the most widely referenced approaches for analyzing variations among cultures has been done by Geert Hofstede. He found that managers & employees vary on five value dimensions of national culture. These are defined as follows

1. **Power distance:** The degree to which people in a country accept that power in institutions and organizations is distributed unequally.
2. **Individualism vs. Collectivism:** Individualism is the degree to which people in a country prefer to act as Individuals rather than a member of groups. Collectivism is the equivalent of low Individualism.
3. **Quantity of life vs. quality of life:** Quantity of life is the degree to which values like assertiveness, the acquisition of money and material goods & competition prevail. Quality of life is the degree to which people value relationships and show sensitivity and concern for the welfare of others.
4. **Uncertainty avoidance:** A national culture attribute describing the extent to which a society feels threatened by uncertain and ambiguous situations and tries to avoid them.
5. **Long term orientation vs. short term orientation:** People in cultures with long term orientations look to the future and value thrift and persistence. A short term orientation values the past and present, and emphasizes respect for tradition and fulfilling social obligations.

## Discussion Questions

1. Define the values and organizational values. Discuss the importance of organizational values.
2. Explain the benefits of organizational values.
3. Describe the types of organizational values.
4. Formulate your unique organizational values and make some real life examples.
5. Write an essay on Delivering on your organizational values.

## PERCEPTION AND INDIVIDUAL DECISION

6

### Unit Highlights

- Perception and organizational perception
- Types of perception
- Individual decision making
- Ethics in decision making

### Technologies Used for Content Delivery

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
- ❖ Web Radio
- ❖ Mobile Technology with Micro SD Card
- ❖ LP+ Office 365
- ❖ BTV Program
- ❖ Bangladesh Betar Program



## Lesson-1: Perception and Organizational Perception

Upon completion of this lesson, you will be able to:

- Understand the concept of perception.
- Define the perception and organizational perception.
- Describe the factors that influence perception.
- Understand the making judgement about other people.
- Identify and explain the common shortcuts of making judgement about other people.

### Concept of Perception

Our behavior is not only a function of our personality, values, and preferences, but also of the situation. We can explore and interpret our environment, formulate responses, and act accordingly. **Perception** may be defined as the process with which individuals detect and interpret environmental stimuli. What makes human perception so interesting is that we do not solely respond to the stimuli in our environment. We go beyond the information that is present in our environment, pay selective attention to some aspects of the environment, and ignore other elements that may be immediately apparent to other people. Our perception of the environment is not entirely rational.

For example, have you ever noticed that while glancing at a newspaper or a news Web site, information that is interesting or important to you jumps out of the page and catches your eye? If you are a sports fan, while scrolling down the pages you may immediately see a news item describing the latest success of your team. If you are the parent of a picky eater, an advice column on toddler feeding may be the first thing you see when looking at the page. So what we see in the environment is a function of what we value, our needs, our fears, and our emotions (Higgins & Bargh, 1987; Keltner, Ellsworth, & Edwards, 1993). In fact, what we see in the environment may be objectively, flat-out wrong because of our personality, values, or emotions. For example, one experiment showed that when people who were afraid of spiders were shown spiders, they inaccurately thought that the spider was moving toward them (Riskin, Moore, & Bowley, 1995).

In this section, we will describe some common tendencies we engage in when perceiving objects or other people, and the consequences of such perceptions. Our coverage of biases and tendencies in perception is not exhaustive—there are many other biases and tendencies on our social perception.

(<https://open.lib.umn.edu/organizationalbehavior/chapter/3-4-perception/>).

**Perception** is a process by which we organize and interpret sensory impressions in order to give meaning to our environment. What we perceive can be substantially different from objective reality. For example, all employees in a firm may view it as a great place to work—favorable working conditions, interesting job assignments, good pay, excellent benefits, understanding and responsible management—but, as most of us know, it's very unusual to find agreement universal opinion (Robbins 2023).

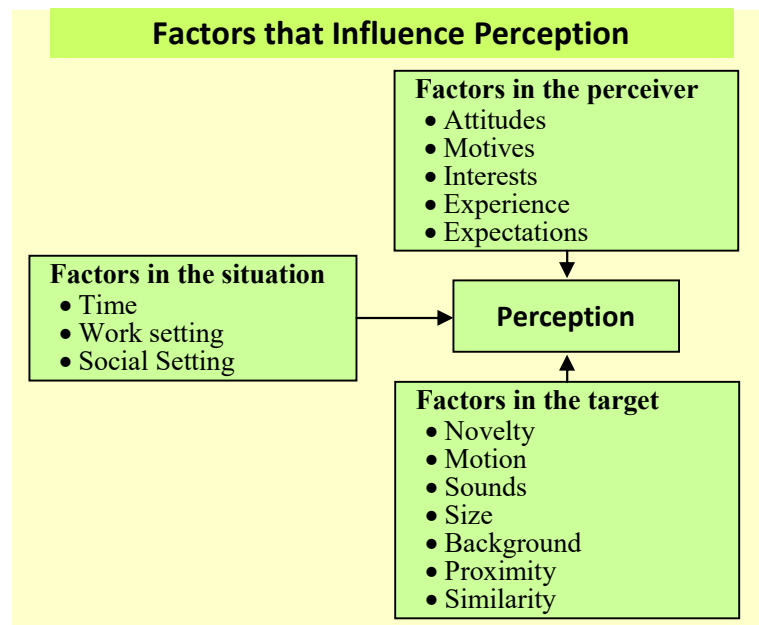
### What is Organizational Perception?

Organizational perception management involves actions that are designed and carried out by organizational spokespersons to influence audiences' perceptions of the organization. This definition is grounded in psychological research on individual impression management and identity management as well as in empirical studies of impression management and identity management strategies by organizations and their spokespersons.

## Factors that Influence on Perception

A number of factors shape and sometimes distort perception. These factors can reside in the *perceiver*, the object or *target* being perceived, or the *situation* in which the perception is made (see Exhibit 6-1).

**Perceiver:** When you look at a target, your interpretation of what you see is influenced by your personal characteristics—attitudes, personality, motives, interests, past experiences, and expectations. In some ways, we hear what we want to hear<sup>1</sup> and we see what we want to see—not because it’s the truth, but because it conforms to our thinking.



**Exhibit 6.1: Factors that influence perception**

Source: <https://i.ytimg.com/vi/i5jHCDnh9Go/maxresdefault.jpg>

**Target:** The characteristics of the target also affect what we perceive. Because we don’t look at targets in isolation, the relationship of a target to its back ground influences perception, as does our tendency to group close things and similar things together.

**Context:** Context matters too. The time at which we see an object or event can influence our attention, as can location, light, heat, or situational factors. For in stance, at a club on Saturday night you may not notice someone “decked out.” Yet that same person so attired for your Monday morning management class would certainly catch your attention. Neither the perceiver nor the target has changed between Saturday night and Monday morning, but the situation is different.

## Person Perception: Making Judgement about other

The perception concepts most relevant to OB include *person perceptions*, or the perceptions people form about each other. Many of our perceptions of others are formed by first impressions and small cues that have little supporting evidence. This is particularly troublesome—but common—when we infer an other person’s morality.

Let’s unravel some of our other human tendencies that interfere with correct person perception, beginning with the evidence behind attribution theory.

**Attribution theory** tries to explain the ways we judge people differently, depending on the meaning we attribute to a behavior.<sup>9</sup> For instance, consider what you think when people smile at you. Do you think they are cooperative, exploitative, or competitive? We assign meaning to smiles and other expressions in many different ways (Lord *et al.*, 1979).

Attribution theory suggests that when we observe an individual's behavior, we attempt to determine whether it was internally or externally caused. That determination depends largely on three factors: (1) distinctiveness, (2) consensus, and (3) consistency. Let's clarify the differences between internal and external causation, and then we'll discuss the determining factors.

*Internally* caused behaviors are those an observer believes to be under the personal behavioral control of another individual. *Externally* caused behavior is what we imagine the situation forced the individual to do.

Now let's discuss the three determining factors. *Distinctiveness* refers to whether an individual displays different behaviors in different situations. Is the employee who arrives late today also one who regularly "blows off" other kinds of commitments? What we want to know is whether this behavior is unusual. If it is, we are likely to give it an external attribution. If it's not, we will probably judge the behavior to be internal.

If everyone who faces a similar situation responds in the same way, we can say the behavior shows *consensus*. The behavior of our tardy employee meets this criterion if all employees who took the same route were also late. From an attribution perspective, if consensus is high, you would probably give an external attribution to the employee's tardiness, whereas if other employees who took the same route made it to work on time, you would attribute his lateness to an internal cause.

Finally, an observer looks for *consistency* in a person's actions. Does the person respond the same way over time? Coming in 10 minutes late for work is not perceived the same for an employee who hasn't been late for several months as for an employee who is late three times a week. The more consistent the behavior, the more we are inclined to attribute it to internal causes.

## Common Shortcuts in Judging Other

Shortcuts for judging others often allow us to make accurate perceptions rapidly and provide valid data for making predictions. However, they can and do sometimes result in significant distortions.

**Selective Perception** Any characteristic that makes a person, an object, or an event stand out will increase the probability we will perceive it. Why? Because it is impossible for us to assimilate everything we see; we can take in only certain stimuli. Thus, you are more likely to notice cars like your own, and your boss may reprimand some people and not others doing the same thing. Because we can't observe everything going on around us, we use **selective perception**.

**Halo effect** When we draw an impression about an individual on the basis of a single characteristic, such as intelligence, sociability, or appearance, a **halo effect** is operating.

**Contrast effects** An old adage among entertainers is "Never follow an act that has kids or animals in it." Why? Audiences love children and animals so much that you'll look bad in comparison. This example demonstrates how the **contrast effect** can distort perceptions. We don't evaluate a person in isolation. Our reaction is influenced by other people we have recently encountered.

**Stereotyping** When we judge someone on the basis of our perception of the group to which he or she belongs, we are **stereotyping**.

## Lesson-2: Types of Perception

Upon completion of this lesson, you will be able to:

- Understand the various types of perception.
- Describe the biases of self-perception.
- Describe the biases inherent in perception of other people.
- Explain what attributions mean, how we form attributions, and their consequences for organizational behavior.

### Types of Perception

There are many kind of perception these are:

#### 1. Visual Perception

Our visual perception definitely goes beyond the physical information available to us. First of all, we extrapolate from the information available to us. Take a look at the following figure. The white triangle you see in the middle is not really there, but we extrapolate from the information available to us and see it there (Kellman & Shipley, 1991).

Our visual perception goes beyond the information physically available. In this figure, we see the white triangle in the middle even though it is not really there.

Which of the circles in the middle is bigger? At first glance, the one on the left may appear bigger, but they are in fact the same size. We compare the middle circle on the left to its surrounding circles, whereas the middle circle on the right is compared to the bigger circles surrounding it.

Our visual perception is often biased because we do not perceive objects in isolation. The contrast between our focus of attention and the remainder of the environment may make an object appear bigger or smaller. This principle is illustrated in the figure with circles. Which of the middle circles is bigger? To most people, the one on the left appears bigger, but this is because it is surrounded by smaller circles. The contrast between the focal object and the objects surrounding it may make an object bigger or smaller to our eye.

#### 2. Self-Perception

Human beings are prone to errors and biases when perceiving themselves. Moreover, the type of bias people have depends on their personality. Many people suffer from **self-enhancement bias**. This is the tendency to overestimate our performance and capabilities and see ourselves in a more positive light than others see us. People who have a narcissistic personality are particularly subject to this bias, but many others are still prone to overestimating their abilities (John & Robins, 1994). At the same time, other people have the opposing extreme, which may be labeled as **self-effacement bias**. This is the tendency for people to underestimate their performance, undervalue capabilities, and see events in a way that puts them in a more negative light.

When perceiving themselves, human beings are also subject to the **false consensus error**. Simply put, we overestimate how similar we are to other people (Fields & Schuman, 1976; Ross, Greene, & House, 1977). We assume that whatever quirks we have are shared by a larger number of people than in reality. People who take office supplies home, tell white lies

to their boss or colleagues, or take credit for other people's work to get ahead may genuinely feel that these behaviors are more common than they really are. The problem for behavior in organizations is that, when people believe that a behavior is common and normal, they may repeat the behavior more freely. Under some circumstances this may lead to a high level of unethical or even illegal behaviors.

### 3. Social Perception

How we perceive other people in our environment is also shaped by our values, emotions, feelings, and personality. Moreover, how we perceive others will shape our behavior, which in turn will shape the behavior of the person we are interacting with.

One of the factors biasing our perception is **stereotypes**. Stereotypes are generalizations based on group characteristics. For example, believing that women are more cooperative than men, or men are more assertive than women, is a stereotype. Stereotypes may be positive, negative, or neutral.

Stereotypes often create a situation called a **self-fulfilling prophecy**. This cycle occurs when people automatically behave as if an established stereotype is accurate, which leads to reactive behavior from the other party that confirms the stereotype (Snyder, Tanke, & Berscheid, 1977).

Stereotypes persist because of a process called selective perception. **Selective perception** simply means that we pay selective attention to parts of the environment while ignoring other parts. When we observe our environment, we see what we want to see and ignore information that may seem out of place.

One other perceptual tendency that may affect work behavior is that of **first impressions**. The first impressions we form about people tend to have a lasting impact. In fact, first impressions, once formed, are surprisingly resilient to contrary information. Even if people are told that the first impressions were caused by inaccurate information, people hold onto them to a certain degree. The reason is that, once we form first impressions, they become independent of the evidence that created them (Ross, Lepper, & Hubbard, 1975).

### Attributions

An **attribution** is the causal explanation we give for an observed behavior. If you believe that a behavior is due to the internal characteristics of an actor, you are making an **internal attribution**. For example, let's say your classmate Erin complained a lot when completing a finance assignment. If you think that she complained because she is a negative person, you are making an internal attribution. An **external attribution** is explaining someone's behavior by referring to the situation. If you believe that Erin complained because finance homework was difficult, you are making an external attribution.

When do we make internal or external attributions? Research shows that three factors are the key to understanding what kind of attributions we make.

**Consensus:** Do other people behave the same way?

**Distinctiveness:** Does this person behave the same way across different situations?

**Consistency:** Does this person behave this way in different occasions in the same situation?

Let's assume that in addition to Erin, other people in the same class also complained (high consensus). Erin does not usually complain in other classes (high distinctiveness). Erin



usually does not complain in finance class (low consistency). In this situation, you are likely to make an external attribution, such as thinking that finance homework is difficult. On the other hand, let's assume that Erin is the only person complaining (low consensus). Erin complains in a variety of situations (low distinctiveness), and every time she is in finance, she complains (high consistency). In this situation, you are likely to make an internal attribution such as thinking that Erin is a negative person (Kelley, 1967; Kelley, 1973).

Interestingly though, our attributions do not always depend on the consensus, distinctiveness, and consistency we observe in a given situation. In other words, when making attributions, we do not always look at the situation objectively. For example, our overall relationship is a factor. When a manager likes a subordinate, the attributions made would be more favorable (successes are attributed to internal causes, while failures are attributed to external causes) (Heneman, Greenberger, & Anonyou, 1989). Moreover, when interpreting our own behavior, we suffer from **self-serving bias**. This is the tendency to attribute our failures to the situation while attributing our successes to internal causes (Malle, 2006).

Consensus	Distinctiveness	Consistency	Type of attribution
<i>High consensus</i>	<i>High distinctiveness</i>	<i>Low consistency</i>	<i>External</i>
Everyone else behaves the same way.	This person does not usually behave this way in different situations.	This person does not usually behave this way in this situation.	
<i>Low consensus</i>	<i>Low distinctiveness</i>	<i>High consistency</i>	<i>Internal</i>
No one else behaves the same way.	This person usually behaves this way in different situations.	Every time this person is in this situation, he or she acts the same way.	

**Exhibit 6.2: Consensus, distinctiveness, and consistency determine the type of attribution we make in a given situation.**

Source: <https://open.lib.umn.edu/organizationalbehavior/chapter/3-4-perception>

How we react to other people's behavior would depend on the type of attributions we make. When faced with poor performance, such as missing a deadline, we are more likely to punish the person if an internal attribution is made (such as "the person being unreliable"). In the same situation, if we make an external attribution (such as "the timeline was unreasonable"), instead of punishing the person we might extend the deadline or assign more help to the person. If we feel that someone's failure is due to external causes, we may feel empathy toward the person and even offer help (LePine & Van Dyne, 2001). On the other hand, if someone succeeds and we make an internal attribution (he worked hard), we are more likely to reward the person, whereas an external attribution (the project was easy) is less likely to yield rewards for the person in question. Therefore, understanding attributions is important to predicting subsequent behavior.

## Discussion Questions

1. What are the implications of contrast error for interpersonal interactions? Does this error occur only when we observe physical objects? Or have you encountered this error when perceiving behavior of others?
2. What are the problems of false consensus error? How can managers deal with this tendency?
3. Is there such a thing as a “good” stereotype? Is a “good” stereotype useful or still problematic?
4. How do we manage the fact that human beings develop stereotypes? How would you prevent stereotypes from creating unfairness in decision making?
5. Is it possible to manage the attributions other people make about our behavior? Let’s assume that you have completed a project successfully. How would you maximize the chances that your manager will make an internal attribution? How would you increase the chances of an external attribution when you fail in a task?

## References

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## Lesson-3: Individual Decision Making

Upon completion of this lesson, you will be able to:

- Understand the link between individual decision making and perception.
- Describe the biases of self-perception.
- Describe the biases inherent in perception of other people.
- Explain what attributions mean, how we form attributions, and their consequences for organizational behavior.

### Link between Perception and Individual Decision making

Individuals make **decisions**, choices from among two or more alternatives. Ideally, decision making would be an objective process, but the way individuals make decisions and the quality of their choices are largely influenced by their perceptions. Individual decision making is an important factor of behavior at all levels of an organization.

Decision making occurs as a reaction to a **problem**. That is, a discrepancy exists between the current state of affairs and some desired state, requiring us to consider alternative courses of action. If your car breaks down and you rely on it to get to work, you have a problem that requires a decision on your part.

### Developing a Deeper Understanding of Perception and Decision Making

To develop a deeper understanding of perception and decision making, it's essential to recognize and examine our biases and mindset. Self-reflection and seeking feedback from others can be an effective way to identify potential biases and mindset limitations. It's also important to seek out diverse perspectives and consider all available information before making a decision.

Additionally, developing a growth mindset by embracing challenges and seeing failures as opportunities for growth can help us to make more effective decisions. By understanding the complexities of the relationship between perception and decision making, we can enhance our abilities to make sound choices that align with our personal and professional aspirations.

### Decision Making in Organization

#### What is Decision Making?

A manager faced with two or more feasible alternatives must decide which one to select. Decision-making is, therefore, the process of identifying a set of feasible alternatives and choosing a course of action from them.

Weihrich and Koontz defined decision-making as the selection of a course of action from among alternatives. According to them, "it is the core of planning. A plan cannot be said to exist unless a decision - a commitment of resources, direction or reputation - has been made."

Decision-making is the process of developing a commitment to some course of action. There are three things that help to characterize decision-making:

1. it necessitates making a choice among two or more alternatives;
2. it is a process that typically involves more than just what was decided (often we gain value in understanding how the decision was arrived at); and
3. the 'commitment' mentioned above usually necessitates a commitment of resources - economic, human, time.

Decision-making is almost universally defined as choosing between alternatives. It is closely related to all the traditional management functions. For example, when a manager plans, organizes, and controls, he or she is making decisions.

### Decision-making Environments

There are a number of different decision environments that we are faced with in organizations:

1. **Certainty:** This is an environment where we can depend on the outcome, because we have all of the information we need.
2. **Risk:** In an environment of risk, you still have information, just not as much. Yet you have enough information to assign a probability to the outcome – in other words, you can determine the degree of likelihood of the outcome.
3. **Uncertain Environments:** These are the most difficult. Under these circumstances, you have very little information, and prediction is virtually impossible. You are not able to rely on any data you have in a meaningful way, and therefore sometimes these decisions are made using your own intuition, your employees understanding and analysis of the possible outcomes. Perhaps you are trying to determine whether to launch a new product. It is a product that has no similar competitor, and it is expensive to produce.

### Types of Decisions

Given the various decision environments within which we must manage, there are **three primary types** of decisions that we are able to make:

1. **Programmed decisions:** programmed decisions are made for very routine problems. Let's assume you supervise an assembly line at GM and an employee calls in sick. You have likely made the decision of how to replace his/her position many times before and therefore do not have to give it a lot of thought.
2. **Nonprogrammed decisions:** these are the type of decisions that you have not typically made in the past. You need to demonstrate some creativity in your data gathering in order to make the most logical, effective decision you can. Often nonprogrammed decisions are decisions made at a middle or upper management level.
3. **Associative choices:** associative choices are slightly different than decisions, in that the outcome of associative choices is not ideal. Associative choices are made in 'organised anarchy' environments, where the pace of change has been rapid. The intention is not to solve the problem, because circumstances do not allow for that. Rather, associative choices are made to improve the work environment; the problems are not solved.

### Decision Making Model

**1. Rational Decision-making:** In theory, we should always make decisions that are rational. There are a number of considerations and actions that facilitate rational decision-making, yet in reality not all of our decisions are purely rational. Before we discuss why this is, let's first examine the rational decision-making model. This model argues that the decision maker will make optimal choices by adhering to a number of steps that help to ensure rationality. This model is designed with a view to facilitating value-maximizing choices. It entails a sequential progression through seven steps:

1. Identify the problem.
2. Establish decision criteria, and allocate weights to the criteria.
3. Search for relevant information.
4. Develop alternative solutions to the problem.
5. Evaluate alternative solutions.
6. Choose the best solution.
7. Implement and monitor chosen solution.

It is important to note that this model contains a number of assumptions:

1. The problem is clear and specific: the model assumes that problems are clear and unambiguous. It also assumes that the decision maker has complete information.
2. Known options: this assumes that the decision maker is able to identify the criteria and viable alternatives. In addition, it is assumed that the decision maker can understand the possible consequences of each alternative.
3. Clear preference: it is assumed that criteria and alternatives can be ranked and weighted to reflect their importance.
4. Stability: the model assumes that decision criteria are constant and that the weights given to the criteria are stable over time.
5. Minimal time and cost constraints: this assumption enables the decision maker to obtain full information about the criteria and alternatives.
6. Maximum payoff: it is assumed that the rational decision maker will choose the alternative that yields the highest perceived value.

## **2. Bounded Rationality**

Herbert Simon won a Nobel Prize for his theory of bounded rationality, which argues that people do make decisions with restricted information, and therefore the decisions tend to be less than ideal. Bounded rationality is based on four primary assumptions:

1. Decision makers tend to 'satisfies': select the first alternative that is satisfactory.
2. Often decision makers establish a problem statement or understanding of a problem without full or even adequate information.
3. Decisions are often made without a comprehensive evaluation of alternatives.
4. Decision makers rely on heuristics, or judgment shortcuts, to simplify the decision-making process.

## **3. Garbage Can Model of Decision-making**

The Garbage Can Model has as its main components of the choice process four factors:

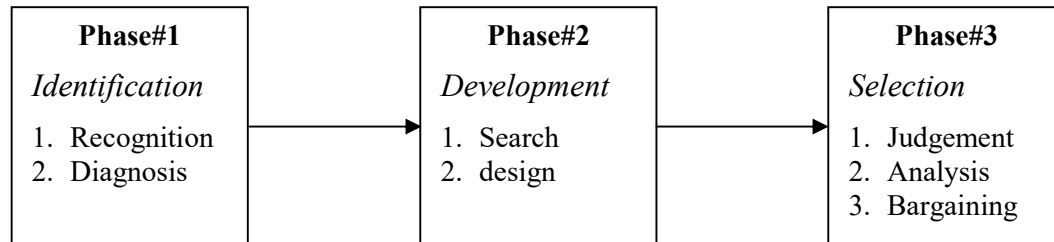
1. problems, 2. solutions, 3. participants, and 4. choice situations or opportunities.

These are all mixed up together in the garbage can of the organisation. In other words, the decision-making process is rather chaotic, partly because that might be the decision-making culture of the organization, but also because a linear, rational approach to problem solving might not be a viable option. Often we can match specific solutions to specific problems, but under this model, that is not possible. It is likely that this environment faces rapid change; you might try to establish solutions to problems that are very ill-defined (the culture is weak, and the politics are pervasive, and many departments have hidden agendas) and therefore hire a consultant to come in and attempt to manage the problems and challenges objectively. In this model, decision-making is haphazard and chaotic, and in fact sometimes depends largely on luck!.

### Stages of decision making

1. The identification phase: During which recognition of a problem or opportunity arises and a diagnosis is made.
2. The development phase: During which there may be a search for existing standard procedures or solutions.

The selection phase: During which the choice of a solution is made. There are three ways of making this selection: by the judgment of the decision-maker, on the basis of experience or intuition rather than logical analysis.



**Exhibit 6.3: Decision making phases**

### Strengths of Group Decision-Making

Often the decision quality is higher in groups, because the group as a whole can generate more complete information and knowledge. In addition, groups tend to generate more ideas than individuals, and they can evaluate ideas better than individuals.

Groups offer a greater diversity of views than individuals because of the heterogeneous nature of the group. There is also generally an increased acceptance of and commitment to the decision, partly because of the diffusion of responsibility across the members of the group.

Given the strengths of group decision-making, can we conclude that the groups actually do make higher-quality decisions than individuals do? The answer to that question is yes. And the research supports the notion that group performance is heightened when and where:

1. the group members differ in skills and abilities
2. division of labour can occur
3. the group members have a memory for facts;
4. individual judgments can be combined by weighting them to reflect the expertise of the various members.

### Weaknesses of Group Decision-Making

While there are a number of advantages to using groups to make decisions in organisations, there are a number of shortcomings:

Group decisions are usually more **time consuming**. Often the decisions necessitate much discussion and debate, and this tends to increase with group size.

In addition, as was previously mentioned in block three, **group conflict** is difficult to avoid, and is considered part of the stages of group development.

**Domination** of the group and its processes is often a problem in groups; one individual or a small coalition may create ineffective decisions, if views are imposed on the group that emerge from misinformation or extreme biases.

Finally, **groupthink** is a risk of group decisions. There are a number of steps that can be taken to minimize the risk of groupthink: leaders must try not to exert undue pressure toward a specific outcome; norms should be established that encourage dissent, and outside experts might be invited occasionally into the group to contribute their own perspective on various problems.

### **Group Decision-making Techniques**

A number of decision-making techniques can be employed by groups:

**Brainstorming:** this technique is employed by groups with a view to overcoming the pressure to conform. When groups are brainstorming, a number of group members typically sit around a table, and many ideas are generated by the members. There are four primary rules to brainstorming: no criticism; freewheeling is welcomed; quantity is good; and people should build on each others' ideas.

**Nominal Group Technique** - this technique is one that is often used when there is conflict in the group, or when it has become almost impossible to make a decision because of diverse opinions. It restricts discussion during the decision-making process. The nominal group technique is often used in large groups that are broken down into smaller sizes of 5-7 people.

**Delphi Technique** - sometimes group members cannot meet face to face (for geographic or confidentiality reasons). The Delphi technique uses questionnaires that are answered by members of the group. A coordinator then summarizes the solutions and sends the summary back to the group members, together with another questionnaire. This process is continued until a clear course of action is determined.

### **How Can We Improve Decision-making?**

There are a number of things to consider when making decisions, either individually or as a group. Using creativity in decision-making is something that we need to consider as part of our day-to-day decision-making approaches. And the literature identifies five stages of creative thinking:

- **Preparation:** through your day-to-day activities, you must move along a learning curve, and it is at this stage that you develop some sense of the complexities of your environment.
- **Concentration:** at the concentration stage, specific problems are identified, and contextualized as much as possible.
- **Incubation:** this stage is really the meat of the creative component, in that you must approach the problem from as many angles and directions as you can, in order to feel that you have exhausted all possible definitions. This is where brainstorming in a group really adds value.
- **Illumination:** once you have a very specific idea of what the problem is, potential alternatives sometimes almost jump out at you. Other times, they emerge slowly, from further analysis. But in any case, it is at this stage that you really are putting the pieces of the problem/solution mix together.
- **Verification:** this is a post-problem solving stage, in that you are following up on your analysis and recommendations, to ensure that they were appropriate and have indeed met planned objectives.

### **Discussion Questions**

1. Distinguish between individual decision making and perception.
2. Describe the biases of self perception.
3. Describe the biases inherent in perception of other people.
4. Define attribution how are from attribute and explain their consequences of OB.

## Lesson-4: Ethics in Decision Making

Upon completion of this lesson, you will be able to:

- Understand the ethics in decision making.
- Describe the importance of ethics in decision making.
- Analyze the how to make ethical decision making.
- Demonstrate how to foster ethical decision making.

### What is Ethical Decision-Making?

In business, ethical decision-making is a strategy that prioritizes moral principles as a set of standards, rather than economic considerations, for making business decisions. Businesses that value ethical behavior may consider several ethical values, including how their actions reflect upon themselves and how their decisions affect the company, its employees, and the greater community or world. Common ethical issues in business include environmental concerns, employee well-being, operations transparency, product honesty, and customer satisfaction; many ethical dilemmas in business weigh these variables against economic growth.

Ethics philosophers have created dozens of models to help guide ethical decision-making, each with varied considerations and concerns. For example, consequentialist theories (like the utilitarian approach or the common good approach) center mainly on the consequences of actions, while non-consequentialist theories (like the duty-based approach or the rights approach) instead center on the intentions of the decision-maker or ethical obligation.

A **definition of ethics** is, at a simplistic level, to 'do no harm'. An understanding of the definition of business ethics and ethics in decision making is important in today's business environment. Once you've gained that understanding, it is necessary to consider the impact of ethical decision making and problem solving on your business.

### Importance of Ethics in Decision Making

The importance of ethics to business is because the values that you use to build and manage your company need to be rooted in ethical decisions and strategies.

Recently, there has been a lot of media attention given to ethics in decision making; particularly in the workplace. Consumers and society as a whole want to see more corporate accountability. Additionally, we want business to more actively think about not only how a company treats employees, but also how a company's code of ethics extends to all of its stakeholders, such as customers, suppliers, and community.

From the time a business begins its operations to the time it delivers a service or product, there are a lot of choices to be reviewed, problems to be solved and decisions to be made. The manner in which those choices, problems and decisions are handled speaks volumes about the business' ethics.

As a small business owner or manager, it is your responsibility to ensure that your organization follows ethical practices and behaviors; and to ensure that your vision, mission, and value statement are ethically aligned and understood by all your employees, suppliers and other stakeholders.

### How to Make Ethical Decisions

Though there is not a single framework for making ethical decisions, each ethical decision-making model incorporates these four core steps:

**1. Identify the facts.** To make a good decision about an ethical problem, you must first verify that you have all the facts. This means basing your choices on verified events, details, and



actions rather than a gut feeling, intuition, personal experience, or emotions. In addition, consider your ethical awareness; think through every angle of the situation and determine if you are missing a key point of view. When identifying the facts of a particular situation, you may find that it's best to bring all the affected stakeholders together in a meeting to decide as a team.

**2. Lay out all possible options.** Once you have the facts of the situation, outline all possible options for the business decision. Be open and honest about each option, regardless of its perceived ethicality. Also, be aware of any aspects you may have overlooked in the situation and take time to brainstorm possible solutions you may not have considered.

**3. Sort options by implication.** Once you have outlined all of your options in the ethical decision-making process, it's time to consider the effects or consequences of each option. Consider the following questions: Which options have the greatest benefit (or the greatest good) for the most people? Which options have the fewest negative consequences (or do the least harm) for the most people? Which options benefit your company the most or the least? Which options are in line with your company values? Which options reflect your personal values or ethical standards? Which options do you consider ethical actions, and which do you consider unethical? Why or why not?

**4. Weigh your considerations.** After you've thoroughly considered the implications of each option, decide which ethical principles are most important to your company and which are least important—this is your framework for ethical decision-making. Ethical choices value variables like widespread good, honesty, transparency, fairness and equality, rights, and duty. Decide which model of ethics is right for you and your company, and move forward with the strongest ethical course of action in your situation.

### **How can we foster ethics in business decision-making?**

In some situations where an organization or industry is accused of poor practices or of being unethical, the majority view may be that the situation was brought on by collective malpractice. Recent examples of this might include the banking crisis. However, in many other situations, it is less the case of individuals or collections of individuals purposefully doing the wrong thing and more the result of 'mistakes'.

These mistakes are often the result of:

- Focussing on a limited number of options and considering only one or two ideas.
- Failing to think widely enough: what if there was a significant change in the industry, regulatory environment or economy?
- Assuming that the best decision for the business is the best decision for all interested parties.
- Favoring short-term gains over long-term losses.
- Justifying the potential 'harm' to other stakeholder groups as necessary to achieve the organization's goals.

We feel these issues can be addressed by:

- Examining some key performance indicators and how they link to or might indicate ethical or non-ethical decision-making.
- Creating a culture where individuals are encouraged to think wider than their immediate job role and are given a process to help them consider the potential consequences of their actions.

### **Discussion Question**

1. What is ethics in decision making?
2. Describe the importance of ethics in decision making.
3. Discuss the how to make ethical decision making.
4. Explain how to foster ethical decision making.

## Unit Highlights

- Motivation, process and theories.
- Motivating performance through job design and reward system.

## Technologies Used for Content Delivery

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
- ❖ Web Radio
- ❖ Mobile Technology with Micro SD Card
- ❖ LP+ Office 365
- ❖ BTV Program
- ❖ Bangladesh Betar Program



## Lesson-1 & 2: Motivation

Upon completion of this lesson, you will be able to:

- Define the overall meaning of Motivation.
- Understand the Maslow's hierarchy needs theory of motivation.
- Analyze the Two factor theory of motivation.
- State the expectancy theory of Motivation.

### Introduction

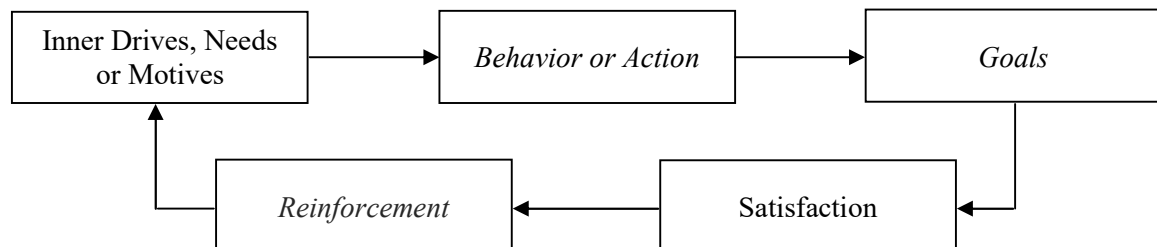
Motivation is fundamental to understanding and shaping organisational behaviour because it reveals how and why individuals behave as they do within organisations. If business leaders seek to attract, motivate and retain talented individuals they must understand human behaviour in order to best motivate employees so that they perform their roles willingly and effectively. They also need to recognise how to best elicit the commitment of employees, so they can direct their capabilities toward achieving the organisation's goals and objectives.

### Meaning of Motivation

Motivation is a psychological characteristic that contributes to a person's degree of commitment. It includes the facts that cause, channel and sustain human behavior in a particular committed direction. Motivation may be defined as the state of an individual's perspective, which represents the strength of his or her propensity to exert effort toward some particular behavior. For our purpose, we shall define motivation as the need or drive within an individual that urges him or her towards Goal-oriented action.

### Motivation Process

The motivation process may be represented by a diagram which begins with inner drives and needs that motivate the individual to work towards certain goals, which the individual has chosen in the belief that those goals will satisfy the inner drives and needs. After attaining these goals, the individual consciously or unconsciously judges whether the effort has been worthwhile. As long as the individual perceives the effort as rewarding, the habit of making the effort is reinforced and the individual can be persuaded to continue or repeat that kind of effort. Reinforcement, or what happens as a result of behavior, affects other needs and as the process is repeated.



### Contemporary theories of motivation

#### McGregor's Theory X and Theory Y

Theory X and theory Y are two sets of assumptions about the nature of people. McGregor chose these terms because he wanted neutral terminology without any connotation of being "good" or "bad".

## Theory X assumptions

The “traditional” assumptions about the nature of people, according to McGregor, are included in Theory X as follow:

1. Average human beings have an inherent dislike of work and will avoid it if they can.
2. Because of this human characteristic of disliking work, most people must be coerced, controlled, directed, and threatened with punishment to get them to put forth-adequate effort toward the achievement of organizational objectives.
3. Average human beings prefer to directed, wish to avoid responsibility, have relatively little ambition, and want security above all.

## Theory Y assumptions

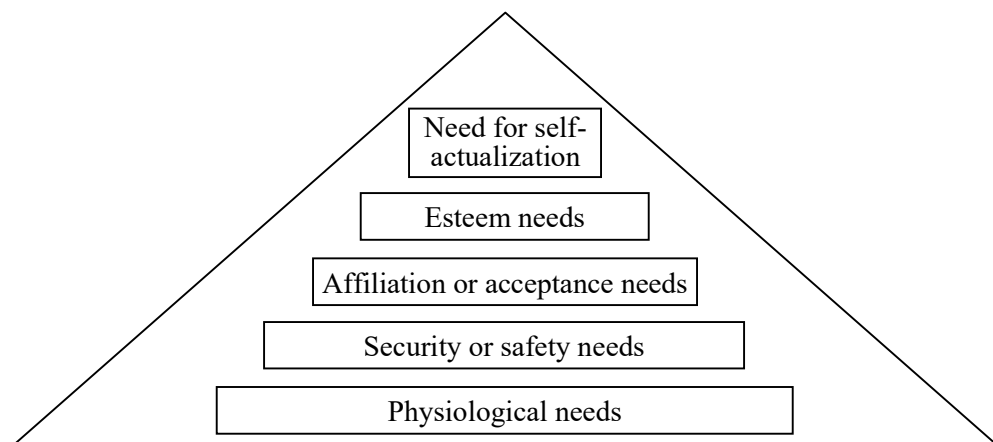
The assumptions under Theory Y are seen by McGregor as follows:

1. The expenditure of physical effort and mental effort in work is as neutral as play or rest.
2. External control and the threat of punishment are not the only means for producing effort toward organizational objectives. People will exercise self-direction and self-control in the service of objectives to which they are committed.
3. The degree of commitment to objectives is in proportion to the size of the rewards associated with their achievement.
4. Average human beings learn, under proper conditions, not only to accept responsibility but also to seek it.
5. The capacity to exercise a relatively high degree of imagination, ingenuity, and creativity in the solution of organizational problems is widely, not narrowly, distributed in the population.
6. Under the conditions of modern industrial life, the intellectual potentialities of the average human being are only partially utilized.

These to sets of assumptions obviously are fundamentally different. Theory X is pessimistic, static and rigid. Control is primarily external, that is imposed on the subordinate by the superior. In contrast, Theory Y is optimistic, dynamic and flexible, with an emphasis on self-direction and the integration of individual needs with organizational demands.

## The Hierarchy of Needs Theory

One of most widely mentioned theories of motivation is hierarchy of needs theory put forth by psychologist **Abraham Maslow**. The basic needs placed by Maslow in an ascending order of importance and shown in figure are these:



1. Physiological needs. These are the basic needs for sustaining human life itself, such as food, water, warmth, shelter, and sleep. Maslow took the position that until these needs are satisfied to the degree necessary to maintain life, other needs will motivate people.
2. Security or safety needs. These are the needs to be free of physical danger and of the fear of losing a job, property, food or shelter.
3. Affiliation, or acceptance, needs. Since people are social beings, they need to belong, to be accepted by others.
4. Esteem needs. According to Maslow, once people begin to satisfy their need to belong, they tend to want to be held in esteem both by themselves and by others. This kind of produces such satisfactions as power, prestige, status and self-confidence.
5. Need for self-actualization. Maslow regards this as the highest need in his hierarchy. It is the desire to become what one is capable of becoming-to maximizes one's potential and accomplishes something.

### The Motivation-Hygiene Approach

Maslow's need approach has been considerably modified by Fredrick Herzberg and his associates. Their research purports to find a **Two-factor Theory** of motivation. In one group of needs are such things as company policy and administration, supervision, working conditions, interpersonal relations, salary, status, job security and personal life. These were found by Herzberg and his associates to be only **dissatisfiers** and not motivators. Herzberg called them Maintenance, hygiene, or job context factors.

In the second group, Herzberg listed certain **satisfiers**-and therefore motivators-all related to job content. They include achievement, recognition, challenging work, advancement and growth in the job.

Maintenance Factors	Motivators
company policy and administration, supervision, working conditions, interpersonal relations, salary, status, job security and personal life	achievement, recognition, challenging work, advancement and growth in the job

### The Expectancy Theory of Motivation

Another approach, one that many believe goes far in explaining how people are motivated, is the **expectancy theory**. One of the leaders in advancing and explaining this theory is the psychologist Victor H. Vroom. He holds that people will be motivated to do things to reach a goal if they believe in the worth of that goal and if they can see that what they do will help them in achieving it. In his own terms, Vroom's theory may be stated as

$$\text{Force} = \text{valence} \times \text{expectancy}$$

Where **force** is the strength of a person's motivation, **valence** is the strength of an individual's preference an outcome, and **expectancy** is the probability that a particular action will lead to desired outcome.

### Discussion Questions

1. What do you mean by the term motivation?
2. Describe the Maslow's hierarchy needs theory of motivation.
3. Explain the Two factor theory of motivation.
4. State the expectancy theory of Motivation.

## Lesson-3: Motivating Performance through Job Design and Reward System

After completing this lesson, you will be able to know:

- Understand the meaning and approaches of job design.
- Identify the motivation through reward system.

### Background of job design

Job design has emerged as an important application area for work motivation and the study of organizational behavior. Job design concerns and approaches are usually considered to have begun with the scientific management movement at the turn of the century. F. W. Taylor suggested that task design might be the most prominent single element in scientific management.

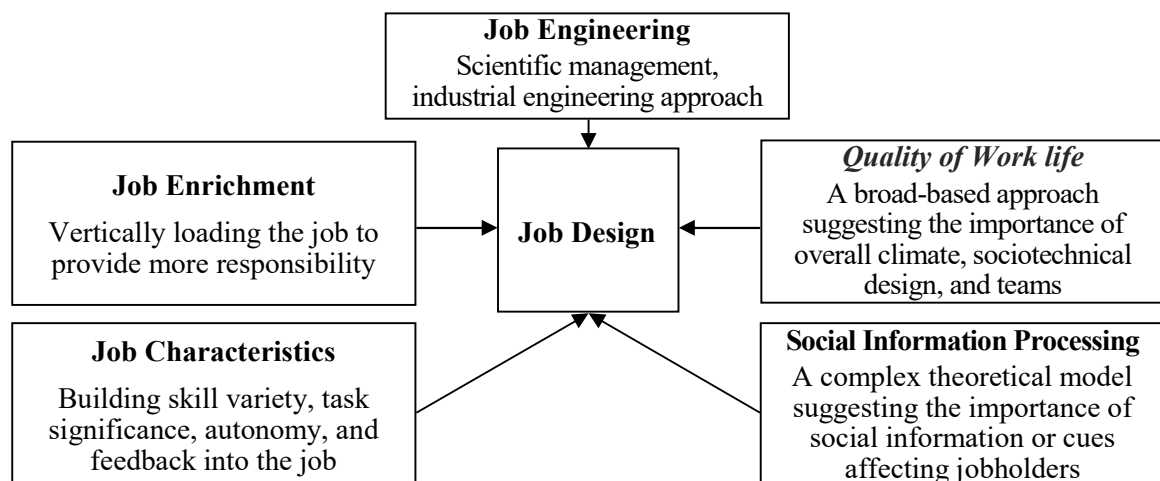
The scientific management approach evolved into what is now generally called job engineering. This industrial engineering approach is concerned with product process and tool design. It has been the dominant form of job design analysis since the turn of the century; it went hand in hand with automation in the previous generation, and it has been closely associated with cybernation and sophisticated computer applications involving artificial intelligence.

### Job design and motivation

Both academicians and practitioners, job design takes on special importance in today's human resource management. It is essential to design jobs so that stress can be reduced, motivation can be enhanced and satisfaction of employees and their performance can be improved that organization can effectively compete in the global marketplace.

### Various approaches to job design

Job design has taken a broader perspective. Following figure summarize the various dimensions and approaches to job design, starting with the historically significant job engineering.



**Exhibit 7.1: Approaches of job design**

## 1. Job Enrichment

Job enrichment represents an extension of earlier, more simplified job rotation and job enlargement techniques of job design. Since it is a direct outgrowth of Herzberg's two-factor theory of motivation, the assumption is that in order to motivate personnel, the job must be designed to **provide opportunities for achievement, recognition, responsibility, advancement and growth.**

## 2. Job Characteristics Approach to Task Design

To meet some of the limitations of the Herzberg approach to job enrichment, a group of researchers began concentrate on the relationship between certain job characteristics, or the job scope, and employee motivation. The core job characteristics can be summarized briefly as follows:

1. ***Skill variety*** to extend to which the job requires the employee to draw from a number of different skill and abilities as well as upon a range of Knowledge.
2. ***Task identity*** refers to whether the job has an identifiable beginning and end. How complete a work does the employee perform?
3. ***Task significance*** involves the importance of task. It involves both internal significance – how important is the task to the organization? – and external significance – how proud are employee to tell relatives, friends, and neighbors what they do and where they work?
4. ***Autonomy*** refers to job independence. How much freedom and control do employee have to, for example, schedule their own work, make decisions, or determine the means to accomplish objectives?
5. ***Feedback*** refers to objective information about progress and performance and can come from the job itself or from supervisors or an information system.

## 3. Social Information Processing Approach

A social information processing approach (SIPA) to work motivation in general and task design in particular has emerged in recent years. The basic premise of SIPA is that “individuals, as adaptive organism, adapt attitudes, behavior and beliefs of their social context and to the reality of their own past and present behavior and situation.

## 4. Quality of Work Life

QWL is more concerned with the overall climate of work. QWL described it as (1) a concern about the impact of work on people as well as on organizational effectiveness, and (2) the idea of participation in organizational problem solving and decision-making.

## 5. Job Engineering

The scientific management approach evolved into what is now generally called job engineering. This industrial engineering approach is concerned with product, process, and tool design; plant layout; standard operating procedures; work measurement and standard; worker methods; and human-machine interactions.

## Motivation through Reward Systems

The challenge for management is to understand the behavioral reality, eliminate the reinforcers for the undesirable behavior. Thus, organizational reward systems become the



key, often overlooked, factor in bringing about improved performance and success. The following sections examine both financial and non-financial rewards that can be used to manage employee behavior for performance improvement.

### **A. Financial reward**

1. **Money as a Reward:** Despite the tendency in recent years to downgrade the importance of money as an organizational reward, there is evidence that money can be positively reinforcing for most people and, if the pay system is designed properly to fit the strategies, can have a positive impact on overall organizational performance. Some of the new monetary incentive systems are beginning to recognize this.
2. **New pay techniques:**
  - (a) Commissions beyond sales to customers,
  - (b) Rewarding leadership effectiveness
  - (c) Rewarding new goals
  - (d) Pay for knowledge workers in teams
  - (e) Skill pay
  - (f) Competency pay

### **B. Non-financial reward**

1. **Social rewards:** Recognition, attention, and praise tend to be very powerful social rewards for most people.
2. **Feedback as a reward:** It is generally accepted that feedback enhances individual performance. A comprehensive review concluded that objective feedback had a positive effect.

### **Discussion Questions**

1. What is job design? Discuss the approaches of job design.
2. Discuss the factors that enhance the employee motivation.

## **GROUP DINAMICS, COMMITTEE AND TEAM BEHAVIOR**

**8**

### **Unit Highlights**

- Group dynamics
- Committee
- Team

### **Technologies Used for Content Delivery**

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
- ❖ Web Radio
- ❖ Mobile Technology with Micro SD Card
- ❖ LP+ Office 365
- ❖ BTV Program
- ❖ Bangladesh Betar Program



## Lesson-1: Group Dynamics

Upon completion of this lesson, you will be able to:

- Understand the meaning of group.
- Analyze the nature and features of group.
- State the types of group.

### Introduction

Groups are important for organizational life. Managers spend substantial time in managing groups and teams so that groups contribute to organizational and group goals. How effectively a manager plans, organizes, staffs, leads and controls depends upon how effectively he manages the groups. A group means “two or more people who interact with one another, are psychologically aware of one another, perceive themselves to be members of the group, and work towards a common goal.”

Group dynamics studies the nature, formation and reasons for forming the groups. It studies how groups affect the behavior and attitude of members and the organization. It is a process by which people interact with each other. If groups are effectively managed, they contribute a lot to organizational goals.

### What is group?

A **group** may be defined as two or more people acting interdependently in a unified manner toward the achievement of common goals. A group is more than a collection of individuals; rather interactions, new forces and new properties are created that need to be identified and studied in them.

### The nature of groups

Group and the focus is on groups in an organization-have a number of characteristics. Such as:

1. Group members share one or more common goals. Such as the goals of a product group to develop, manufacture, and market a new product.
2. Group members normally require interaction and communication among members.
3. Members within a group assume roles. The roles are in some kind of relationship to each other in order to achieving the group task.
4. Groups usually are a part of a larger group. Large groups may also consist of subgroups.
5. Groups develop norms, which refer to the expected behavior of the group members.

### Features of group

Group has the following features:

1. It consists of two or more persons who interact with each other.
2. Group members have reciprocal influence on each other. Each member influences and is influenced by others in the group.
3. People develop mutual perceptions and emotions. They perceive and recognise each other as members of the group.
4. Every group has
  - formal leader elected by group members, and
  - informal leader “who engages in leadership activities but whose right to do so has not been formally recognized by the organization or group.”

5. Each individual performs specific role which influences expectations of group members from each other. Role structure is “the set of defined roles and inter-relationships among those roles that the group or team members define and accept.”
6. Every group has group norms. “Norm is a standard of behaviour that the group accepts and expects of its members. It represents standards of work to promote group activity.”
7. It maintains stability through group cohesiveness. Members
  - develop liking for each other,
  - develop sense of identification with each other, and
  - remain attached to each other.
8. Members work for common interests and goals.

## Types of Group

There are many ways of classifying groups. A key difference exists between (1) **formal groups**, which are established by the organization and have a public identity and goal to achieve, and (2) **informal groups**, which emerge on the basis of common interests, proximity, and friendship.

It's possible to subclassify groups as command, task, interest, or friendship groups. Command and task groups are dictated by the formal organization, whereas interest and friendship groups are informal alliances.

1. **Command group** is determined by the organization chart. It is composed of the subordinates who report directly to a given manager. A high school head master and his 12 teachers form a command group.
2. **Task group**, also organizationally determined, represent those working together to complete the task.
3. **Interest group**: people who may or may not be aligned into common command or task groups may affiliate to attain a specific objective with which is concerned.
4. **Friendship Groups**: groups often develop because the individual members have one or more common characteristics. We call these formations friendship groups.

## Group Formation

The group formation can assume either a formal connotation or an informal nature depending upon its objectives.

The official groups are called the Formal groups which are defined by the organization's structure, with designated work assignments establishing tasks where the individual behaviors are well stipulated by and are directed towards the achievement of the organizational goals.

The unofficial groups which are formed in the organizations are called Informal groups which are also called alliances that are neither formally structured nor organizationally determined. These are basically formed to satisfy the individual needs which are not fulfilled in the formal groups.

Another important feature of group formation is that it has diversity which enhances group performance. The diversity may be in the nature of gender, ethnicity, cultural or interpersonal. The interpersonal needs are indicated by the individual's need for inclusion, control of people and events and positive affirmation of their activities by others.

Source: <https://ebooks.inflibnet.ac.in/mgmt13/chapter/formation-of-groups/>

## Discussion Questions

1. What is group? Explain the nature of group.
2. Discuss the features of group.
3. Describe the types of group.

## Lesson-2: Team

Upon completion of this lesson, you will be able to:

- Understand the team and its life cycle.
- Analyze the difference between team and group.
- State the effectiveness of team.

### Introduction

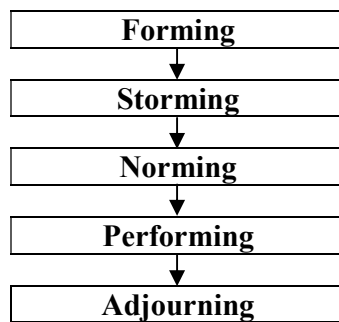
Working as a team is a resort for organizations to bring together varied viewpoints, skills, and experiences of individuals towards achieving common objectives. The concerted efforts and the intellectual amalgamation is what makes team at work, a crucial factor in organizational behavior.

### What is Team?

Although the term “team” is frequently used for any group, especially to get individuals to together and to motivate them, some team experts make a distinction between teams and traditional work groups. A working group’s performance is a function of what its members do as individuals. A team’s performance includes both individual results and what we call “collective work-products.” A collective work-product is what two or more members must work on together.

### The Life Cycle of a Team

The typical stages of the life cycle of a team’s evolution can be described as follows:



**The Life Cycle of a Team**

- **Forming:** Members share personal information, start to go to know and accept one another, and begin turning their attention toward the group’s task.
- **Storming:** Members compete for status, jockey for positions of relative control, and argue about appropriate directions for the group.
- **Norming:** The group begins moving together in a cooperative fashion and a tentative balance among competing forces is struck. Group norms emerge to guide individual behavior, and cooperative feelings are increasingly evident.
- **Performing:** The group matures and learns to handle complex challenges. Functional roles are performed and fluidly exchanged as needed, and tasks are efficiently accomplished.

- **Adjourning:** Even the most successful groups, committees, and project teams disband sooner or later. The adjournment stages are becoming even more frequent with the advent of flexible organizations, which feature temporary groups.

### **Differences between work groups and teams:**

1. The work group has a strong, clearly focused leader; the team has shared leadership roles.
2. The work group has individual accountability; the team has individual and mutual accountability.
3. The work group's purpose is the same as the; the team has a specific purpose.
4. The work group has individual work-products; the team has collective work-product.
5. The work group runs efficient meeting; the team encourages open-ended, active problem solving meeting.
6. The work group measures effectiveness indirectly; the team measures performance directly by assessing collective work-products.
7. The work group discusses, decides, and delegates; the team discusses, decides and does real work.

### **The Effectiveness of Teams**

For example, a recent in-depth interview survey of 4500 teams at 500 organizations uncovered a host of individual and organizational factors behind team ineffectiveness. Individual problems including the following:

1. Team members are not willing to give up past practices or set aside power and position.
2. Not all team members have the ability, knowledge, or skill to contribute to the group.
3. As team members, workers often face conflicts or challenges to their own personal belief.

Organizational-level problems uncovered by this survey included compensation and reward systems that still focused solely on individual performance.

### **How to make team more effective**

For teams to be more effective, they need to overcome some real problems. Research works identify five areas of the team that should be closely monitored and periodically measured:

- (1) Team mission,
- (2) Goal achievement,
- (3) Empowerment,
- (4) Open, honest communication, and
- (5) Positive roles and norms.

By controlling such key functions, self-managed teams can be effective and contribute to the performance goal of the organization.

### **Group Vs Team**

Group and Team are often used interchangeably. A group is a collection of individuals who come together for a common purpose or shared interest, whereas *A team* is a more structured and cohesive form of a group. It is characterised by a higher degree of interdependence, coordination, and collaboration among its members.

## Difference between Group and Team

Basis	Group	Team
<b>Purpose and Goals</b>	A group may have a common purpose or interest, but individual members may have different goals and objectives.	A team has a shared purpose and specific goals that all members work together to achieve.
<b>Interdependence</b>	Members may work independently, and their actions may not directly affect or rely on each other.	Members are highly interdependent, and their actions and contributions directly impact the team's performance and outcomes.
<b>Roles and Responsibilities</b>	Members may have different roles and responsibilities, but these roles may not be specifically defined or coordinated.	Members have clearly defined roles and responsibilities that are coordinated to ensure effective collaboration and goal attainment.
<b>Communication and Collaboration</b>	Communication and collaboration among members may vary and may not be a primary focus.	Communication and collaboration are essential within a team, with regular interactions, information sharing, and collective decision-making.
<b>Accountability</b>	Individual members are primarily accountable for their actions and results.	Team members hold each other accountable for the team's performance and outcomes, fostering a sense of collective responsibility.
<b>Performance and Productivity</b>	Group performance may be variable and dependent on individual efforts without a strong focus on overall productivity.	Team performance is measured collectively, with a focus on achieving high levels of productivity and accomplishing shared goals.
<b>Cohesion and Trust</b>	Group cohesion and trust among members may vary and may not be a central aspect of group dynamics.	Building cohesion and trust among team members is crucial to establish a positive team environment and enhancing collaboration.
<b>Leadership</b>	Leadership may not be formally assigned, and there may be no designated leader.	A team typically has a designated leader who provides guidance, facilitates collaboration, and ensures effective team functioning.

Source: <https://www.geeksforgeeks.org/difference-between-group-and-team/>

## Creation of Effective Team

Building a high performance team involves more than just randomly assembling a group of talented individuals. For a team to be truly effective, its members must unite with the same vision and be motivated to bring that vision to life. They must share clear, measurable goals, and be committed to each play their part in the overall success of the group.



Here are six key steps to building and maintaining a strong, cohesive and effective team:

### **1. Define the purpose**

Clearly define the purpose of the team, including the overall outcome it has been brought together to achieve. What do you want to create, improve or change? What is the purpose of each person's role in the team? Providing a clear, inspiring vision sets the foundation for successful teamwork, and helps guide the direction of the group when they face challenges and decisions.

### **2. Assemble the team**

High performance teams are comprised of individuals that passionately embrace the vision, believe their contribution is meaningful and are motivated to give their best effort. All team members should trust, respect and support each other. Select members with complementary skills and abilities, who can bring a diverse range of viewpoints and ideas to the table. Achieving a good balance of personality types will enable the group to work together harmoniously but also challenge each other when necessary.

### **3. Determine the goals**

Once the team is established and united behind a shared, compelling purpose, the next step is to break the vision down into smaller, manageable goals and tasks. Outline the required tasks in a schedule, with agreed deadlines, milestones and responsibilities. Decide the role that each team member will play. Be sure to also consider other resources required in terms of time, materials, space, support and money.

### **4. Set expectations**

To ensure that each member understands what is expected of them, define a standard of conduct for the team. Will communication be frequent, open, honest and transparent? Will contributions be encouraged, valued and recognised? Will conflict be handled in a constructive way? Will team decisions and feedback be respected? Setting clear standards from the outset will ensure that each member's conduct and contributions are appropriate.

### **5. Monitor and review**

Regularly review the group's performance through team meetings and one-on-one catch ups to ensure that progress is being made. Good questions to ask are: how are we doing? What have we achieved so far? What have we learned? What isn't working so well? How can we improve? Monitoring and reviewing progress allows for adjustments and improvements to be incorporated along the way.

### **6. Celebrate and reward**

Make the time to regularly recognise, reward and celebrate both team and individual performance. This will help to build morale and bolster the motivation of the group to continue their hard work. Find the most appropriate way to celebrate team milestones, such as a personal 'thank you' at a team meeting, an email copied to senior managers, or a team lunch. Ensure that recognition is consistent, and that the method you choose inspires and reinforces the team members to continue their positive contribution to the team's progress.

Source: <https://www.michaelpage.ae/advice/management-advice/development-and-retention/building-effective-team>

## How an Individual can be Turned into a Team Player

When it comes to larger organizations, teamwork in the workplace is an important aspect to incorporate into your company culture. Being a team player is not only beneficial for your growth as an employee, but it is also a great way to provide support to your fellow colleague in your department. Being a great team player, means you know how to work with a diverse group of people.

Surveys have shown that across the board employers want their employees to have the ability to collaborate and to provide teamwork, so their departments have the opportunity to be successful.

Being able to work together with your colleagues allows for a fresh and creative perspective to problem solving. It allows all team members to bring a different view, and the ideas for department success flourishes. Teamwork also brings a sense of trust within your department, it creates relationships with your co-workers, and you know who to go to when you need help with projects.

Here are 6 Tips to help you become a great team player.

1. **Help Celebrate Your Peer's Success:** A great start to building relationships with your co-workers is to give credit when credit is due. Team players carry the characteristic of being humble. These individuals are usually quick to point out contributions made by their co-workers in their organization, versus seeking the spotlight for their own success. A great way to showcase a co-worker is at a department meeting, by letting others know they were part of the reason why your project or task was so successful.
2. **Focus on Team Goals:** A great way to help your team be successful is to look at the bigger picture when you are working on a group project. Part of being a great team player is being able to anticipate the needs of others on your team. When you are able to anticipate the needs of your team, you will be successful in completing projects together correctly and in a timely manner.
3. **Have the Ability to Adapt Quickly:** Being able to be flexible while working in a team setting is a great skill to possess. When you are able to adapt and be flexible you will be an asset to your department when it comes time to problem solve. Not every team project will be a success, and sometimes you will encounter obstacles that will make your project miss the mark. That is okay though, when you can adapt, you will be able to use these failures as teaching moments and be better prepared when you encounter similar issues in the future.
4. **Meet Your Deadlines:** Being reliable to your teammates is a great way to show goodwill. When your team knows they can count on you, you'll be the go-to person when there is a project that needs to be completed. Showing others, they can trust you by being able to meet deadlines in a timely manner is a great way to enforce your reliability. If you are unable to meet deadlines, when it comes to group projects, this can negatively impact your team's performance.
5. **Keep an Open Mind:** When you keep an open mind, you are able to be receptive to other people's ideas. Having great listening skills will help you as well, because you will be able to better yourself as a teammate when you receive feedback from your co-workers. Communication will become easier when working in groups on projects and

both you and your team will have a higher rate of success when you can communicate with an open mind.

6. **Appreciate the Workstyles of Others:** When working at a large corporation you will encounter and work with many different personalities and work styles. Part of being an exceptional team player is identifying those work styles and learning how to utilize them. This also comes into play when you are communicating during team projects. You will be able to assign work to the proper people to make your project run smoother and more efficiently.

(Source: <https://www.broadmoor.com/careers/blog/team>)

### **Discussion Questions**

1. What is team? Explain its life cycle.
2. Distinguish between team and group.
3. How to make team more effective.

## CONFLICT AND NEGOTIATION

9

### Unit Highlights

- Conflict
- Functional, dysfunctional and ingredient of conflicts
- Source, outcome and resolution strategies of conflicts
- Negotiation of conflicts

### Technologies Used for Content Delivery

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
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- ❖ Bangladesh Betar Program



## Lesson-1: Conflict

Upon completion of this lesson, you will be able to:

- Understand the meaning of conflict.
- Analyze the Level of conflict.
- Explain the views of conflict.

### Introduction

**Organizational conflict**, or **workplace conflict**, is a state of discord caused by the actual or perceived opposition of needs, values and interests between people working together. Conflict takes many forms in organizations. There is the inevitable clash between formal authority and power and those individuals and groups affected. There are disputes over how revenues should be divided, how the work should be done, and how long and hard people should work. There are jurisdictional disagreements among individuals, departments, and between unions and management. There are subtler forms of conflict involving rivalries, jealousies, personality clashes, role definitions, and struggles for power and favor. There is also conflict within individuals – between competing needs and demands – to which individuals respond in different ways (Johnson, 1976).

### What is Conflict?

**Conflict** is any situation in which two or more parties feel themselves in opposition. Conflict is an interpersonal process that arises from disagreements over the goals to attain or the methods to be used to accomplish those goals.

### Level of Conflict

Conflict can occur with an employee between individuals or groups and across organizations as they compete.

1. **Intrapersonal Conflict:** Although most role conflict occurs when an employee's supervisor or peers send conflicting expectations to him or her, it is possible for intrapersonal role conflict to emerge from within an individual, as a result of competing roles taking.
2. **Interpersonal Conflict:** Interpersonal conflicts are a serious problem to many people because they deeply affect a person's emotions. There is a need to protect one's self-image and self-esteem from damage by others. When self-concept is threatened, serious upset occurs and relationships deteriorate. Sometimes the temperaments of two persons are incompatible and their personalities clash.
3. **Intergroup Conflict:** Intergroup conflicts, for example, between different departments, also cause problems. On a major scale such conflicts are something like the wars between juvenile gangs. Each group sets out to undermine the other, gain power, and improve its image.

### Views of Conflict

There are three views/schools or thoughts of conflict. These are:

- 1) The traditional view
- 2) The human relations view
- 3) The interactionist view

### **1. The traditional view**

The traditional view to conflict assumed that all conflict was bad. Conflict was viewed negatively and it was used synonymously with such terms as violence, destruction & irrationality to reinforce its connotation. Conflict was harmful and was to be avoided.

### **2. The human relations view**

The human relations view argued that conflict was a natural occurrence in all groups & organization. Since conflict was inevitable, the human relations school advocated acceptance of conflict. It cannot be eliminated and there are even times when conflict may benefit a group's performance.

### **3. The interactionist view**

The interactionist view of conflict states that conflict is not only a positive force in a group but that it is absolutely necessary for a group to perform effectively.

### **Discussion Questions**

1. Explain the meaning of conflict.
2. Analyze the Level of conflict.
3. Discuss the views of conflict.

## Lesson-2: Functional, dysfunctional and ingredient of conflicts

Upon completion of this lesson, you will be able to:

- Understand Functional and dysfunctional conflicts.
- Explain the types of Functional and dysfunctional conflicts.
- Describe the ingredient of conflict.

### Functional and dysfunctional conflicts

<https://smartstudynotes.com/functional-and-dysfunctional-conflicts/>

Functional and dysfunctional conflicts are two different types of conflicts that can arise within an organization. These conflicts have varying impacts on the organization and its members. Let's explore each type:

#### 1. Functional Conflict:

Functional conflicts, also known as constructive conflicts, are conflicts that serve a positive purpose and contribute to the improvement of the organization. These conflicts may lead to positive outcomes and beneficial changes. Some characteristics of functional conflicts include:

**Creativity and Innovation:** Functional conflicts can lead to creative thinking and innovative solutions. When individuals with diverse viewpoints collaborate and challenge each other's ideas, it can result in better problem-solving and decision-making.

**Improved Decision-Making:** Healthy debates and discussions arising from functional conflicts can lead to more informed and well-thought-out decisions. Different perspectives are considered, leading to comprehensive solutions.

**Increased Motivation:** Engaging in constructive conflicts can foster a sense of ownership and involvement among team members. People become more invested in finding solutions when they are actively participating in the decision-making process.

**Enhanced Relationships:** Addressing conflicts openly and respectfully can improve communication and strengthen relationships. People learn to express their concerns and viewpoints in a productive manner.

**Personal Growth:** Facing and resolving conflicts can promote personal and professional growth. Individuals learn to manage disagreements and develop better interpersonal skills.

#### 2. Dysfunctional Conflict:

Dysfunctional conflicts, also known as destructive conflicts, are conflicts that have a negative impact on individuals, teams, and the overall organization. These conflicts hinder productivity and can lead to negative outcomes. Some characteristics of dysfunctional conflicts include:

**Reduced Productivity:** Dysfunctional conflicts can lead to decreased productivity and efficiency. Instead of focusing on tasks and goals, team members may become preoccupied with interpersonal conflicts.

**Poor Communication:** Unresolved conflicts or hostile interactions can lead to breakdowns in communication. This can result in misunderstandings, misinformation, and misinterpretation of instructions.



**Low Morale:** Persistent dysfunctional conflicts can contribute to low employee morale and job satisfaction. Negative emotions and stress can impact job performance and overall job satisfaction.

**Negative Relationships:** Continual conflicts can strain relationships and create a toxic work environment. Trust and collaboration may be eroded, making it difficult to work together effectively.

**Employee Turnover:** Prolonged dysfunctional conflicts may lead to employee dissatisfaction and turnover. People may choose to leave the organization to escape the negative environment. **Resource Wastage:** Dysfunctional conflicts can consume time, energy, and resources that could be better allocated to productive activities.

Effective management of conflicts involves identifying and addressing dysfunctional conflicts while promoting and encouraging functional conflicts. It is important for organizations to create a culture where conflicts are seen as opportunities for growth and improvement rather than sources of tension and negativity. Proper conflict resolution strategies, open communication, and fostering a collaborative work environment can help minimize dysfunctional conflicts and harness the positive aspects of functional conflict.

## **The Ingredients of Conflict**

**Needs** - Needs are things that are essential to our well-being. Conflicts arise when we ignore others' needs, our own needs or the group's needs. Be careful not to confuse needs with desires (things we would like, but are not essential).

**Perceptions** - People interpret reality differently. They perceive differences in the severity, causes and consequences of problems. Misperceptions or differing perceptions may come from: self-perceptions, others' perceptions, differing perceptions of situations and perceptions of threat.

**Power** - How people define and use power is an important influence on the number and types of conflicts that occur. This also influences how conflict is managed. Conflicts can arise when people try to make others change their actions or to gain an unfair advantage.

**Values** - Values are beliefs or principles we consider to be very important. Serious conflicts arise when people hold incompatible values or when values are not clear. Conflicts also arise when one party refuses to accept the fact that the other party holds something as a value rather than a preference.

**Feelings and emotions** - Many people let their feelings and emotions become a major influence over how they deal with conflict. Conflicts can also occur because people ignore their own or others' feelings and emotions. Other conflicts occur when feelings and emotions differ over a particular issue.

## **Discussion Questions**

1. Discuss functional and dysfunctional conflicts.
2. Explain the types of Functional and dysfunctional conflicts.
3. Describe the ingredient of conflict.

## Lesson-3: Source, Outcome and Resolution strategies of conflicts

Upon completion of this lesson, you will be able to:

- Describe the sources of conflict.
- Explain the outcome of conflicts.
- Explore the resolution strategies of conflict.
- State the conflict due to frustration.

### Sources of Conflict

Interpersonal conflict arises from a variety of sources such as:

1. **Organizational change:** People hold differing views over the direction to go, the routes to take and their likely success, the resources to be used, and the probable outcomes. With the pace of technological, political and social change increasing and marketplace hurtling toward a global economy, organizational changes will be ever present.
2. **Personality clashes:** Personality difference can cause conflict, they are also a rich resource for creative problem solving. Employees need to accept, respect, and learn how to use these differences when they arise.
3. **Different sets of values:** People also hold different beliefs and adhere to different value systems. Their philosophies may diverge, or their ethical values may lead them in different directions.
4. **Threats to status:** When one's status is threatened, face saving becomes a powerful force as a person struggles to maintain a desired image.
5. **Contrasting perceptions:** People perceive things differently as a result of their prior experience and expectations. Since their perceptions are very real to them, they sometimes fail to realize that others may hold contrasting perceptions of the same object or event.
6. **Lack of trust:** Trust opens up boundaries, provides opportunities in which to act, and enriches the entire social fabric of an organization. It takes time to build, but it can be destroyed in an instant. When someone has a real or perceived reason not to trust another, the potential for conflict rises.

### Conflict Outcome

Conflict may produce four distinct outcomes, depending on the approaches taken by the people involved. The given figure illustrates these outcomes.

Individual A's Outcome	Win	Lose
	Win	Lose
Individual B's Outcome	Win-Lose	Win-Win
	Lose-Lose	Lose-Win

1. **Lose-Lose:** The situation in which a conflict deteriorates to point that both parties are worse off than they were before.
2. **Lose-Win:** A situation in which one person (A) is defeated while the other one (B) is victorious.
3. **Win-Lose:** The situations reversed, With B loosing to A.
4. **Win-Win:** The situation in which both parties perceived that they are in a better position than they were before the conflict began. This is the preferred outcome to try to achieve in ongoing relationships.

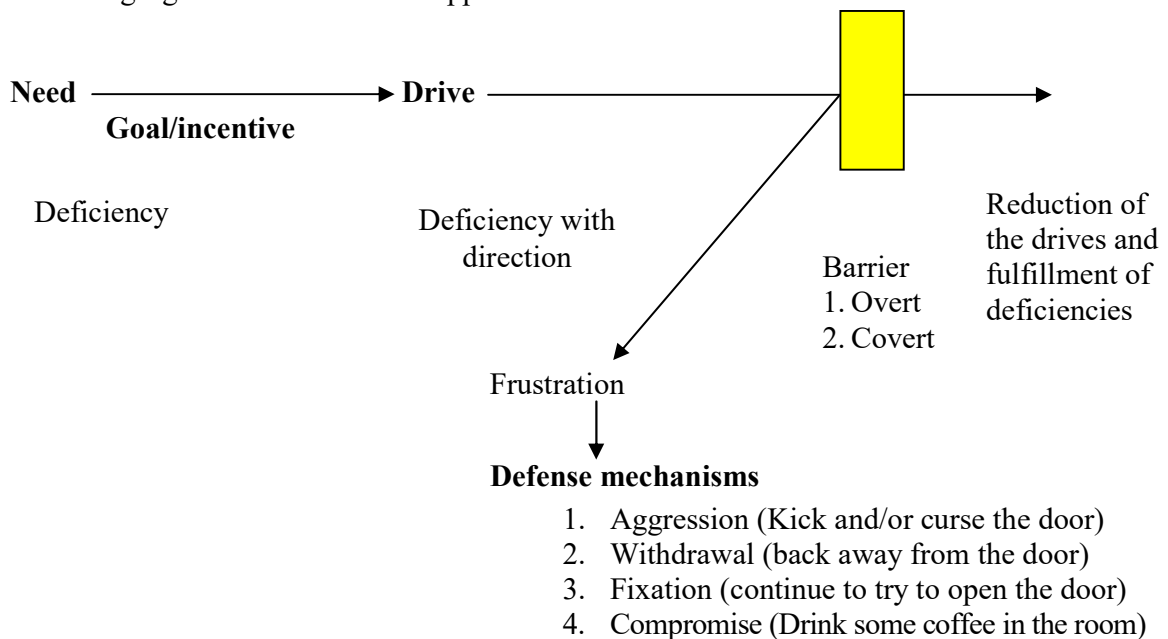
## Resolution Strategies of Conflict

There are most important five strategies to resolution of conflict are given below:

1. **Avoiding:** Physical and mental withdrawal from the conflict. This approach reflect a low concern for either party's outcomes and often results in a lose-lose situation.
2. **Smoothing:** Accommodating the other party's interests. This approach places greatest emphasis on concern for others, usually to one's own detriment, resulting in a lose-win outcome.
3. **Forcing:** Using power tactics to achieve a win. This approach relies on aggressiveness and dominance to achieve personal goals the expense the concern for the other party. The likely result is a win-lose situation.
4. **Compromising:** Searching for middle ground or being willing to give up something in exchange for gaining something else. With no clear-cut outcome.
5. **Confronting:** Facing the conflict directly and working it through to a mutually satisfactory resolution. The likely result is a win-win situation.

## Conflict due to frustration

Frustration occurs when a motivated drive is blocked before a person reaches a desired goal. Following figure illustrates what happens:



### **Discussion Question**

1. Describe the sources of conflict.
2. Explain the outcome of conflicts.
3. Explore the resolution strategies of conflict.
4. State the conflict due to frustration.

## Lesson-4: Negotiation of conflicts

Upon completion of this lesson, you will be able to:

- Understand and analyze the negotiation of conflicts.

### Negotiation of Conflict

There are five steps to managing conflict. These steps are:

- Analyze the conflict
- Determine management strategy
- Pre-negotiation
- Negotiation
- Post-negotiation

#### Step 1: Analyze the conflict

The first step in managing conflict is to analyze the nature and type of conflict. To do this, you'll find it helpful to ask questions. You may want to actually interview some of the groups involved. Additional information regarding analyzing conflicts can be found in the Guide to Information and Resources.

#### Step 2: Determine management strategy

Once you have a general understanding of the conflict, the groups involved will need to analyze and select the most appropriate strategy. In some cases it may be necessary to have a neutral facilitator to help move the groups toward consensus.

### Conflict Negotiation Strategies

- Collaboration
- Compromise
- Competition
- Accommodation
- Avoidance

**Collaboration** - This results from a high concern for your group's own interests, matched with a high concern for the interests of other partners. The outcome is "win/win." This strategy is generally used when concerns for others are important. It is also generally the best strategy when society's interest is at stake. This approach helps build commitment and reduce bad feelings. The drawbacks are that it takes time and energy. In addition, some partners may take advantage of the others' trust and openness.

**Compromise** - This strategy results from a high concern for your group's own interests along with a moderate concern for the interests of other partners. The outcome is "win some/lose some." This strategy is generally used to achieve temporary solutions, to avoid destructive power struggles or when time pressures exist. One drawback is that partners can lose sight of important values and long-term objectives. This approach can also distract the partners from the merits of an issue and create a cynical climate.

**Competition** - This strategy results from a high concern for your group's own interests with less concern for others. The outcome is "win/lose." This strategy includes most attempts at bargaining. It is generally used when basic rights are at stake or to set a precedent. However, it can cause the conflict to escalate and losers may try to retaliate.

**Accommodation** - This results from a low concern for your group's own interests combined with a high concern for the interests of other partners. The outcome is "lose/win." This strategy is generally used when the issue is more important to others than to you. The drawbacks are that your own ideas and concerns don't get attention. You may also lose credibility and future influence.

**Avoidance** - This results from a low concern for your group's own interests coupled with a low concern for the interests of others. The outcome is "lose/lose." This strategy is generally used when the issue is trivial or other issues are more pressing. It is also used when confrontation has a high potential for damage or more information is needed. The drawbacks are that important decisions may be made by default.

### **Step 3: Pre-negotiation**

To set the stage for effective negotiation, the groundwork must be laid. The following should occur prior to negotiation.

**Initiation** - One partner raises the possibility of negotiation and begins the process. If no one is willing to approach the others to encourage them to reach an agreement, a trusted outsider could be brought in as a facilitator.

**Assessment** - Conditions must be right for negotiation to be successful. Key players must be identified and invited. Each side must be willing to collaborate with the others. Reasonable deadlines and sufficient resources to support the effort must exist. Spokespersons for each group must be identified and involved. Parties need to determine which issues are negotiable and which are not.

**Ground rules and agenda** - The groups must agree on ground rules for communication, negotiation and decision making. They should agree on the objectives of the negotiation process. An agenda of issues to be covered needs to be developed.

**Organization** - Meeting logistics must be established, including agreed upon times and places. People must be contacted and encouraged to attend. Minutes must be taken so that information can be distributed before and after meetings.

**Joint fact-finding** - The groups must agree on what information is relevant to the conflict. This should include what is known and not known about social and technical issues. Agreement is also needed on methods for generating answers to questions.

### **Step 4: Negotiation**

**Interests** - When negotiating be sure to openly discuss interests, rather than stated positions. Interests include the reasons, needs, concerns and motivations underlying positions. Satisfaction of interests should be the common goal.

**Options** - To resolve conflicts, concentrate on inventing options for satisfying interests. Do not judge ideas or favor any of the options suggested. Encourage creativity, not commitment.

**Evaluation** - Only after the partners have finished listing options, should the options be discussed. Determine together which ideas are best for satisfying various interests.

**Written agreement** - Document areas of agreement and disagreement to ensure common understanding. This helps ensure that agreements can be remembered and communicated clearly.

**Commitment** - Every partner must be confident that the others will carry out their parts of the agreement. Discuss and agree upon methods to ensure partners understand and honor their commitments.

### **Step 5: Post-negotiation**

Once negotiation is complete, the group will need to implement the decisions made. Some key steps include:

**Ratification** - The partners must get support for the agreement from organizations that have a role to play in the agreement. These organizations should be partners and should have been involved in the previous steps. Each organization will need to follow its own procedures to review and adopt the agreement.

**Implementation** - You and your partners' jobs are not done when you've reached agreement. Communication and collaboration should continue as the agreement is carried out. The partnership will need to have a plan to monitor progress, document success, resolve problems, renegotiate terms and celebrate success.

### **Discussion Questions**

1. Discuss the steps the negotiation of conflict.

## POWER AND POLITICS

10

### Unit Highlights

- Power, characteristics, bases and tactics
- Politics, political behavior

### Technologies Used for Content Delivery

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
- ❖ Web Radio
- ❖ Mobile Technology with Micro SD Card
- ❖ LP+ Office 365
- ❖ BTV Program
- ❖ Bangladesh Betar Program





## **Lessons-1 & 2: Introducing Power**

Upon completion of this lesson, you will be able to:

- Understand the meaning and characteristics of power.
- Recognize the positive and negative aspects of power and influence.
- Understand the views of power and influences.
- Recognize the bases or sources of power.
- Understand and recognize influence tactics and impression management.

### **Introduction**

Power is a potentially sinister subject. Power' says Bierstedt (1950), 'stands behind every association and sustains its structure. Without power there is no organisation and without power there is no order.' Paradoxically, the most potent exercise of power may be invisible. Power relations can be subtly changing and ambiguous. In theory, managers command and employees obey. In practice, it is not always so. Indeed, what appears as unquestioning obedience may actually be a covert form of resistance. It is useful, therefore, to understand something about the nature of power in organisations.

Politics is not just about international affairs, parliaments and domestic issues.

Organisations are themselves systems of political activity. Economics may influence organisational decisions but politics is the ultimate arbiter. It is not enough for managers to be planners, organisers, analysts and strategists. They must also be politicians in their respective organisations. Power and politics are every closely related concepts. A recognition of the political realities of power acquisition in today's organisations and an examination of some specific political strategies for acquiring power are of particular interest for understanding the dynamics of organisational behavior (<https://egyankosh.ac.in/bitstream/123456789/6499/3/Unit-6.pdf>).

### **What is Power?**

Power is defined as the probability of imposing one's will on the behavior of others. The essence of power is to control-over the behavior of others. Power is said to be like love, impossible to define but easy enough to recognize. Power is understood as the ability to influence other people and events.

### **Characteristics of Power**

The following are the characteristics of power :

- 1) Specific :Power is specific in the sense that it may be exercised by some people in some circumstances. Power may not be exercised by all people in all circumstances.
- 2) Dependency :The main feature of power is dependency. The greater the dependence of one person on you, the greater is the amount of power you can exert on him.
- 3) Expand or Contract :Power is elastic. People who are habituated to exercise power, may try to acquire more power and expand it. In some organisations, due to change in position of a manager in the organisation, that is, shift from one department to the other may cause contraction in power.

- 4) **Reciprocal Relationship** :Power relationships in an organisation are reciprocal in nature. Power exists due to relationship between two or more persons. It is based on two-way concept of influencing others and being influenced.

### **Views of Power and Influence:**

There are different views of power which a manager takes to increase the power of both managers and their employees.

- 1) **Autocratic View of Power** : In autocratic view, the power flows downward, it basically comes from the authoritative structure from the management. In autocratic view, someone loses and someone gains, as it has fixed amount.
- 2) **Participative View of Power** : In participative view, the power varies i.e. Power has variable amount. It flows in all directions. The power comes from both official and unofficial channels and applied by activities in a group.

### **Bases or Sources of Power**

The bases or sources of power focus on the interpersonal relationship between manager and the subordinates. French and Raven had identified five several bases of power:

1. **Coercive power:** This source of power depends on fear. The person with coercive power has the ability to inflict (impose) punishment or aversive consequences on the other person or to make threats that the other person believes will result in punishment or undesirable outcomes.
2. **Reward power:** This source of power depends on the person's having the ability and resources to reward others. The opposite of coercive power is reward power.
3. **Legitimate power:** The power a person receives as a result of his or her position in the formal hierarchy of an organization is known as legitimate power.
4. **Expert power:** It is more of a personal power rather than organizational power and is the ability to control another person's behavior through the possession of knowledge and expertise that the other person needs and does not possess himself.
5. **Referent power:** The last category of influence that French and Raven identified was referent power. Its base is identification with a person who has desirable resources or personal traits. Referent power explains why celebrities are paid millions of dollars to endorse products in commercials.

### **Power Tactics**

Power tactics is to learn how employees translate their power bases into specific actions. Recent research indicates that, there are standardized way by which power holders attempt to get what they want. The findings identified seven tactical dimensions or strategies:

1. **Reason:** Use of facts & data to make a logical or rational presentation of ideas.
2. **Friendliness:** Use of flattery, creation of goodwill, acting humble and being friendly prior to making a request.
3. **Coalition:** Getting the support of other people in the organization to back up the request.
4. **Bargaining:** Use of negotiation through the exchange of benefits or favors.

5. **Assertiveness:** Use of a direct & forceful approach such as demanding compliance with request, repeating reminders, ordering individuals to do what is asked and pointing out that rules require compliance.
6. **Higher authority:** Getting the support of higher levels in the organization to back up requests.
7. **Sanction:** Use of organizationally derived rewards & punishments.

### **Impression Management (IM) Techniques**

Impression management (IM) is a subject that only quite recently has gained the attention of OB researchers. All intended to make them more attractive to others as being perceived positively by others should have benefits for people in organizations. So the process by which individuals attempt to control the impression others form of them is called impression management. Techniques used in impression management are:

1. **Conformity:** Agreeing with someone else's opinion in order to gain his or her approval.
2. **Excuses:** Explanations of a predicament-creating event aimed at minimizing the apparent severity of the predicament (unfortunate position)
3. **Apologies:** Admitting responsibility for on undesirable event and simultaneously seeking to get a pardon for the action.
4. **Acclaiming:** Explanation of favorable events to maximize the desirable implications for oneself.
5. **Flattery:** Complimenting others about their virtues in an effort to make one self appear perceptive and likable.
6. **Favors:** Doing something nice for someone to gain that person's approval.
7. **Association:** Enhancing or protecting one's image by managing information about people and things with which one is associated.

### **Discussion Questions**

1. Explain the meaning and characteristics of power.
2. Discuss the positive and negative aspects of power and influence.
3. State the views of power and influences.
4. Describe the bases or sources of power.
5. Elaborate the influence tactics and impression management.

## Lessons-3 & 4: Politics

(<https://egyankosh.ac.in/bitstream/123456789/6499/3/Unit-6.pdf>).

Upon completion of this lesson, you will be able to:

- Understand the meaning of politics.
- Distinguish between power and politics.
- Recognize the common political behavior.
- Managing the common political behavior.
- Understand and recognize the specific political strategies for power acquisition.

### What is Politics

Organisations can be seen as political cauldrons where argument, compromise and negotiation occur constantly (Morgan 1996). Conflict requires resolution. Politics can be seen as the means whereby conflict is resolved.

Politics, according to Aristotle, involves recognising the interplay of competing interest. Politics is a non-coercive means of producing order out of diversity (Crick 1976). In the words of Lasswell (1963), politics, not economics determines who gets what, when and how in organisations. There is no political activity in dictatorship because disagreement is not permitted.

### Distinguish between power and politics

Politics is closely related with power. Only powerful people can play politics and get away with it whenever we say "There is a lot of politics in this organization" - We mean that decisions are made on the basis of the point of view of the powerful rather than what is just and fair.

### Common Political Behaviours

- 1) Inducement: It occurs when a manager offers to give something to someone else in return for that individual's support. For example, a product manager might suggest to another product manager that he will put in a good word with the boss if he supports a new marketing plan that he has developed.
- 2) Persuasion: It relies on both emotion and logic. An operations manager wants to construct a new plant on a certain site might persuade others to support his goal on grounds that are objective and logical as well as subjective and personal. For instance, when one board member attempted to remove him from his position, he worked behind the scenes to persuade the majority of board members to allow him to stay on.
- 3) Creation of an obligation: A third political behaviour involves the creation of an obligation. For example, one manager might support a recommendation made by another manager for a new advertising campaign. Although he might really have no option on the new campaign, he might think that by going along, he is incurring a debt from the other manager and will be able to "call in" that debt when he wants to get something done and needs additional support.
- 4) Coercion: It is the use of force to get one's way. For example, a manager may threaten to withhold supports, rewards, or other resources as a way to influence someone else.

## Meaning of Political Behavior

Political behavior in organization is defined as those activities that are not required as part of one's formal role in the organization, but that influence, or attempt to influence, the distribution of advantages and disadvantage within the organization.

So, what are the possible steps team managers can take to manage organizational politics and improve knowledge management in globally distributed teams? There are three distinct approaches.

First, instead of aiming at reducing or eradicating organisational politics, managers need to focus on activities that create a healthy political environment in order to improve knowledge flows and organizational performance. This means getting employees to speak out and expose troublesome issues, vent their frustrations, and engage with others in an open and transparent manner.

Furthermore, alongside cultural managers, companies should consider appointing “alignment managers”, people with political competencies and connections who can push ideas forward, steer organisational change initiatives and enrol wider support without triggering resistance.

Second, managers need to be consistent in the way they support behaviour and align interests, goals, and responsibilities among members of globally distributed teams in order to increase their motivation to share and disseminate knowledge.

Finally, global teams need to renew and renegotiate norms and work habits on an ongoing basis, and not only at the beginning of a project. Engaging in actions to diffuse tensions and power struggles should be a continuous, not a one off, activity.

## Specific Political Strategies for Power Acquisition

Once it is understood and accepted that contemporary organizations are in reality largely political systems, some very specific strategies can be identified to help organization members more effectively acquire power. For example, one research study found that a supervisor- focused political strategy resulted in higher levels of career success, whereas a job-focused political strategy resulted in lower levels of success.

Taxonomy of political strategies included the following:

- 1) Information strategy— targets political decision makers by providing information through lobbying or supplying position papers or technical reports
- 2) Financial incentive strategy— targets political decision makers by providing financial incentives such as honoraria for speaking or paid travel.
- 3) Constituency building strategy— targets political decision makers indirectly through constituent support such as grassroots mobilization of employees, suppliers, customers, or public relations/press conferences. A closer look at a sampling of other suggested strategies provides important insights into power and politics in modern organizations

## Discussion Questions

1. Define the meaning of politics.
2. Distinguish between power and politics.
3. Analyze the common political behavior.
4. Explain the managing the common political behavior.
5. Identify and explain the specific political strategies for power acquisition.



## **ORGANIZATIONAL CHANGE AND STRESS MANAGEMENT**

**11**

### **Unit Highlights**

- Organizational change
- Organizational change management
- Job stress
- Managing job stress

### **Technologies Used for Content Delivery**

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
- ❖ Web Radio
- ❖ Mobile Technology with Micro SD Card
- ❖ LP+ Office 365
- ❖ BTV Program
- ❖ Bangladesh Betar Program





## Lessons-1 & 2: Organizational Change

Upon completion of this lesson, you will be able to:

- Understand the definition of change.
- Explain the types of change.
- Understand the reasons of resistance to change.
- Draw some suggestions to overcome the resistance.

### Introduction

Every organization goes through changes or transitions periodically during its existence. These changes can have a significant impact on the business and its processes, company output, people, and other stakeholders. In some cases, the impact can be negative, affecting the company's reputation or profitability. In other cases, the changes may result in greater efficiency, additional sales or new business opportunities.

To effectively deal with change while minimizing its potential negative impact, a formal organizational change management process might be required. OCM refers to all the activities and practices that enable a company to prepare for and adjust to change with minimal adverse consequences.

### Definition of Change

Change is an alteration or adjustment to any component, variable or property within an existing system (except those within clearly defined boundaries or responsibilities).

- Examples
  - changes that alter production rates
  - changes involving safety relief or vent systems
  - deteriorating materials

- Everyday Life Examples

Computer software

- when you upgrade/add one component - will it be compatible with the rest of your system?

Adding a course to your schedule

- does it conflict with your other courses?
- does it meet your graduation requirements?

Driving on the highway when it is icy

- does the speed limit still apply or should you reduce your speed?

Change refers to any alteration that occurs in total work environment. Generally people are accustomed to a well-established way of life and any variation in or deviation from that life may be called a change. Change may be very simple just like to shift the location of an office or it may be amore complex technological change, which may ever threaten the very existence of some people in the organization.

## Types/ Forms of Changes

The process of controlling modifications to hardware, software, firmware, and documentation to ensure that Information Resources are protected against improper modification before, during, and after system implementation.

### Change:

- any implementation of new functionality
  - any interruption of service
  - any repair of existing functionality
  - any removal of existing functionality
1. **Scheduled Change:** Formal notification received, reviewed, and approved by the review process in advance of the change being made.
  2. **Unscheduled Change:** Failure to present notification to the formal process in advance of the change being made. Unscheduled changes will only be acceptable in the event of a system failure or the discovery of a security vulnerability.
  3. **Emergency Change:** When an unauthorized immediate response to imminent critical system failure is needed to prevent widespread service disruption.

## Reasons/Sources of Resistance to Change

### A) Individual resistance:

Individual sources of resistance to change reside in basic human characteristics such as perceptions, personalities and needs. The following summarizes five reasons why individuals may resist change:

1. **Habit:** Human beings are creatures of habit & life is complex enough. To cope with this complexity, all rely on habits or programmed responses.
2. **Security:** Peoples with a high need for security are likely to resist change because it threatens their feelings of safety.
3. **Economic factors:** Another source of individual resistance is concern that changes will lower one's income.
4. **Fear of the unknown:** Changes substitute ambiguity and uncertainty for the known. Employees in organizations hold dislike for uncertainty. So they resist change.
5. **Selective information processing:** Individuals shape their world through their perceptions. Once they have created this world, it resists change.

### B) Organizational resistance:

Sometime organizations are conservative. They actively resist change. Six major sources of organizational resistance have been identified:

1. **Structural inertia:** Organizations have built in mechanisms to produce stability. When an organizations is confronted with change, this structural inertia acts as a counterbalance to sustain stability.
2. **Limited focus of change:** Organizations are made up of a number of interdependent sub-systems. So limited changes in subsystems tend to get nullified by the larger system.

3. **Group inertia:** If union norms dictate resisting any unilateral change made by management, an individual union member is likely to resist.
4. **Threat to expertise:** Changes in organizational patterns may threaten the expertise of specialized groups.
5. **Threat to established power relationships:** Any redistribution of decision making authority can threaten long established power relationships within the organization.
6. **Threat to established resource allocation:** Those that most benefit from the current allocation of resources often feel threatened by the changes that many affect future allocations.

## Overcoming Resistance to Change

Seven tactics have been suggested for use by change agents in dealing with resistance to change:

1. **Education & communication:** Resistance can be reduced through communicating with employees to help them see the logic of a change.
2. **Participation:** It is difficult for individuals to resist a change decision in which they participated. Prior to making a change, those opposed can be brought into the decision process.
4. **Facilitation & support:** Change agents can offer a range of supportive efforts to reduce resistance. When employee fear & anxiety are high, employee counseling and therapy, new-skills training, leave of absence may facilitate adjustment.
5. **Negotiation:** Another way for change agent to deal with potential resistance to change is to exchange something of value for a lessening of the resistance.
6. **Manipulation and cooptation:** Twisting and distorting factors to make them appear more attractive, withholding undesirable information and creating false rumors to get employees to accept a change are all examples of manipulation. Cooptation is to 'buy off' the leaders of a resistance group by giving them a key role in the change decision.
7. **Coercion:** Coercion is the application of direct threats or force upon the resisters. Some examples of coercion are threats of transfer, loss of promotion, negative performance evaluation etc.

## Discussion Questions

1. What do you mean by change? Explain with example.
2. Explain the types of change.
3. Describe the reasons of resistance to change.
4. Draw some suggestions to overcome the resistance.

## Lesson-3: Organizational Change Management

Upon completion of this lesson, you will be able to:

- Understand the change management.
- Explain the four basic definition of change management.
- Understand the skill for managing change.

### What is Change Management?

Change management is a systematic approach to dealing with change, both from the perspective of an organization and on the individual level.

### Four Basic Definitions of Change Management

In thinking about what is meant by “change management,” at least four basic definitions come to mind:

1. The task of managing change.
2. An area of professional practice.
3. A body of knowledge.
4. A control mechanism.

#### 1. The Task of Managing Change

The first and most obvious definition of “change management” is that the term refers to the task of managing change. The obvious is not necessarily unambiguous. Managing change is itself a term that has at least two meanings. One meaning of “managing change” refers to *the making of changes in a planned and managed or systematic fashion*, and the second meaning is the aim is to more effectively implement new methods and systems in an ongoing organization.

#### 2. An Area of Professional Practice

The second definition of change management is "an area of professional practice." There are dozens, if not hundreds, of independent consultants who will quickly and proudly proclaim that they are engaged in planned change, that they are change agents, that they manage change for their clients, and that their practices are change management practices. There are numerous small consulting firms whose principals would make these same statements about their firms. And, of course, most of the major management consulting firms have a change management practice area.

#### 3. A Body of Knowledge

Stemming from the view of change management as an area of professional practice there arises yet a third definition of change management: the content or subject matter of change management. This consists chiefly of the models, methods and techniques, tools, skills and other forms of knowledge that go into making up any practice.

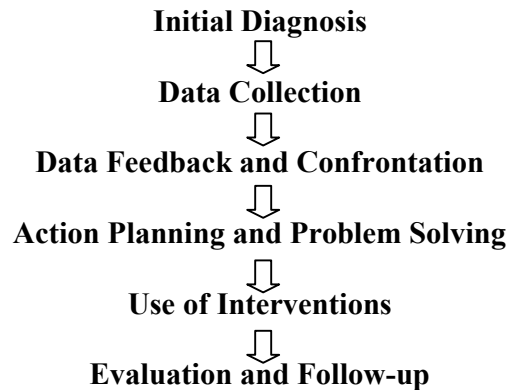
#### 4. A Control Mechanism

For many years now, Information Systems groups have tried to rein in and otherwise ride herd on changes to systems and the applications that run on them. For the most part, this is referred to as “version control” and most people in the workplace are familiar with it. In

recent years, systems people have begun to refer to this control mechanism as “change management” and “configuration management.”

## **The Organizational Change Management Process**

Organizational development process is a complex process. A typical complete OD program includes the following steps:



1. **Initial Diagnosis:** The consultant meets with top management to determine the nature of the firm's problem to develop the OD approaches most likely to be successful.
2. **Data Collection:** surveys may be made to determine organizational climate and behavioral problems.
3. **Data Feedback and confrontation:** Work groups are assigned to review the data collected, to mediate areas of disagreement and to establish priorities for change.
4. **Action Planning and Problem Solving:** Groups use the data to develop specific recommendations for change.
5. **Use of Interventions:** Once the action planning is completed, the consultant helps the participants select and use appropriate OD interventions.
6. **Evaluation and Follow-up:** Finally the consultant helps the organization evaluate the results of its OD efforts and develop additional programs in areas where additional results are needed.

## **Skills for Managing the Change**

Managing the kinds of changes encountered by and instituted within organizations requires an unusually broad and finely honed set of skills, chief among which are the following.

### **1. Political Skills**

Organizations are first and foremost social systems. Without people there can be no organization. Lose sight of this fact and any would-be change agent will likely lose his or her head. Organizations are hotly and intensely political. And, as one wag pointed out, the lower the stakes, the more intense the politics. Change agents dare not join in this game but they had better understand it. This is one area where you must make your own judgments and keep your own counsel; no one can do it for you.

## 2. Analytical Skills

Make no mistake about it, those who would be change agents had better be very good at something, and that something better be analysis. Two particular sets of skills are very important here: (1) workflow operations or systems analysis, and (2) financial analysis. Change agents must learn to take apart and reassemble operations and systems in novel ways, and then determine the financial and political impacts of what they have done. Conversely, they must be able to start with some financial measure or indicator or goal, and make their way quickly to those operations and systems that, if reconfigured a certain way, would have the desired financial impact.

## 3. People Skills

People come characterized by all manner of sizes, shapes, colors, intelligence and ability levels, gender, sexual preferences, national origins, first and second languages, religious beliefs, attitudes toward life and work, personalities, and priorities — and these are just a few of the dimensions along which people vary. We have to deal with them all. The skills most needed in this area are those that typically fall under the heading of communication or interpersonal skills. To be effective, we must be able to listen and listen actively, to restate, to reflect, to clarify without interrogating, to draw out the speaker, to lead or channel a discussion, to plant ideas, and to develop them..

## 4. System Skills

There's much more to this than learning about computers, although most people employed in today's world of work do need to learn about computer-based information systems. For now, let's just say that a system is an arrangement of resources and routines intended to produce specified results. To organize is to arrange. A system reflects organization and, by the same token, an organization is a system.

## 5. Business Skills

Simply put, you'd better understand how a business works. In particular, you'd better understand how the business in which and on which you're working works. This entails an understanding of money — where it comes from, where it goes, how to get it, and how to keep it. It also calls into play knowledge of markets and marketing, products and product development, customers, sales, selling, buying, hiring, firing, and just about anything else you might think of.

## Factors in Selecting a Change Strategy

Generally speaking, there is no single change strategy. You can adopt a general or what is called a "grand strategy" but, for any given initiative, you are best served by some mix of strategies.

Which of the preceding strategies to use in your mix of strategies is a decision affected by a number of factors. Some of the more important ones follow.

- ***Degree of Resistance.*** Strong resistance argues for a coupling of Power-Coercive and Environmental-Adaptive strategies. Weak resistance or concurrence argues for a combination of Empirical-Rational and Normative-Reductive strategies.
- ***Target Population.*** Large populations argue for a mix of all four strategies, something for everyone so to speak.

- ***The Stakes.*** High stakes argue for a mix of all four strategies. When the stakes are high, nothing can be left to chance.
- ***The Time Frame.*** Short time frames argue for a Power-Coercive strategy. Longer time frames argue for a mix of Empirical-Rational, Normative-Reductive, and Environmental-Adaptive strategies.
- ***Expertise.*** Having available adequate expertise at making change argues for some mix of the strategies outlined above. Not having it available argues for reliance on the power-coercive strategy.
- ***Dependency.*** This is a classic double-edged sword. If the organization is dependent on its people, management's ability to command or demand is limited. Conversely, if people are dependent upon the organization, their ability to oppose or resist is limited. (Mutual dependency almost always signals a requirement for some level of negotiation.

### **Discussion Questions**

1. What is change management?
2. Explain the four basic definition of change management.
3. Discuss the skills for managing change.



## Lesson- 4: Job Stress

(<https://egyankosh.ac.in/bitstream/123456789/6499/3/Unit-6.pdf>).

Upon completion of this lesson, you will be able to:

- Understand the meaning of job stress.
- Identify the causes or sources of stress.
- Recognize the Process of stress.

### What is Job Stress?

Stress can be defined as a perceptual phenomenon arising from a comparison between demands on the person and his ability to cope (Cox, 1975).

McGrath (1976) defines it as the “organizational state or condition indicated by the degree of discrepancy between organizational demands and organizational capacity”.

Webster’s Dictionary (1981) defines stress as a state of bodily or mental tension resulting from factors that tend to alter an existing equilibrium.

Wellford (1973) defines job stress as the reaction accompanying the perceived or assessed inability in dealing with the system input. It may be viewed as under-load or over-load of work. Job stress is defined as the perceived qualitative and quantitative workload in a person's present job.

### Causes/ sources of Occupational Stress

The stress is affecting today’s employees are summarized in below. These causes come from both outside and inside the organization, from the groups those employees are influenced by, and from employees themselves.

1. **Extra organizational stressors:** The organization is greatly affect by the external environment, it is clear that job stress is not limited just to things that happen inside the organization, during working hours. Extra organizational stressors includes things such as societal/technological change, the family, economic and financial conditions, and residential or community conditions.
2. **Organizational stressors:** There are also associated with the organization itself. Organizational stressor includes things such as administrative policies and strategies, organizational structure and design, organizational processes, and working condition.
3. **Group stressors:** The group can also be a potential source of stress. These group stressors can categorize into three areas;
  - (1) Lack of group cohesiveness,
  - (2) Lack of social support, and
  - (3) Intraindividual, interpersonal and intergroup conflict.
4. **Individual stressors:** In a sense, the stressors discussed so far (Extraorganizational, Organizational and group) all eventually get down to the individual level. There is also more research agreement on possible situations and individual dispositions that may affect stress outcomes.

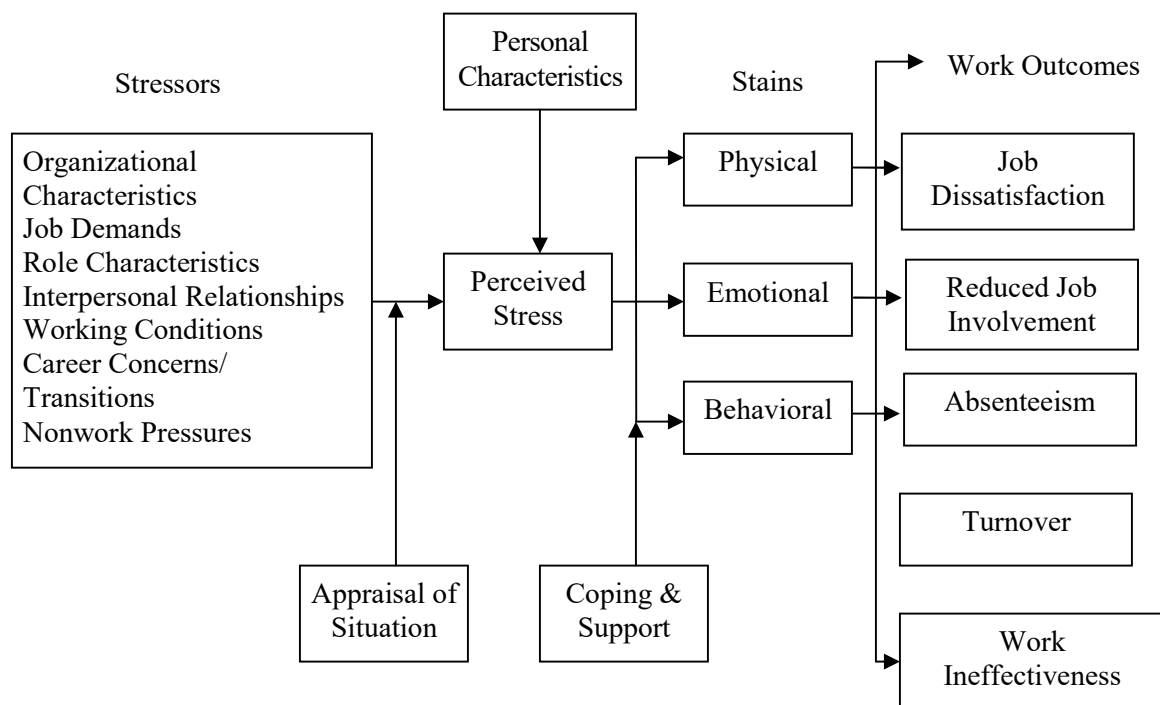
## Process of stress

Following figures presents an overview of the job stress process. Based on research from many sources, this approach distinguishes environmental stressors from the perception of stress, from strain symptoms, and from the outcomes of stress. Table 10.1 identifies a number of potential environmental stressors. Many of them are familiar and require little elaboration. Stress can be produced by work situations that are ambiguous, that overload (or underload) one's capacities, that require extraordinary time commitments, or that put one in the middle of two conflicting people or groups.

Stress can have its roots in organizational policies or practices, in the demands of the job itself, and in the nature of the physical and social context of work. Moreover, different major occupational groupings can produce varying degrees of stress. Stress can be produced by work and nonwork pressures and by such career concerns as obsolescence, employment discrimination, and threatened job loss.

The presence of an environmental stressor does not inevitably produce stress. It depends on how the situation is interpreted or appraised. Some people may not see a situation as particularly important, thereby reducing the level of perceived stress. For example, if Mary's career were not so important to her, the prospective presentation would not have produced much stress. Or one may be so confident about one's ability to handle a situation that it is not viewed as threatening or uncertain. Therefore, what is perceived as stressful by one person may not be seen as stressful by another.

It has also been argued that even though certain job conditions may inherently have an adverse influence on employees' emotional reactions, they may not have a negative effect on overall subjective well-being because of the economic necessity of the given job. More precisely, individuals may accept the stress of an undesirable job because of the financial rewards and status that the job generates. In short, economic dependency can breed attachment to a job that one otherwise despises.



**Exhibit 11.1: Process of Stress**

### **Discussion Questions**

1. Define job stress.
2. Explain the causes/sources of occupational stress
3. Discuss the process of stress

## Lesson-5: Managing Job Stress

Upon completion of this lesson, you will be able to:

- Understand the symptom of stress.
- Understand the effect of stress.
- Recognize the managing strategies of stress.

### Symptom of job stress

#### Physical

Short-term: heart rate, galvanic skin response, respiration

Long-term: ulcer, blood pressure, heart attack

Nonspecific: adrenaline, gastric and production

#### Emotional

Apathy, boredom

Inattentiveness, loss of ability to concentrate irritability

Negativism

#### Behavioral

Sudden change in use of alcohol

Sudden change in smoking habits

Sudden, noticeable weight loss or gain

Difficult breathing

### The Effect of Stress

Many research is also emerging that indicates that the level of difficulty, the nature of the task being performed, personal dispositions, psychological disposition and neuroticism may affect the relationship between stress and performance. The problems due to high levels of stress can be exhibited physically, psychologically, or behaviorally by the individual.

1. **Physical problems due to stress:** Most of the attention and basic research over the years has been devoted to the impact that stress has on physical health. A high level of stress is accompanied by high blood pressure and high levels of cholesterol and may even result in heart disease and ulcers. There may even be a link between stress and cancer.
2. **Psychological problems due to stress:** A high level of stress is accompanied by anger, anxiety, depression, nervousness, irritability, tension and boredom. One study found that stress had the strongest impact on aggressive action, such as sabotage, interpersonal aggression, hostility and complaints. These types of psychological problems from stress are relevant to poor job performance.
3. **Behavioral problems due to stress:** Direct behaviors that may accompany high level of stress include understanding or overeating, sleeplessness, increased smoking and drinking, and drug abuse.

## Managing strategies of stress

### A. Individual Strategy

There are some specific techniques that individuals can use to eliminate or more effectively manage inevitable, prolonged stresses as following:

1. **Exercise:** Today, it is not whether you win or lose, but whether you get some good exercise that counts. People of all ages are walking, jogging, swimming, and riding bicycle etc. in order to get exercise to combat stress.
2. **Relaxation:** Whether a person simply takes it easy once in a while or uses specific relaxation techniques such as biofeedback or meditation, the intent is to eliminate the immediately stressful situation or manage a prolonged stressful situation more effectively.
3. **Behavioral self-control:** By deliberately managing the antecedents and the consequences of their own behavior, people can achieve self-control.
4. **Cognitive therapy:** Besides behavioral self-control techniques, a number of clinical psychologists have entered the stress field in recent years with cognitive therapy techniques. Techniques such as Elli's rational emotive model and Meichenbaum's cognitive behavior modification have been successfully used to reduce test anxiety.

### B. Organizational Coping Strategies:

Organizational coping strategies are designed by management to eliminate or control organizational-level stressors in order to prevent or reduce job stress for individual employees. In addition to working on each organizational stressor identified more generalized strategies might include the following:

1. **Create a supportive organizational climate:** Even though an increasing number of firms today are moving toward a more horizontal, network type of structure, too many continue to be highly formalized, with accompanying inflexible, impersonal climates. This type of climate can lead to considerable job stress. A coping strategy would be to make the structure more decentralized and organic, with participate decision making and upward communication flows.
2. **Enrich the design of tasks:** The enriching jobs either by improving job content factors or by improving core job characteristics may lead to motivational states or experienced meaningfulness, responsibility, and knowledge of results. A recent study found that innovative ways of managing task design might be an effective way to cope with stress.
3. **Reduce conflict and clarify organizational roles:** Role conflict or ambiguity was identified earlier as a major individual stressor. It is up to management to reduce the conflict and clarify organizational roles so that this cause of stress can be eliminated or reduced.
4. **Plan and develop career paths and provide counseling:** To reduce job stress, the organization should make a participate plan; ensure career development of the workers and supervisor or authority should provide counseling with each worker.

## Discussion Questions

1. Explain the symptom of stress.
2. Discuss the effect of stress.
3. Describe the managing strategies of stress.

## ORGANIZATIONAL CULTURE

12

### Unit Highlights

- Organizational culture
- Employee learn organizational culture

### Technologies Used for Content Delivery

- ❖ BOU TUBE
- ❖ BOU LMS
- ❖ WebTV
- ❖ Web Radio
- ❖ Mobile Technology with Micro SD Card
- ❖ LP+ Office 365
- ❖ BTV Program
- ❖ Bangladesh Betar Program



## Lessons-1 & 2: Organizational Culture

Upon completion of this lesson, you will be able to:

- Understand the definition of organizational culture.
- Describe the characteristics of organizational culture.
- Explain the types of organizational culture.
- Understand the functions of organizational culture.

### Introduction

**Organizational culture** refers to culture related to organizations including schools, universities, not-for-profit groups, government agencies, and business entities. Alternative terms include corporate culture and company culture. Organizational culture influences the ways in which people interact, the context within which knowledge is created, the resistance they will have towards certain changes, and ultimately the way they share (or the way they do not share) knowledge (Encyclopedia, 22/06/2024).

### What is Organizational Culture?

Organizational culture defines as a system of shared meaning held by a member that distinguishes the organization from organizations. This system of shared meaning is, on closer examinations, a set of key characteristics that the organization values.

### Characteristics of organizational culture

Organizational culture has a number of important characteristics. Some of the most readily agreed upon following:

1. **Observed behavioral regulation:** When organizational participants interact with one another, they use common language, terminology.
2. **Norms:** Standard of behavior exists, including guidelines on how much work to do.
3. **Dominant values:** There are major values that the organization advocates and expects the participants to share. Typical examples are high product quality, low absenteeism, and high efficiency.
4. **Philosophy:** There are policies that set the organization's beliefs about how employees and/or customers are to be treated.
5. **Rules:** There are strict guidelines related to getting along in the organization.
6. **Organizational climate:** This is an overall "feeling" that is conveyed by the physical layout, the way participants interact, and the way members of the organization conduct themselves with customers or other outside.

### How organizational cultures starts

While organizational cultures can develop in a number of different ways, the process usually involves some version of the following steps:

1. A single person (founder) has an idea for a new enterprise.
2. The founder brings in one or more other key people and creates a core group that shares a common vision with the founder.
3. The founding core group begins to act in concert to create an organization by raising funds, obtaining patents, incorporating, locating space, building and so on.
4. At this point others are brought into the organization, and a common history begins to be built.



## **Types of Organizational Culture**

Organization culture represents a common perception held by the organization's members. This was made explicit when we defined culture as a system of shared meaning. We should expect, therefore, that individuals with different backgrounds or at different levels in the organization will tend to describe the organization's culture in similar terms.

### **Dominant culture**

Expresses the core values that are shared by a majority of the organization members. A dominant culture expresses the core values that are shared by a majority of the organization members. When we talk about an organization's culture, we are referring to its dominant culture.

### **Subcultures**

Mini cultures within an organization, typically defined by department designations and geographical separation. Subculture tends to develop in large organization to reflect common problems, situations, or experience that member's face. These subcultures are likely to be defined by department designations and geographical separation.

### **Strong versus weak culture**

It has become increasingly become popular to differentiate between strong and weak cultures. The argument here is that strong cultures have a greater impact on employee behavior and are more directly related to reduce turnover.

The organization's core values are both intensely held and widely shared. The more members who accept the core values and the greater their commitment to those values is, the stronger the culture is.

### **Organizational culture versus national culture**

National differences that is, national cultures must be taken into account if accurate predictions are to be made about organizational behavior in different countries.

The research indicates that national culture has a greater impact on employees than does their organization's culture.

## **Functions of Organizational Culture**

We have alluded to organizational culture's impact on behavior. We have also explicitly argued that a strong culture should be associated with reduced turnover. The functions that cultures perform and assess whether culture can be a liability for an organization.

Culture performs a number of functions within an organization.

**First**, it has a boundary defining role, that is , it creates distinctions between one organization to another organization.

**Second**, it conveys a sense of identity for organization members.

**Third**, culture facilitates the generation of commitment to something larger than one's individual self interest.

**Fourth**, it enhance the stability of the social system. Culture is the social glue that helps hold the organization together by providing appropriate standards for what employees should say and do.

**Finally**, culture serves as a sense making and control mechanism that is of particular interest to us.

## **Discussion Questions**

1. Define the term organizational culture.
2. Describe the characteristics of organizational culture.
3. Explain the types of organizational culture.
4. Discuss the functions of organizational culture.

## Lesson-3: Employee Learn Organizational Culture

Upon completion of this lesson, you will be able to:

- Understand how employee learn organizational culture.
- Recognize the creation of ethical organizational culture.
- Understand the creation of customer responsive organizational culture.
- Maintenance of organizational culture.

### How Employee Learn Organizational Culture

Culture is transmitted to employees in a number of forms, the most potent being stories, rituals, material symbols, and language.

#### Stories

During the days when Henry Ford II was chairman of the Ford Motor Co. one would have been hard pressed to find a manager who had not heard the story about Mr. Ford reminding his executives, when they got too arrogant, that “it’s my name that’s on the building.” The message was clear: Henry Ford II ran the company.

#### Rituals

Rituals are repetitive sequences of activities that express and reinforce the key values of the organization – what goals are most important, which people are important, and which people are expendable. Repetitive sequences of activities that express and reinforce the key values of the organization, which goals are most important, which people are important, and which are expendable.

#### Material symbols

The headquarters of Alcoa doesn’t look like your typical head office operation. There are few individual offices, even for senior executives. It is essentially made up of cubicles, common areas, and meeting rooms. This informal corporate headquarters conveys to employees that Alcoa values openness, equality, creativity, and flexibility.

Some corporations provide their top executives with chauffeur driven limousines and, when they travel by air, unlimited use of the corporate jet. Others may not get to ride in limousines or private jets but they might still get a car and air transportation paid for by the company.

#### Language

Many organizations and units within organizations use language as a way to identify members of a culture or subculture. By learning this language, members attest to their acceptance of the culture and, in so doing, help to preserve it.

The following are examples of terminology used by employees at Knight Rider Information, a California based data redistributors: accession number (a number assigned to each individual record in a database); *KWIC* (a set of key words in context); and relational operator (searching a database for names or key terms in some order).

Organizations, over time, often develop unique terms to describe equipment, offices, key personnel, suppliers, customers, or products that relate to its business.

## Creating an Ethical Organizational Culture

The content and strength of a culture influences an organization's ethical climate and the ethical behavior of its members.

An organizational culture most likely to shape high ethical standards is one that's high in risk tolerance, low to moderate in aggressiveness, and focuses on means as well as outcomes. Managers in such a culture are supported for taking risks and innovating, are discouraged from engaging in unbridled competition, and will pay attention to how goals are achieved as well as to what goals are achieved.

A strong organizational culture will exert more influence on employees than a weak one. If the culture is strong and supports high ethical standards, it should have a very powerful and positive influence on employee behavior.

What can management do to create a more ethical culture? We suggest a combination of the following practices:

***Be a visible model:*** employees will look to top management behavior as a benchmark for defining appropriate behavior. When senior management is seen as taking the ethical high road, it provides a positive message for all employees.

***Communicate ethical expectations:*** Ethical ambiguities can be minimized by creating and disseminating an organizational code of ethics. It should state the organization's primary values and the ethical rules that employees are expected to follow.

***Provide ethical training:*** set up seminars, workshops, and similar ethical training programs. Use these training sessions to reinforce the organization's standards of conduct; to clarify what practices are not permissible; and to address possible ethical dilemmas.

***Visibly reward ethical acts and punish unethical ones:*** performance appraisals of managers should include a point by point evaluation of how his or her decisions measure up against the organization's code of ethics.

***Provide protective mechanisms:*** The organization needs to provide formal mechanisms so that employees can discuss ethical dilemmas and report unethical behavior without fear of reprisal. This might include creation of ethical counselors, ombudsmen, or ethical officers.

## Creating Customer Responsive Organizational Culture

Most organizations today are trying very hard to be un French like. They are attempting to create a customer responsive culture because they recognize that this is the path to customer responsive culture because they recognize that this is the path to customer loyalty and long term probability.

A review of the evidence finds that half a dozen variables are routinely evident in customer responsive cultures.

**First** is the type of employees themselves. Successful, service oriented organizations hire employees who are outgoing and friendly.

**Second** is low formalization. Service employees need to have the freedom to meet changing customer service requirements.

**Third** is an extension of low formalization it's the widespread use of empowerment. Empowered employees have the decision discretion to do what's necessary to please the customer.

**Fourth** are good listening skills. Employees in customer responsive cultures have the ability to listen to and understand messages sent by the customer.

**Fifth** is role clarity. Service employees act as "Boundary spanners" between the organization and its customers.

In summary, customer responsive cultures hire service oriented employees with good listening skills and the willingness to go beyond the constraints of their job description to do what's necessary to please the customer. It then clarifies their roles, frees them up to meet changing customer needs by minimizing rules and regulations, and provides them with wide range of decision discretion to do their job as they see fit.

## **Managerial Action**

Based on the previously identified characteristics, we can suggest a number of actions that management can take if it wants to make its culture more customer responsive. These actions are designed to create employees with the competence, ability, and willingness to solve customer problems as they arise.

### **Selection**

The place to start in building a customer responsive culture is hiring service orientation. Studies show that friendliness, enthusiasm, and attentiveness in service employees positively affect customers' perceptions of services quality.

### **Training and socialization**

Organizations that are trying to become more customer responsive don't always have the option of hiring all new employees more customer focused. In such cases, the emphasis will be on training rather than hiring. This describes the dilemma that senior executives at companies such as General Motors, Shell and J.P.

### **Empowerment**

Consistent with low formalization is empowering employees with the discretion to make day to day decisions about job related activities.

### **Leadership**

Leaders convey the organization's culture through both what they say and what they do. Effective leaders in customer responsive cultures deliver by conveying a customer focused vision and demonstrating by their continual behavior that they are committed to customers.

### **Performance evaluation**

There is an impressive amount of evidence demonstrating that behavior based performance evaluations are consistent with improved customer service. Behavior based evaluations appraise employees on the basis of how they behave or act on criteria such as effort, commitment, team work, friendliness, and the ability to solve customer problems rather than on the measurable outcomes they achieve.

## **Reward systems**

Finally, if management wants employees to give good service, it has to reward good service. It needs to provide ongoing recognition to employees who have demonstrated extraordinary effort to please customers and who have been singled out by customers for going the extra mile. And it needs to make pay and promotions contingent on outstanding customer service.

## **Maintaining Cultures**

Once an organizational culture is started and begins to develop, there are a number of practices that can help solidify the acceptance of core values and ensure that the culture maintains itself. These practices can be described in terms of several socialization steps.

1. Selection of Entry-level personnel
2. Placement on the job
3. Measuring and rewarding performance
4. A adherence to important values
5. Reinforcing the stories and folklore
7. Recognition and promotion.

## **Discussion Questions**

1. How employee learn organizational culture?
2. Describe the creation of ethical organizational culture.
3. Discuss the creation of customer responsive organizational culture.
4. Explain the maintenance of organizational culture.

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