



FUNDAMENTALS OF ORGANIZATIONAL BEHAVIOUR
Module-I

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What is an Organization?

Organization means people. Organization refers to a collection of people, who are involved in pursuing defined objectives. It can be understood as a social system which comprises all formal human relationships. The organization encompasses division of work among employees and alignment of tasks towards the ultimate goal of the company.

What is Behaviour?

It is what we think, feel and act. It is the action or reaction of something (as a machine or substance) under specified circumstances.

What is OB?

- OB is concerned with the study of human behavior at work
- It is the study and application of knowledge about how people as individuals and as groups behave or act in organization.
- This area of study examines human behaviour in a work environment and determines its impact on job structure, performance, communication, motivation, leadership, etc.
- It is the systematic study and application of knowledge about how individuals and groups act within the organizations where they work. OB draws from other disciplines to create a unique field.
- For example, when we review topics such as personality and motivation, we will again review studies from the field of psychology. The topic of team processes relies heavily on the field of sociology.
- When we study power and influence in organizations, we borrow heavily from political sciences.

Organizational Behaviour is the study and application of knowledge about how people, individuals, and groups act in organizations. It does this by taking a system approach.

That is, it interprets people-organization relationships in terms of the whole person, the whole group, the whole organization, and the whole social system.

Its purpose is to build better relationships by achieving human objectives, organizational objectives, and social objectives.

Definition:

- “OB is a field of study and application of knowledge how people act or behave within organization. It is a human tool for human behavior. It applies broadly to the behavior of people in all types of organizations such as business, school, service organizations etc.”
- Robbins
- “OB is directly concerned with the understanding, prediction and control of human behavior in organization”.
- Luthans
- “OB is the study and application of knowledge how people act or behave within organization. It is a human tool or human benefits. It applies broadly to the behavior of people in all type of organizations such as business, government, schools and service organizations. David & Newstrom

Scope of OB:

- Individual: organizations are associations of individuals. Individuals differ in many respects. The study of individual hence includes Perception, personality, Motivation, Learning, Attitude, values
- Group: groups include aspects like Group Dynamics, Group Conflicts, Communication, Leadership, Power & Politics
- Structure: the study of Organization/structure includes Culture, Change and, Development

Importance Of OB

- Helps us to understand ourselves and others in a better way.
- It builds better relationship by achieving people's, organizational, and social objectives.
- Helps managers know their employees better
- OB tackles human problems humanly.
- OB helps to learn how to predict human behavior and then apply it in some useful way to make organization more effective.
- OB helps the managers how to efficiently manage human resource in the organization.

- It makes optimum utilization of human resources in organization

Relationship between OB and the Individuals

Individuals are the most important factor of all organization. They differ from each other in trait, intelligence, personality, perception etc. They also differ in cultural, educational, social background. Sometimes they work alone or in a group to achieve organizational objective. So, they behave differently in different situation while working in the organization. OB helps in dealing with these individual issues arise because of differences. For organisation to grow continuously there is need individual growing, this creates a sense of responsibility and create relation between organisation and individual. These are the following things can enhance the relationship between organisation behaviour and individual

CONTINUOUS LEARNING: Learning is any permanent change in behaviour, resulting from experience. Organizations need to promote that behaviour, which are functional in nature. Need to discourage that behaviour, which are detrimental. It creates a bond between the organization and employee

CREATE RIGHT PERCEPTION: perception refers to select, organise & interpret input from sensory receptors. OB helps to create that right perception for employees to work effectively with others in organization. This creates right perceptual sense in the people which is good for organizational objectives.

BUILDING POSITIVE ATTITUDES AND VALUES: Attitudes are lasting evaluations of people, groups, objects or issues. Positive attitude is essential for effective relationship. Values are Specific mode of conduct or end state of existence. Values crate a base for attitude. OB helps to build positive attitude and values in employees towards their work as well as towards the organization

PERSONALITY AND EMOTIONS COMPATIBLE AT WORKPLACE: Personality is unique to every individual and relatively stable pattern of behaviour, thoughts and feelings. With right personality full potential of individual can be utilised. Emotions are reactions consisting of subjective cognitive states, physiological reactions and expressive behaviours. So, OB helps to build a controlled emotion is compatible with the personality of the individual at the workplace.

MAINTAINING STRESS-FREE INDIVIDUALS AND ENVIRONMENT: Stress is dynamic action in which an individual confronted with Opportunity, constraint or demand related to what he or she desires and for which outcome

perceived to both uncertain and important. With growing competition and survival and excellence become tougher. Stress is the managerial discomfort of modern era. OB helps the individual in reducing stress level and manages environment and makes it comfortable

KEEPING INDIVIDUALS AND TEAMS MOTIVATE AND PROVIDING JOB SATISFACTION: Motivation is the most important intangible resource of the Organisation. Motivation is internal process that activates, guides and maintains behaviour over time. Job satisfaction is general attitude towards one's job. It depends on difference between number of rewards workers receive and amount they believe they should receive. OB helps the team in getting motivated and provides job satisfaction to the employees

The Nature/ Characteristics of OB:

1. A Separate Field of Study and Not a Discipline Only:

By definition, a discipline is an accepted science that is based on a theoretical foundation. But, O.B. has a multi- interdisciplinary orientation and is, thus, not based on a specific theoretical background. Therefore, it is better reasonable to call O.B. a separate field of study rather than a discipline only. We can say that OB is both Science and Art.

2. An Interdisciplinary Approach:

Organizational behaviour is essentially an interdisciplinary approach to study human behaviour at work. It tries to integrate the relevant knowledge drawn from related disciplines like psychology, sociology and anthropology to make them applicable for studying and analysing organizational behaviour.

3. An Applied Science:

The very nature of O.B. is applied. What O.B. basically does is the application of various researches to solve the organizational problems related to human behaviour. The basic line of difference between pure science and O.B. is that while the former concentrates of fundamental researches, the latter concentrates on applied researches. O.B. involves both applied research and its application in organizational analysis. Hence, O.B. can be called both science as well as art.

4. A Normative Science:

Organizational Behaviour is a normative science also. While the positive science discusses only cause effect relationship, O.B. prescribes how the findings of applied researches can be applied to socially accepted organizational

goals. Thus, O.B. deals with what is accepted by individuals and society engaged in an organization. Yes, it is not that O.B. is not normative at all. In fact, O.B. is normative as well that is well underscored by the proliferation of management theories.

5. A Humanistic and Optimistic Approach:

Organizational Behaviour applies humanistic approach towards people working in the organization. It, deals with the thinking and feeling of human beings. O.B. is based on the belief that people have an innate desire to be independent, creative and productive. It also realizes that people working in the organization can and will actualise these potentials if they are given proper conditions and environment. Environment affects performance of workers working in an organization.

6 A Total System Approach:

The system approach is one that integrates all the variables, affecting organizational functioning. The systems approach has been developed by the behavioural scientists to analyse human behaviour in view of his/her socio-psychological framework. Man's socio- psychological framework makes man a complex one and the systems approach tries to study his/her complexity and find solution to it.

Contributing Discipline to Organization behaviour

OB is an applied behavioural science. It has drawn heavily from a number of other applied interdisciplinary behavioural disciplines of psychology, sociology and anthropology.

Psychology: The discipline that has had the greatest influence on the field of OB is psychology. It is a science that focuses directly on understanding and predicting individual behaviour. It has greatly contributed to the intra-personal dynamics of human behaviour. Topics such as personality, perception attitude, opinion, learning and motivation describe intra-personal aspects of OB.

Sociology: Auguste Comte", a French philosopher of the nineteenth century is generally credited with coining the term sociology as part of his attempt to reclassify and rearrange the field of science. Sociology is the study of people in relation to their fellow human beings. Whereas psychologists focus on the individuals, sociologists study groups of individuals. The field of sociology has made valuable contributions to our understanding of group dynamics within



organisations. The topics derived from sociology include group dynamics, formation of groups, communication, formal and informal organisations and the like.

Anthropology: Anthropology is the study of societies to learn about human beings and their activities. Anthropology helps us understand differences in fundamental values, attitudes, and behaviour between people in different regions and organisations. In sum and substance, anthropology studies culture. Culture dictates what people learn and how they behave. Organisations create a unique culture that influences the way organisational members think about the organisation and how they should behave. Some important insights about organisational culture are derived from the field of anthropology.

Other Social Sciences: Besides psychology, sociology and anthropology, three other disciplines also contributed to our understanding of OB are economics, political science, and history. Several economic models describe the behaviour of individuals when they are confronted with a choice, and these economic models have made valuable contributions to our understanding of both individual and organisational decision-making processes. Power, politics, and authority are popular topics derived from the field of political science. They help explain certain influence processes in OB. History has also greatly contributed to our understanding of OB by describing the lives of great leaders and the successes and failures of organisations they managed. The case studies from history have helped in clarifying the roles played by decision-makers in particular circumstances and situations.

Approaches to OB

OB relates to the relationship between employees and the employer in an organization. Both are working towards the realization of the goals and objectives of any organization, and a close and fruitful coordination between the two is one of the major factors towards this realization.

Organizational behaviour approaches are a result of the research done by experts in this field.

These experts studied and attempted to quantify research done about the actions and reactions of employees, with regard to their work environments.

It is a field that has begun developing only recently and new approaches and results are being expounded every day.



1. Human resources approach.
2. Contingency approach.
3. Productivity approach.
4. Systems approach.

Human Resources Approach

This approach recognizes the fact that people are the central resource in any organization and that they should be developed towards higher levels of competency, creativity, and fulfilment. People thus contribute to the success of the organization.

The human resources approach is also called as the supportive approach in the sense that the manager's role changes from control of employee to active support of their growth and performance. The supportive approach contrasts with the traditional management approach.

In the traditional approach, managers decided what employees should do and closely monitored their performance to ensure task accomplishment. In the human resources approach, the role of managers changes from structuring and controlling to supporting.

Contingency Approach

The contingency approach (sometimes called the situational approach) is based on the premise that methods or behaviours which work effectively in One situation fail in another. For example; Organization Development (OD) programs, may work brilliantly in one situation but fail miserably in another situation. Results differ because situations differ, the manager's task, therefore, is to identify which method will, in a particular situation, under particular circumstances, and at a particular time, best contribute to the attainment of organization's goals.

The strength of the contingency approach lies in the fact it encourages analysis of each situation prior to action while at the same time discourages the habitual practice of universal assumptions about methods and people. The contingency approach is also more interdisciplinary, more system oriented and more research-oriented than any other approach.

Productivity Approach

Productivity which is the ratio of output to input is a measure of an organization's effectiveness. It also reveals the manager's efficiency in optimizing resource utilization.

The higher the numerical value of this ratio, the greater the efficiency. Productivity is generally measured in terms of economic inputs and outputs, but human and social inputs and outputs also are important. For example, if better organizational behaviour can improve job satisfaction, a human output or benefit occurs.

Systems Approach

The Systems Approach to OB views the organization as a united, purposeful system composed of interrelated parts. This approach gives managers a way of looking at the organization as a whole, whole, person, whole group, and the whole social system. In so doing, the systems approach tells us that the activity of any segment of an organization affects, in varying degrees the activity of every other segment. A systems view should be the concern of every person in an organization. The clerk at a service counter, the machinist, and the manager all work with the people and thereby influence the behavioural quality of life in an organization and its inputs.

The role of manager is very important here as they use organizational behaviour to help build an organizational culture in which talents are utilized and further developed, people are motivated, teams become productive, organizations achieve their goals and society gets the reward.

Evolution of OB:

Behavioral scientists have sighted growth of OB has only from the beginning of nineteenth century. It is Categorized under following categories:

- **Industrial Revolution**
- **Classical Era**
 - Scientific Management
 - Administrative Theory
 - Weber's Bureaucratic Management
- **Behavioural Era**
 - Human Relation Movement
 - Hawthorne Studies

Industrial Revolution:

It has only been since the Industrial Revolution of the nineteenth century that relatively large number of individuals have been required to work together in manager- subordinate relationships. Prior to this many of the large organisations that did exist, were military ones in which the authority of the leader was supreme and practically unquestioned, since membership was not voluntary. Behavioural problems were relatively easy to deal with under these conditions. It is certainly no accident that much of our current knowledge about human behaviour has been derived from organisations in which influencing behaviour consists of more than just giving orders. Robert Owen a young welsh factory owner was the first to emphasis the human need of his employees which certainly was a beginning towards the modern OB. He refused to employ child labor and educate his adult worker. He is known as the “father of personnel management”.

Later in 1835 Andrew Ure, a pioneering behavioral scientist recognized a third factor as human factor apart from mechanical and commercial factor as part of the manufacturing. In India also recognition of workers around that time emphasized by industrialist like. - J.N.Tata. the welfare schemes include were installing humidifier and fire sprinklers, installation of pension fund, payment for accident compensation etc.

Classical Era

It covered the period from 1900 to 1930 approximately when the first general theory of management began to evolve. The major contributors were F.W Taylor, Henry Fayol, Max Weber, Mary Parker Follett and Chester Barnard etc.

(a) Scientific Management

During scientific management era the interest in the behavioral aspect of management was recognized. F.W. Taylor who is known as the father of scientific management, pioneered the "scientific management' movement which suggested that systematic analysis could indicate "accurate" methods, standards and timings for each operation in an organization's activities. The duty of management was to select, train and help workers to perform their jobs properly. The responsibility, of workers was simply to accept the new methods and perform accordingly. The practical application of this approach was to break each job down into its smallest and simplest component pans or "motions". Each single motion in effect became a separate, specialized-job to be

allocated -to a separate worker. Workers were selected and trained to perform such Jobs in the most efficient way possible, eliminating all wasted motions or unnecessary physical movement. He emphasized as there is a best machine for a job, similarly there is always a best way for worker to do their work, so accordingly management must try to work on this Even though Taylor's main goal was technical efficiency, yet he awakened the management to the importance of human resource. But Taylor's thought was criticized based on anti-social, anti-democratic and psychologically unfair nature.

Scientific management was based upon five main principles:

- **Science, not rule of thumb:** Develop a science for each man's work.
- **Harmony, not discord:** Working together towards attainment of objectives
- **Cooperation, not individualism:** Cooperate with the men to ensure that work is done as prescribed.
- **Development of each man to his greatest efficiency and prosperity:** Scientifically select the best man for the job and train him on the procedures he is expected to follow.
- **Equitable division of work and responsibility between management and labour:** Divide the work so that activities such as planning, organizing and controlling are the prime responsibilities of management rather than the individual worker.

(b) Administrative Theory of Fayol: The administrative theory describes efforts to define the universal functions that managers perform and principles that constitutes good management practices. The major contribution to this theory was that of a French industrialist named Henry Fayol.

Fayol proposed that all managers perform five management functions:

- **Planning,**
- **Organizing,**
- **Commanding,**
- **Co-ordinating and**
- **Controlling.**

In addition, he described the practice of management as something distinct from accounting, finance, production, distribution and so on. He **proposed 14**

principles of management. Fayol's "14 Principles" was one of the earliest theories of management to be created, and remains one of the most comprehensive. He's considered to be among the most influential contributors to the modern concept of management, even though people don't refer to "The 14 Principles" often today. Fayol's principles are listed below:

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Fayol's principles are listed below:

- 1. Division of Work** – When employees are specialized, output can increase because they become increasingly skilled and efficient.
- 2. Authority** – Managers must have the authority to give orders, but they must also keep in mind that with authority comes responsibility.
- 3. Discipline** – Discipline must be upheld in organizations, but methods for doing so can vary.
- 4. Unity of Command** – Employees should have only one direct supervisor.
- 5. Unity of Direction** – Teams with the same objective should be working under the direction of one manager, using one plan. This will ensure that action is properly coordinated.
- 6. Subordination of Individual Interests to the General Interest** – The interests of one employee should not be allowed to become more important than those of the group. This includes managers.
- 7. Remuneration** – Employee satisfaction depends on fair remuneration for everyone. This includes financial and non-financial compensation.
- 8. Centralization** – This principle refers to how close employees are to the decision-making process. It is important to aim for an appropriate balance.
- 9. Scalar Chain** – Employees should be aware of where they stand in the organization's hierarchy, or chain of command.
- 10. Order** – The workplace facilities must be clean, tidy and safe for employees. Everything should have its place.
- 11. Equity** – Managers should be fair to staff at all times, both maintaining discipline as necessary and acting with kindness where appropriate.

12. Stability of Tenure of Personnel – Managers should strive to minimize employee turnover. Personnel planning should be a priority.

13. Initiative – Employees should be given the necessary level of freedom to create and carry out plans.

14. Esprit de Corps – Organizations should strive to promote team spirit and unity.

(c) WEBER'S BUREAUCRATIC MANAGEMENT:

The concept of bureaucracy is generally associated with the works of Max Weber. Weber studied the effects of social change in Europe at the turn of the century. He believed bureaucracy was a rational means of minimizing the cruelty, nepotism and subjective practice common in earlier stages of the industrial revolution. Max Weber's theory was based on authority structures and described organizational activity based on authority structures.

He defined bureaucracy as networks of social groups dedicated to limited goals, organized for maximum efficiency and regulated according to the principle of legal rationality.

Some of the essential features of bureaucracy are:

- Specialization or division of labor.
- Hierarchy of authority in which a lower office is supervised by a higher one.
- Written rules and regulations to guide the behaviour of employees. Emphasis is more on consistent behaviour.
- Rational application of rules and procedures
- Proper Records: files maintained to record the decisions and activities of the organization on a daily basis for future use.
- Selection and promotion based on competence and skills and not on irrelevant mis considerations.

Behavioural Era:

The “people side” of organizations came into its own during the period we'll call the behavioural era. This era was marked by the human relations movement and the widespread application in organizations of behavioral science research.

Human Relations Movement

The human relations movements actually started with the series of experiments conducted by George Elton Mayo, professor of Industrial Research at the Harvard Graduate School of Business and his colleagues at the Hawthorne plant of Western Electric Company between 1924-1932 at Western Electrical Works



in USA. It was also quite evident that the employees were not producing up to their fullest capability. This happened in spite of the fact that it was one of the most progressive companies with pension schemes, sickness benefit schemes, and numerous other facilities offered to its employees.

The earlier attempts of the efficiency experts produced inconclusive findings. So the company sought help from the group of university professors to find a solution to the problem. The study continued for an extended period of time and had gone through various phases, which is briefly described here.

Phase I: Illumination Experiments

Phase II: Relay Assembly Test Room

Phase III: Interviewing Program

Phase IV: Bank Wiring Test Room

Phase-I: Illumination Experiments

In order to test the traditional belief that better illumination will lead to higher level of productivity, two groups of employees were selected. In one, the control group, the illumination remained unchanged throughout the experiment while in the other the illumination was increased. As had been expected, the productivity went up in the latter or what was known as the experimental group, but what baffled the experimenters was the fact that the output of the control group also went up. As the

lighting in the formal group was not altered, the result was naturally puzzling and difficult to explain. The investigators then started to reduce the illumination for the test group. But in this case as well the output shoots up again. Thus, the researchers had to conclude that illumination affected production only marginally and there must be some factor which produced this result. It was found out that the performance decreased as the group were under controlled environment or close supervision.

Phase-II: Relay Assembly Test Room

Under these test two small groups of six female telephone relay assemblers were selected. Each group was kept in separate rooms. From time to time, changes were made in working hours, rest periods, lunch breaks, etc. They were allowed to choose their own rest periods and to give suggestions. Output increased in both the control rooms. It was concluded that social relationship among workers, participation in decision-making, etc. had a greater effect on productivity than working conditions.

Researchers then attributed this phenomenon to the following:

- Feeling of perceived importance among the group members as they were chosen to participate in the experiment.
- Good relationship among the group.
- High group cohesion.

Phase III: Interviewing Program

From the Relay Assembly Test Room, the researchers for the first time became aware about the existence of informal groups and the importance of social context of the organizational life. To probe deeper into this area in order to identify the factors responsible for human behaviour, they interviewed more than 21,000 employees. The direct questioning was later replaced by non-directive type of interviewing. The study revealed that the workers' social relationship inside the organizations has a significant influence on their attitude and behaviour. It was also found that merely giving a person an opportunity to talk and air his grievances has a beneficial effect on his morale.

Phase IV: Bank Wiring Test Room

It had been discovered that social groups in an organization have considerable influence on the functioning of the individual members. Observers noted that in certain departments, output had been restricted by the workers in complete disregard to the financial incentives offered by the organization. Mayo decided to investigate one such department which was known as the bank wiring room where there were fourteen men working on an assembly line.

The conclusions derived from the Hawthorne Studies were as follow: -

- The social and psychological factors are responsible for workers' productivity and job satisfaction.
- Only good physical working conditions are not enough to increase productivity.
- The informal relations among workers influence the workers' behavior and performance more than the formal relations in the organization.
- Employees will perform better if they are allowed to participate in decision-making affecting their interests.

Theoretical Framework of OB

Initially psychology was developed using the mental thinking expressed by persons interested in being developed as a subject for psychology

John B. Watson differed from that approach & pioneered a new approach in which visible behaviour and visible environmental stimulus became the subject of study. B.F. Skinner developed this behavioristic framework by arguing that behavior is not the outcome of stimulus alone, but it is an outcome determined by the stimulus as well as the contingent environmental consequences.

This states that there are alternative behaviors for the same stimulus and behavior is exhibited by a person depends on expected environmental consequences. These perspectives in psychology have influenced the development of organizational behaviour.

Cognitive Framework

Cognition can be simply defined as the act of knowing an item of information

In cognitive framework, cognitions precede behaviour and constitute input into the person's thinking, perception, problem solving, and information processing.

As per Edward Tolman on cognitive theoretical approach, learning consists of the expectancy that a particular event will lead to a particular consequence.

This cognitive concept of expectancy implies that organism is thinking about, or is conscious or aware of the goal and result of a behaviour exhibited by it.

In the subject of organizational behaviour, cognitive approach dominates the units of analysis such as perception, personality and attitudes, motivation, behavioural decision making and goal setting.

Behaviouristic Framework

This framework states that a human can project different behaviour for the same stimulus and exhibit behaviour depending on the environmental consequences.

Pioneer behaviourists Ivan Pavlov and Jon B. Watson stressed the importance of studying observable behaviours instead of the elusive mind.

They examined the impact of stimulus and felt that learning occurred when the S-R connection was made. Behaviouristic approach is based on observable behaviour & environmental variables.



Social learning Framework

Social learning theory takes the position that behaviour can best be explained in terms of a continuous reciprocal interaction among cognitive, behavioural, and environmental determinants. The person and environmental situations do not function independently but conjunction with behaviour itself, reciprocally interact to determine behaviour. It means that cognitive variables and environmental variables are relevant, but the experiences generated by previous behaviour also partly determine what a person becomes and can do, which, in turn, affects subsequently behaviour. A person's cognition or understanding changes according to the experience of consequences of past behaviour.

MODELS OF OB

Organizational behaviour reflects the behaviour of the people and management all together, it is considered as field study not just a discipline. A discipline is an accepted science that is based upon theoretical foundation, whereas OB is an inter-disciplinary approach where knowledge from different disciplines like psychology, sociology, anthropology, etc. are included. It is used to solve organizational problems, especially those related to human beings.

There are four different types of models in OB. We will throw some light on each of these four models.

Autocratic Model

The foundation of this model is power with a managerial orientation of authority. The employees in this model are oriented towards obedience and discipline. They are dependent on their boss. The employee requirement is to meet the minimum subsistence. The performance results of employees are less in turn get paid less. But some employees perform better because of their nature or for personal liking to the boss

The major drawbacks of this model are people are easily frustrated, insecurity, dependency on the superiors, minimum performance because of minimum wage.

The best example implementing autocratic model is defence sector.

Custodial Model

The root level of this model is economic resources with a managerial orientation of money. The employees in this model are oriented towards

security and benefits provided to them. They are dependent on the organization. The employee requirement is to meet their security. Employee satisfaction achieved through reward, security and economic resource. Firms generally spend a huge amount of money on employee welfare under this model.

This model is adapted by firms having high resources as the name suggest. It is dependent on economic resources. This approach directs to depend on firm rather than on manager or boss. employees give passive cooperation as they are satisfied but not strongly encouraged.

Textile mills, steel manufacturing companies normally adopt this custodial model.

Supportive Model

One drawback of custodial model is that even the employees are satisfied and happy but they are not productive as required. It is proved that “A Happy Employee is not necessarily always Productive Employee”. So the foundation of this model is leadership with a managerial orientation of support. The employees in this model are oriented towards their job performance and participation. The employee requirement that is met is status and recognition. The performance result is awakened drives.

This model depends on leadership strive. It gives a climate to help employees grow and accomplish the job in the interest of the organization. Management job is to assist the employee’s job performance. Employees feel a sense of participation. This model is implemented in IT company.

Collegial Model

It is the extension of supportive model. The root level of this model is partnership with a managerial orientation of teamwork. The employees in this model are oriented towards responsible behaviour and self-discipline. The employee requirement that is met is self-actualization. The performance result is moderate zeal.

This is an extension of supportive model. The team work approach is adapted for this model. Self-discipline is maintained. Workers feel an obligation to uphold quality standard for the better image of the company. A sense of “accept” and “respect” is seen. Example: Red cross.

The difference between Various model of OB.

	Autocratic	Custodial	Supportive	Collegial
Basis of model	Power	Economic Sources	Leadership	Partnership
Managerial Orientation	Authority	Money	Support	Teamwork
Employee psychological result	Dependence on Boss	Dependence on Organization	Participation	Self-Discipline
Performance Result	Minimum	Passive Cooperation	Awareness Drives	Moderate Enthusiasm
Employee Orientation	Obedience	Security and Benefits	Job Performance	Responsible Behaviour
Employee's Needs Met	Subsistence	Security	Status and Recognition	Self Actualization

Limitations of OB

- Ob studies to understand human behaviour only at work place which result not understanding him/her in domestic front.
- Ob has not contributed to improve interpersonal relation in an organization. Jealousy, backstabbing, harassment go side by side with reward, lectures, discussion smile etc.
- OB is Selfish and Exploitative. With emphasis on motivation, efficiency, productivity there exist a kind of competition among the workers and they are not able to live in harmony.
- OB has Almost Become a Fad with Managers: in Most Organizations. Abolishing physical disparity has not abolished mental barriers.
- Expectation of Quick-Fix Solutions. OB always put emphasis on increase productivity and efficiency without going to root cause of the problem.



Dr Prajna Mohapatra

What is Attitude?

Attitudes are Evaluative statements of Individuals. It is a positive, negative, or mixed evaluation of an object expressed at some level of intensity. It is an expression of a favourable or unfavourable evaluation of a person, place, thing, or event. These are fundamental determinants of our perceptions of and actions toward all aspects of our social environment. Attitudes involve a complex organization of evaluative beliefs, feelings, and tendencies toward certain actions

How much we like or dislike something that determines our behaviour towards that thing.

We tend to approach, seek out, or be associated with things we like; we avoid, ignore, or reject things we do not like.

Some examples of attitudes are-

he has a positive attitude about the changes, she is friendly and has a good attitude,

he was showing some attitude during practice today, so the coach benched him,

I like my friends that means I am expressing my attitudes towards my friends, etc.

Definition

Attitudes are evaluation statements either favourable or unfavourable or unfavourable concerning objects, people or events. They reflect how one feels about something.

Robbins

Attitude is a mental and neutral state of readiness organized through experience, exerting a directive or dynamic influence upon individual's response to all objects and situations with which it is related.

G.W. Allport

Attitude as an enduring organization of motivational, emotional, perceptual and cognitive processes with respect to some aspect of the individual's world.

Krech and Crutchfield

Attitude is a tendency or predisposition to evaluate an object or symbol of that object in a certain way.

Katz and Scotland

Characteristics

- Attitudes are the complex combination of things we call personality, beliefs, values, behaviours, and motivations.
- It can fall anywhere along a continuum from very favourable to very unfavourable.

- All people, irrespective of their status or intelligence, hold attitudes.
- An attitude exists in every person's mind. It helps to define our identity, guide our actions, and influence how we judge people.
- Although the feeling and belief components of attitude are internal to a person, we can view a person's attitude from their resulting behaviour.
- Attitude helps us define how we see situations and define how we behave toward the situation or object.
- It provides us with internal cognitions or beliefs and thoughts about people and objects.
- It can also be explicit and implicit. Explicit attitude is those that we are consciously aware of an implicit attitude is unconscious, but still, affect our behaviours.
- Attitudes cause us to behave in a particular way toward an object or person.
- An attitude is a summary of a person's experience; thus, an attitude is grounded in direct experience predicts future behaviour more accurately.
- It includes certain aspects of personality as interests, appreciation, and social conduct. It indicates the total of a man's inclinations and feelings.
- An attitude is a point of view, substantiated or otherwise, true or false, which one holds towards an idea, object, or person.
- It may be positive or negative and may be affected by age, position, and education.

Importance of attitude in organisational behaviour

Employees with a positive attitude will create a healthy atmosphere in the organization, develop positive relations with sub-ordinates, their supervisors, managers and top management. A positive attitude has significant benefits for an individual in many aspects.

Following are the aspects related to the importance of attitude:





Career success

Performance is a parameter to measure employees' success in the workplace. Performance leads to success either through promotion or increased compensation. A positive attitude of an employee will help him to think of ways to accomplish their task in a well-defined manner

Productivity

An employee with a positive attitude tends to take more interest and responsibility and will provide better work, which in turn will improve productivity.

Leadership

Managing a diverse workforce is a crucial task for achieving the objective of an organization. Positive attitude demonstrated by leaders or employee will result in proper communication between the subordinate which will lead to efficient work.

Teamwork

An employee with a positive attitude and mindset will help employees to make better decisions, in an objective manner. It will enable employees to choose wisely and logically and avoid them to take an unambiguous decision.

Interpersonal relations

A positive attitude helps in establishing a good interpersonal relationship among the employees and the organization. It also helpful to gain valuable customer loyalty as Customers prefer to make relation with someone who is positive in nature

Decision making

An employee with a positive attitude and mindset will help employees to make better decisions, in an objective manner. It will enable employees to choose wisely and logically and avoid them to take an unambiguous decision.

Motivation

Motivation is an important factor for efficient work. An employee with a positive attitude will always be mentally prepared to face any obstacle in a job. The moment they are successful in overcoming obstacles, they are motivated to move forward.

Stress management

Positive attitude and thinking will reduce the stress of an employee and with reduced stress employee can take a better decision and increase their productivity which results, employees, to enjoy better health and take fewer sick leaves.

Components of Attitudes (ABC Model)

It is a generalized tendency to think or act in a certain way in respect of some object or situation, often accompanied by feelings. It is a learned predisposition to respond in a consistent manner with respect to a given object.

This can include evaluations of people, issues, objects, or events. Such evaluations are often positive or negative, but they can also be uncertain at times.

These are the way of thinking, and they shape how we relate to the world both in work and Outside of work. Researchers also suggest that there are several different components that make up attitudes.

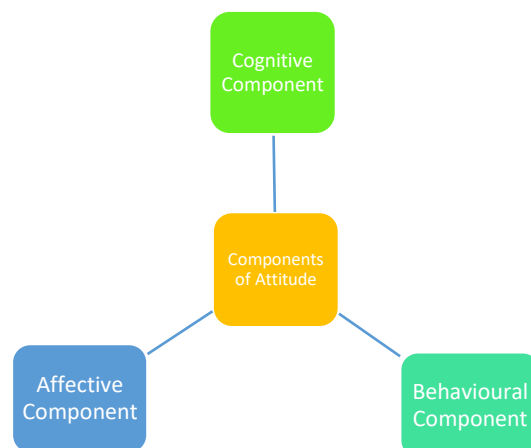
One can see this by looking at the three components of an attitude: cognition, affect and behaviour.

3 components of attitude are

Cognitive Component.

Affective Component.

Behavioural Component.





Affective Component

Affective component is the emotional or feeling segment of an attitude.

It is related to the statement which affects another person.

It deals with feelings or emotions that are brought to the surface about something, such as fear or hate. Using the above example, someone might have the attitude that they love all babies because they are cute or that they hate smoking because it is harmful to health or I love my job because it is very challenging.

Behavioural Component

Behaviour component of an attitude consists of a person's tendencies to behave in a particular way toward an object. It refers to that part of attitude which reflects the intention of a person in the short-run or long run.

Using the above example, the behavioural attitude maybe- 'I cannot wait to kiss the baby', or 'we better keep those smokers out of the library, I can't wait to leave this job etc.

Cognitive Component

The cognitive component of attitudes refers to the beliefs, thoughts, and attributes that we would associate with an object. It is the opinion or belief segment of an attitude. It refers to that part of attitude which is related in general knowledge of a person.

Typically, these come to light in generalities or stereotypes, such as 'all babies are cute', 'smoking is harmful to health' etc.

For example, the different components of an attitude held towards a firm, which supplies inferior products and that too irregularly could be described as follows:

- "I don't like that company"—Affective component.
- "I will never do business with them again"—Behavioural component.
- "They are the worst supply firm I have ever dealt with"—Cognitive component.

People try to maintain consistency among the three components of their attitudes. However, conflicting circumstances often arise. The conflict that individuals may experience among their own attitudes is called 'cognitive dissonance.

The main point about the ABC model is that we believe a person will be consistent with the attitudes towards things that they have. For example, a person will always be scared when they see a spider. However, this is not always true, most people have the attitude that drinking excessively will be damaging to their health, yet despite this their behaviour around alcohol is to carry on drinking.)



What is the relationship between attitude and behaviour?

The relationship between attitude and behaviour is not entirely clear-cut and it is certainly not universal for every circumstance. In some cases, attitudes are good predictors of behaviours, and in others, they are hopeless at predicting what someone will do.

How attitudes and behaviours are measured can also influence the outcome. For example, surveying people online will often give a different result (especially if the questions are of a more sensitive or personal nature) to a face-to-face survey, which will be different again if overhearing a conversation between close friends, which will be different again if the conversation is between family members...

In some cases, attitudes actually follow behaviours, while in others behaviours follow attitudes. Think post-rationalization of purchase decisions (or any other behaviour). Post-rationalization often emphasizes different factors to those that actually influenced the decision. We back-fit reasons that makes sense after the fact - we don't want to admit to ourselves that we just did the easiest thing - we did the right thing, we don't want to admit to ourselves we just bought the shiniest thing, or the thing that would make us look good in front of our friends - we made a perfectly rational decision based on the features and benefits!

Your attitudes can be influenced by what you do, and your attitudes can influence what you do. Attitudes are highly malleable, while behaviours are much more static, mostly driven by habit, and the particular circumstances of the decision (the choice architecture).

An example:

Littering: a person may hold environmentally conservative attitudes, believe that nature is beautiful and even that we have a responsibility to look after, yet they will litter if the choice architecture around them makes it more convenient to do so (i.e.: lack of available bins or lack of forethought in bringing means to dispose of their rubbish). This is also true for a range of related behaviours e.g.: purchasing green energy or cycling to work. People often behave against what their attitudes may predict due to other factors (e.g. cost, convenience, (lack of/incorrect) knowledge, peer influence).

Right Attitude

It may seem as if skills and experience are the most important characteristics of an employee, but attitude plays just as big of a role. After all, what good are great professional skills without the attitude to see it all through? There are five key attitudes that small businesses should seek out in employees to ensure a harmonious professional environment and a productive staff.



Respect for Others

Respect in the workplace doesn't solely extend to the way employees interact with management. People who have self-respect don't do managers' request no matter what; they think for themselves and present alternative ideas at times, but respectfully. Employees should also have a respectful attitude when interacting with clients and customers as well as co-workers. Those with this type of attitude are willing to treat other people politely and professionally, even if they disagree with the other person's point of view.

Positive Enthusiasm About Life

Someone who is enthusiastic about life in general radiates a positive energy that rubs off on everyone around her. She/he dives into every project with interest, eagerly learns new skills and ideas and quickly applies them to her work. Some people are born with positive energy, but it can also be developed. Teach your staff to approach every situation, positive or negative, as a challenge and an opportunity.

Commitment to the Job

Businesses need employees who are not only committed to the goals and initiatives that affect the bottom line, but who also are committed to their particular positions. Employees project a committed attitude by showing a willingness to do whatever it takes to fulfil the duties of their positions and via the development of new ideas to make the company even better. When committed individuals work together as a team towards company goals, everyone benefits.

Innovative Ideas and Finding New Ways

Employees with an innovative attitude don't shy away from trying something new or finding a different way to do things. Small businesses need employees who can think outside of the box and innovate new ways to accomplish existing tasks and approach goals. Employees with this type of attitude know their ideas might not work out to be the best way to do something, but that the biggest failure is not at least giving new ideas a shot.

Helpfulness with Others

It is important to have a helpful attitude at work, whether that means assisting clients and customers with their needs or helping co-workers accomplish overall company goals. The more helpful attitude employees have, the more people want to be around them at work and the more willing they are to partner with those employees on key projects and initiatives.

Take a second to imagine a farmer, a doctor, an insurance salesman and a cab driver. While these job types are extremely different, each person that holds one of these positions (or both, like a cab-driving doctor) has an attitude about the job as a whole. There can be aspects



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they like, aspects they hate and some that they do not have an opinion on one way or the other. However, no matter what the job is, we all have attitudes about our job.

Three Types of General Attitudes

We can discuss three basic types of general attitudes as they relate to work and the work environment. Those three are:

Job-Lovers: Let's face it, we have people out there who love their jobs, and that is the basic definition of a job-lover. In many ways, this attitude is as much a result of the person as it is the company. Some people just fit in a company or do not let things bother them or get to them. This helps a great deal in developing a 'love' attitude with your job.

Job-Haters: On the other side of the coin, we have job-haters. No matter what, these individuals simply do not like their jobs and probably never will. Oddly enough, there are more reasons for people to not like their jobs than to like them. For instance, we can look at the company overall, your boss or your co-workers as areas of discontent. For job-haters, they can have issues with doing a job they feel is beneath them or not being

recognized enough, in their opinion, for the work they do. Thus, the scope of why people hate their jobs is usually much deeper and wider than those who like their jobs.

Job-Doers: These are the people in the middle. They show up, do their job and are somewhat neutral about their feelings toward it. There is nothing good or bad about these individuals - they simply believe a job is a part of life and they just, well, do their job.

While it can be said that some people can be classified by overall attitude, there are aspects of jobs that can impact the attitude a person has about their position and company. Those are

Job Satisfaction: How much satisfaction a person gets from doing their job can directly relate to their attitude about it. Job satisfaction is a very personal aspect of work as satisfaction, in many ways, reflects how the person views not only how they do their job but also how the company views how they do their job and who they are as a person. There are several components that are associated with job satisfaction, and they are: recognition, equitable compensation, ability to grow in the position and responsibility commensurate with compensation.

Job Involvement: This aspect of attitudes relates to how engaged a person is with doing their job and the level of enthusiasm they have for doing it. We have all experienced individuals who did not seem to care about their jobs (like a waiter bringing you your meal, it is cold, and they don't really care) and people that seemed to go above and beyond the call of duty. These are direct reflections of the level of job involvement a person has, and it reflects in their attitude towards doing their job.



Organizational commitment: Organizational commitment refers to degree to which an employee identifies himself with the organizational goals and wishes to maintain membership in the organization. He wants to —belong|| to the organization and take an active part in the its functioning. Absenting or resigning from the job versus job satisfaction is a predictor of organizational commitment. The concept has been very popular in the recent times. Organizational commitment depends upon job enrichment factor and degree to which the workers enjoy autonomy and freedom of action while performing.

Attitude and Consistency: As stated earlier that the attitude of an individual is not visible but is reflected through his behaviour as a mirror of his attitude. It is seen that people seek consistency among their attitudes or between attitude and behaviour. They seek to reconcile their attitudes and align their attitudes with behaviour so that it is rational and consistent. If there is inconsistency between attitude and behaviour, outside forces act upon an individual, which leads to attaining of equilibrium state, thus consistency is achieved. For example, an individual may buy an old car while praising the new model. Reconciliation like, why invest more for a new model or the old model is as efficient as the new one, because the same had been sparingly used '. Such feelings are expressed to soothe the attitude (praising new car) and behaviour (Buying the old model) to achieve consistency between them. (Attitude and behaviour)

Employee's attitudes can be changed, and sometimes it is in the best interests of management to try to do so.

For example, if employees believe that their employer does not look after their welfare, the management should try to change employees' attitudes and develop a more positive attitude towards them.

However, the process of changing the attitude is not always easy.

Actually, the barriers are the limits that prevent the organization from achieving its predetermined goals.

So, every organization should be aware of these and should take corrective actions.

Barriers to Change Attitudes are;

Prior Commitment.

Insufficient Information.

Balance and Consistency.

Lack of Resources.

Improper Reward System.



Resistance to Change.

Prior Commitment

When people feel a commitment towards a particular course of action that has already been agreed upon, it becomes difficult for them to change or accept the new ways of functioning.

Insufficient Information

It also acts as a major barrier to change attitudes. Sometimes people do not see why they should change their attitude due to the unavailability of adequate information.

Balance and Consistency

Another obstacle to a change of attitude is the attitude theory of balance and consistency.

Human beings prefer their attitudes about people and things to be in line with their behaviours towards each other and objects.

Lack of Resources

If plans become excessively ambitious, they can sometimes be obstructed by the lack of resources on a company or organization.

So, in this case, if the organization wants to change the employees' attitude towards the new plan, sometimes it becomes impossible for the lack of resources to achieve this.

Improper Reward System

Sometimes, an improper reward system acts as a barrier to change attitude.

If an organization places too much emphasis on short-term performance and results, managers may ignore longer-term issues as they set goals and formulate plans to achieve higher profits in the short term.

If this reward system is introduced in the organization, employees are not motivated to change their attitude.

Resistance to Change

Another barrier is resistance to change. Basically, change is a continuous process within and outside the organization to achieve the set goal. When the authority changes a plan of the organization, the employees have to change themselves. But some of them do not like this. If their attitude regarding the change of plan cannot be changed, the organization will not be successful.



Emotional Intelligence at Workplace

Emotional intelligence is a set of emotional and social skills that collectively establish how well we perceive and express ourselves, develop and maintain social relationships, cope with challenges and use emotional information in an effective and meaningful way. Basically, it is a predictor of success in life and work.

Building your emotional skills is essential to understanding your own feelings and attuning yourself to the feelings of others. If you are attuned to such feelings you can use your

understanding to enhance your own performance and manage and support the performance of others (if in a managerial or supervisory role).

To better understand your emotional skills, the first step to take is to familiarise yourself with the four basic components of emotional intelligence.

Self-awareness

This is considered the foundation for all the other components of emotional intelligence. Self-awareness means being aware of what you are feeling; being conscious of the emotions within yourself.

People who are in touch with their emotions are better able to guide their own lives. Team members need to be in touch with their emotions to interact effectively and appreciate emotions in others.

Those with high levels of self-awareness learn to trust their 'gut feelings' and realise that these feelings can provide useful information about difficult decisions. Answers are not always clear regarding who is at fault when problems arise. In these situations, team members have to rely on their own feelings and intuition.

2) Self-management

This is the second key component of emotional intelligence in managing emotions. Operationally it means that team members need to be able to balance their own moods so that worry, anxiety, fear or anger do not get in the way of what needs to be done.

Those who can manage their emotions perform better because they are able to think clearly. Managing emotions does not mean suppressing or denying them but understanding them and using that understanding to deal with situations productively. Team members should first recognise a mood or feeling, think about what it means and how it affects them, and then choose how to act.

3) Social awareness

Being socially aware means that you understand how to react to different social situations, and effectively modify your interactions with other people so that you can achieve the best results.



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It also means being aware of the world around you and how different environments influence people. Increasing social awareness means improving your skills to connect with others verbally, nonverbally and in the community.

4) Relationship management

The final component of emotional intelligence is the ability to connect with others, build positive relationships, respond to the emotions of others and influence others on the team.

Relationship management includes the identification, analysis and management of relationships with people inside and outside of your team as well as their development. It is also vital in negotiating successfully, resolving conflicts and working with others toward a shared goal.

Models of Emotional Intelligence

1. Ability Model

This model was developed by Peter Salovey of Yale University and John Mayer of University of New Hampshire.

Perceiving emotions: understanding nonverbal signs such as other people body language or facial expressions (Salovey & Birnbaum)

Reasoning with Emotions: using emotions to promote thinking and cognitive activity (Salovey & Birnbaum)

Understanding Emotions: Interpreting emotions of others around you, being able to recognize people display emotions of anger when they might not be angry at you but rather the situation

Managing Emotions: regulating emotions, responding appropriately and consistently

2. Mixed Model

This model was developed by David Goleman. Goleman's model uses "The Five Components" to efficiently describe emotional intelligence.

Self-Awareness (confidence, recognition of feelings)

Self-Regulation (self-control, trustworthiness, adaptability)

Motivation (drive, commitment, initiative, optimism)

Empathy (understanding others feelings, diversity, political awareness)

Social Skills (leadership, conflict management, communication skills)

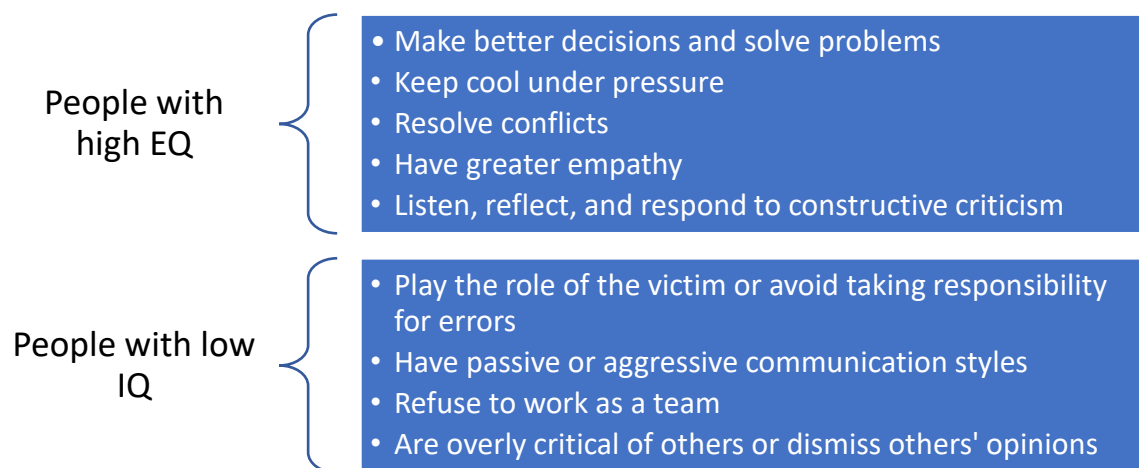
3. Trait Model

This model was developed by Konstantin V. Petrides. He defined the trait model as "a constellation of emotional self-perceptions located at the lower levels of personality." Once understanding and perception of their emotions, they use of personality framework to investigate trait emotional intelligence

Importance of Emotional Intelligence at workplace

Why is emotional intelligence such a valued workplace skill? According to one survey of hiring managers, almost 75% of respondents suggested that they valued an employee's EQ more than their IQ.

Emotional intelligence is widely recognized as a valuable skill that helps improve communication, management, problem-solving, and relationships within the workplace. It is also a skill that researchers believe can be improved with training and practice.



Tips for improving EQ at workplace

- 1. Manage your negative emotions:** When you're able to manage and reduce your negative emotions, you're less likely to get overwhelmed. Easier said than done, right? Try this: If someone is upsetting you, don't jump to conclusions. Instead, allow yourself to look at the situation in a variety of ways. Try to look at things objectively so you don't get riled up as easily. Practice mindfulness at work, and notice how your perspective changes.
- 2. Be mindful of your vocabulary:** Focus on becoming a stronger communicator in the workplace. Emotionally intelligent people tend to use more specific words that can
- 3. help communicate deficiencies, and then they immediately work to address them.** Had a bad meeting with your boss? What made it so bad, and what can you do to fix it next time? When you can pinpoint what's going on, you have a higher likelihood of addressing the problem, instead of just worrying about it.



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4. **Practice empathy:** Centring on verbal and non-verbal cues can give you invaluable insight into the feelings of your colleagues or clients. Practice focusing on others and walking in their shoes, even if just for a moment. Empathetic statements do not excuse unacceptable behaviour, but they help remind you that everyone has their own issues.
5. **Know your stressors:** Take stock of what stresses you out, and be proactive to have less of it in your life. If you know that checking your work email before bed will send you into a tailspin, leave it for the morning. Better yet, leave it for when you arrive to the office.
6. **Bounce back from adversity:** Everyone encounters challenges. It's how you react to these challenges that either sets you up for success or puts you on the track to full on meltdown mode. You already know that positive thinking will take you far. To help you

bounce back from adversity, practice optimism instead of complaining. What can you learn from this situation? Ask constructive questions to see what you can take away from the challenge at hand.

PERSONALITY

Personality represents the sum total of several attributes (qualities) which manifest themselves in an individual, the ability of the individual to organize and integrate all the qualities so as to give meaning to life and the uniqueness of the situation which influences behaviour of an individual.

Personality can be defined as those inner psychological characteristics that both determine and reflect how a person responds to the environment.

Personality is the fundamental and foremost determinant of individual behaviour. It seeks to integrate the physiological and psychological sides of an individual to put them into action. Personality consists of an individual's characteristics and distinctive ways of behaviour.

Definition:

Personality refers to "The dynamic organisation within the individual of those psychophysical systems that determine his unique adjustments to his environment.

Gordon Allport

Personality means how a person affects others and how he understands and views himself as well as the pattern of inner and outer measurable traits and the person-situation interactions.

Fred Luthans

Personality can be defined "as the most adequate conceptualisation of an individual's behaviour in all its details which the scientist can provide at a moment of time".

McClelland

"Personality is the sum total ways in which an individual reacts and interacts with others. It may be defined as those inner psychological characteristics that both determine and reflect how a person responds to his environment."

Stephen P. Robbins

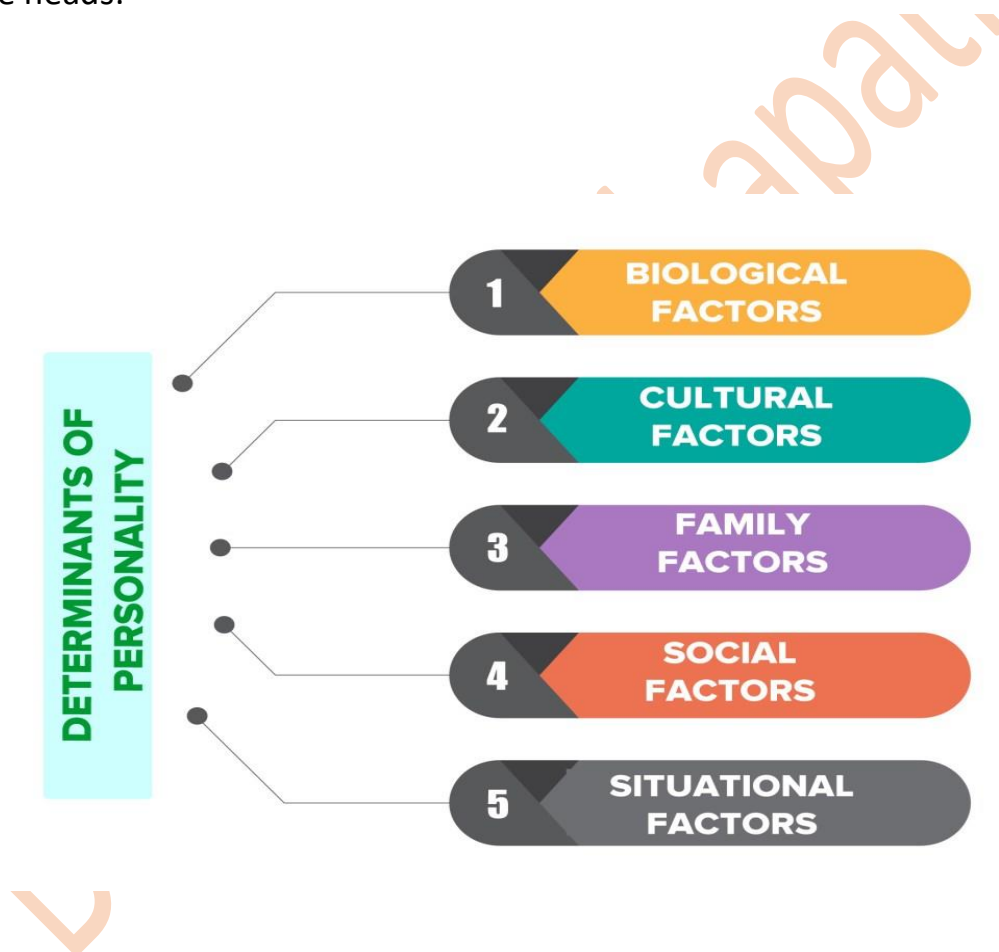
Determinants of Personality

The determinants of personality can be grouped in five broad categories:

1. Biological Factors
2. Cultural Factors
3. Family Factors
4. Social Factors
5. Situational Factors

1. Biological Factors

The study of the biological contributions to personality may be studied under three heads:



Heredity

Heredity refers to those factors that were determined at conception. Physical stature, facial attractiveness, sex, temperament, muscle composition and reflexes, energy level, and biological rhythms are characteristics that are considered to be inherent from one's parents.



The heredity approach argues that the ultimate explanation of an individual's personality is the molecular structure of the genes, located in the chromosomes.

Brain

The second biological approach is to concentrate on the role that the brain plays in personality. The psychologists are unable to prove empirically the contribution of the human brain in influencing personality.

Preliminary results from the electrical stimulation of the brain (ESB) research give an indication that a better understanding of human personality and behaviour might come from the study of the brain.

Physical Features

A vital ingredient of the personality, an individual's external appearance, is biologically determined. The fact that a person is tall or short, fat or skinny, black or white will influence the person's effect on others and this in turn, will affect the self-concept.

2.Cultural Factors

Among the factors that influence personality formation is the culture in which we are raised, early conditioning, norms prevailing within the family, friends and social groups and other miscellaneous experiences that impact us.

The culture largely determines attitudes towards independence, aggression, competition, cooperation and a host of other human responses.

According to Paul H Mussen, "each culture expects, and trains, its members to behave in ways that are acceptable to the group. To a marked degree, the child's cultural group defines the range of experiences and situations he is likely to encounter and the values and personality characteristics that will be reinforced and hence learned."

3. Family Factors

Whereas the culture generally prescribes and limits what a person can be taught, it is the family, and later the social group, which selects, interprets and dispenses the culture. Thus, the family probably has the most significant impact on early personality development.

A substantial amount of empirical evidence indicates that the overall home environment created by the parents, in addition to their direct influence, is critical to personality development.



The parents play an especially important part in the identification process, which is important to the person's early development.

4. Social Factors

There is increasing recognition given to the role of other relevant persons, groups and especially organisations, which greatly influence an individual's personality. This is commonly called the socialization process.

Socialization involves the process by which a person acquires, from the enormously wide range of behavioural potentialities that are open to him or her, those that are ultimately synthesized and absorbed.

Socialization starts with the initial contact between a mother and her new infant. After infancy, other members of the immediate family – father, brothers, sisters and close relatives or friends, then the social group: peers, school friends and members of the work group – play influential roles.

Socialization process is especially relevant to organisational behaviour because the process is not confined to early childhood, taking place rather throughout one's life. In particular, the evidence is accumulating that socialization may be one of the best explanations for why employees behave the way they do in today's organisations.

5. Situational Factors

Human personality is also influenced by situational factors. The effect of the environment is quite strong. Knowledge, skill and language are obviously acquired and represent important modifications of behaviour.

An individual's personality, while generally stable and consistent, does change in different situations. The varying demands of different situations call forth different aspects of one's personality.

According to Milgram, "Situation exerts an important press on the individual. It exercises constraints and may provide a push. In certain circumstances, it is not so much the kind of person a man is, as the kind of situation in which he is placed that determines his actions". We should therefore not look at personality patterns in isolation.

NATURE OF PERSONALITY:

- **Personality Traits:** Personality refers to the set of traits & behaviour that characterizes an individual.



- **Personality is consistent and enduring:** It refers to the relatively stable pattern of behaviour & consistent internal state & explains an individual's behavioural tendencies.
- Personality has both internal (thoughts, values & genetic characteristics) & external (observable behaviour) elements.
- **Personality can change:** Personality is both inherited as well as it can be shaped by the environment.
- **Personality reflects individual differences:** No two individuals are exactly alike, because the characteristics that constitute an individual's personality are unique combination of factors.

WHY PERSONALITY IS IMPORTANT AT WORKPLACE FOR BETTER PERFORMANCE?

Knowing about an employee's personality helps in:

- **Motivating employees:** monetary incentives and perks can help uplift an employee's spirits to some extent but that is also temporary. Knowing about what types of projects and work environments can be linked to employee's innate drive would mean long-term motivation and happiness. Ex: service-oriented people getting demotivated in a competitive environment.

Reducing turnovers: An employee fit assessment can increase retention rates because it ensures your employees are built for the job, or at least have the innate potential to be successful. Identifying the right person for the right position.

- **Decreasing conflicts and improving collaboration:** Personalities clash can cause a ripple effect of destruction in your organization. Predicting which people might need to make more of an effort when working together and, more specifically, which personality dimensions could be the culprits in these conflicts so that one knows what to work on. Ex: High achievement oriented, aggressive or dominating employee or low self-esteem employees.

- **Preventing burnouts:** Understanding or knowing which employees are more susceptible to high nervous tension, episodes of low energy or are unable to detach, for ex: Need for positive reinforcement, or holding back frustrations due to fear of conflicts in future; can help in reducing burnouts in employees to a large extent.



- **Communicating effectively with their workforce:** Sometimes a person might give a confused or blank look when you try to explain him/her about certain concepts. Such a person requires more visuals and concrete examples of how this idea would be transposed into his day-to-day reality.

How we learn, what information we need to feel at ease making a decision, and how much time we need to allow this information to set in can differ from one employee to the next. So, personality at work is important for making sure you are approaching someone the best way possible, and are equipped with what this person needs to feel comfortable

PERSONALITY TRAITS:

The early work in the structure of personality revolved around attempts to identify and label enduring characteristics that describe an individual's behaviour. Popular characteristics include shy, aggressive, submissive, lazy, ambitious, loyal & timid. Those characteristics, when they are exhibited in a large number of situations, are called **personality** traits.

Researchers have long believed that these traits could help in employee selection, matching people to jobs, and in guiding career development decisions.

There were a number of early efforts to identify the primary traits that govern behaviour. However, for the most part, these efforts resulted in long lists of traits that were difficult to generalize from and provided little practical guidance to organizational decision makers.

Two exceptions are the **Myers-Briggs Type Indicator (MBTI)**, and the **Big-Five Model**. Over the past 20 years, these two approaches have become the dominant frameworks for identifying and classifying traits.

The Basics of Myers & Briggs' Personality Theory

The Myers-Briggs system describes a person's personality through four opposing personality functions, variously known as dichotomies, preferences or scales. The first three preferences are based on the writings of Jung; Katherine Cook Briggs added the final preference, judging versus Perceiving, based on her own observations.



- Extraversion vs. Introversion: How do you gain energy? Extraverts like to be with others and gain energy from people and the environment. Introverts gain energy from alone-time and need periods of quiet reflection throughout the day.
- Sensing vs. Intuition: How do you collect information? Sensors gather facts from their immediate environment and rely on the things they can see, feel and hear. Intuitive look more at the overall context and think about patterns, meaning, and connections.
- Thinking vs. Feeling: How do you make decisions? Thinkers look for the logically correct solution, whereas Feelers make decisions based on their emotions, values, and the needs of others.
- Judging vs. Perceiving: How do you organize your environment? Judges prefer structure and like things to be clearly regulated, whereas Perceivers like things to be open and flexible and are reluctant to commit themselves.

The choice of preference is either/or in Myers and Briggs' system i.e you are either an Introvert or an Extravert, a Judger or a Perceiver.

The choice of preference is either/or—in Myers and Briggs' system, you're either an Introvert or an Extravert, a Judger or a Perceiver.

Once you have decided which style you prefer on each of the four dichotomies, you use these four preferences to create a four-letter code which sums up your personality type. For example, someone with a preference for Introversion, Intuition, Feeling and Judging would have the code "INFJ" (an Intuition preference is signified with an N to avoid confusion with Introversion). There are 16 possible combination, or personality types.

Myers and Briggs' 16 Personality Types

Myers and Briggs outlined 16 personality types based on the four personality preferences. Each personality type is designated with a four-letter code, with each letter signifying one of the personality preferences.

Isabel Briggs Myers stressed that each personality type was more than the sum of its parts, and her descriptions of each type were intended to explain how all four of the personality preferences came together to interact, synergize, and form a cohesive type. This gives Myers and Briggs' personality type descriptions



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the advantage of showing us how to conceptualize various combinations of personality traits.

Below is a quick snapshot of each of Briggs Myers' sixteen personality types

ENTJ The Commander Strategic leaders, motivated to organize change	INTJ The Mastermind Analytical problem-solvers, eager to improve systems and processes	ENTP The Visionary Inspired innovators, seeking new solutions to challenging problems	INTP The Architect Philosophical innovators, fascinated by logical analysis
ENFJ The Teacher Idealist organizers, driven to do what is best for humanity	INFJ The Counsellor Creative nurturers, driven by a strong sense of personal integrity	ENFP The Champion People-centered creators, motivated by possibilities and potential	INFP The Healer Imaginative idealists, guided by their own values and beliefs
ESTJ The Supervisor Hardworking traditionalists, taking charge to get things done	ISTJ The Inspector Responsible organizers, driven to create order out of chaos	ESFJ The Provider Conscientious helpers, dedicated to their duties to others	ISFJ The Protector Industrious caretakers, loyal to traditions and institutions

ESTP	ISTP	ESFP	ISFP
The Dynamo	The Craftsperson	The Entertainer	The Composer
Energetic thrill seekers, ready to push boundaries and dive into action	Observant trouble shooters, solving practical problems	Vivacious entertainers, loving life and charming those around them	Gentle caretakers, enjoying the moment with low-key enthusiasm

Myers and Briggs were careful to point out that no one type is any better than another; each has their own equally valuable gifts, strengths, and contributions. It is also important to understand that while certain types tend to gravitate naturally towards particular behaviour styles, a person's type cannot absolutely predict their behaviour or what they will be good at. For instance, while ENTJs are often considered to have qualities we associate with leadership, an individual ENTJ may not be a particularly good leader if he or she has not developed related skills.

Big 5" Personality Traits

Many contemporary personality psychologists believe that there are five basic dimensions of personality, often referred to as the "Big 5" personality traits. The five broad personality traits described by the theory are Extraversion (also often spelled Extroversion), Agreeableness, Openness, Conscientiousness, and Neuroticism.

The initial model was advanced by Ernest Tupes and Raymond Christal in 1961, but failed to reach an academic audience until the 1980s. In 1990, J.M. Digman advanced his five-factor model of personality, which Goldberg extended to the highest level of organization. At least four sets of researchers have worked independently for decades on this problem and have identified generally the same Big Five factors: Tupes & Cristal were first, followed by Goldberg at the Oregon Research Institute, Cattell at the University of Illinois, and Costa and McCrae at the National Institutes of Health.

Human resources professionals often use the Big Five personality dimensions to help place employees. That is because these dimensions are considered to be the underlying traits that make up an individual's overall personality.

This model is otherwise known as OCEAN model (openness, conscientiousness, extraversion, agreeableness, and neuroticism) or CANOE (for conscientiousness, agreeableness, neuroticism, openness, and extraversion) is another commonly used acronym.



Today, many researchers believe that there are five core personality traits. The "big five" are broad categories of personality traits. While there is a significant body of literature supporting this five-factor model of personality, researchers don't always agree on the exact labels for each dimension.

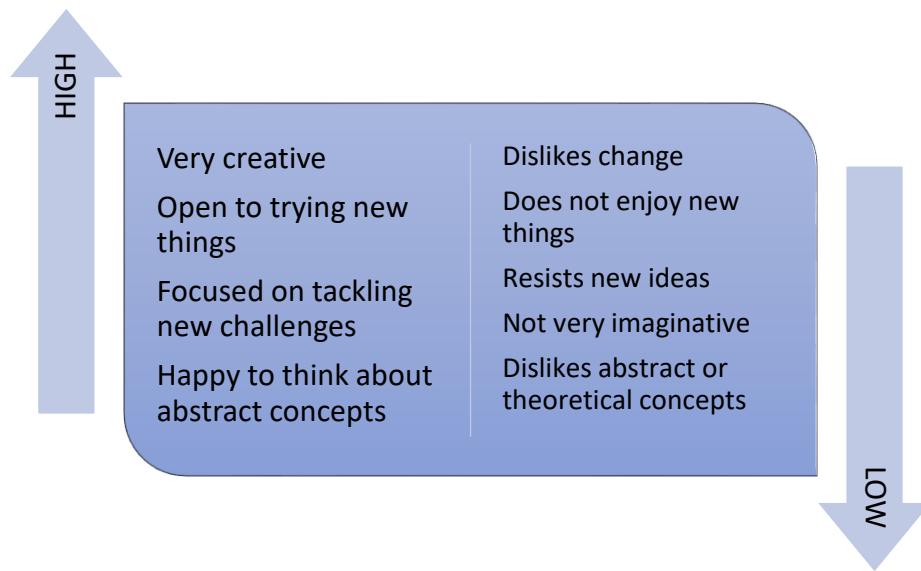
These five categories are usually described as follows.

Openness

This trait features characteristics such as imagination and insight.¹

People who are high in this trait also tend to have a broad range of interests. They are curious about the world and other people and eager to learn new things and enjoy new experiences.

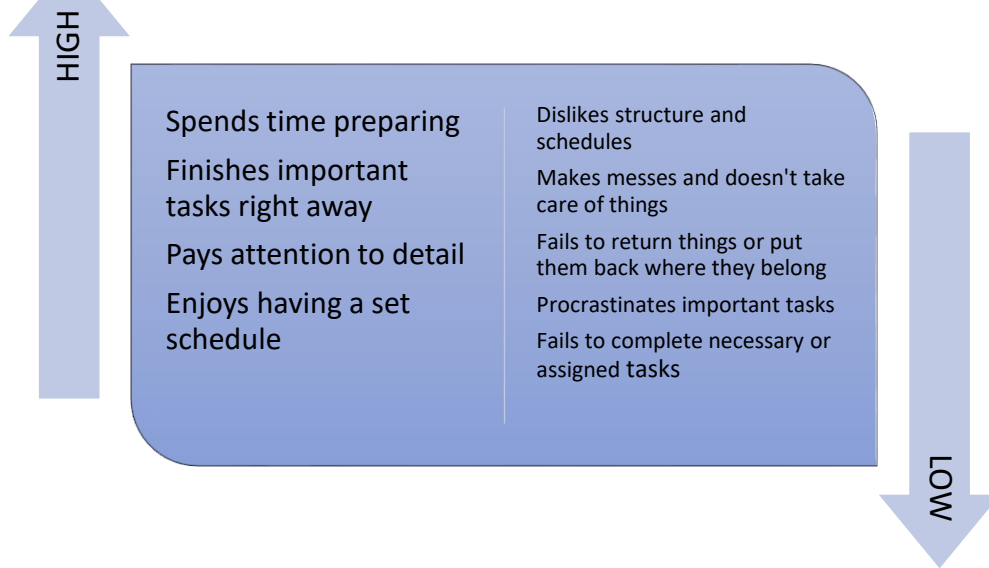
People who are high in this trait tend to be more adventurous and creative. People low in this trait are often much more traditional and may struggle with abstract thinking.



Conscientiousness

Standard features of this dimension include high levels of thoughtfulness, good impulse control, and goal-directed behaviors.¹ Highly conscientious people tend to be organized and mindful of details. They plan ahead, think about how their behaviour affects others, and are mindful of deadlines.

Dr. A. K. Sahoo

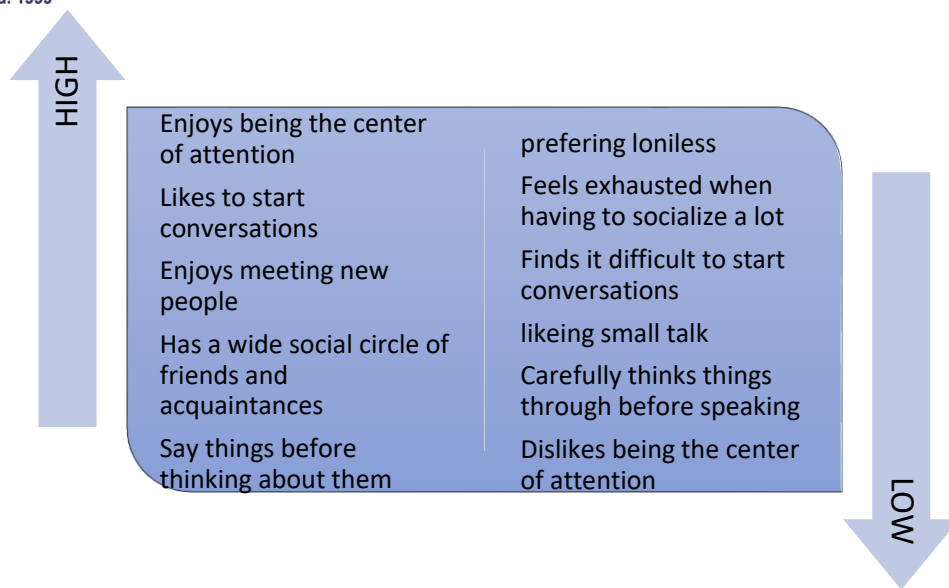


Extraversion

Extraversion (or extroversion) is characterized by excitability, sociability, talkativeness, assertiveness, and high amounts of emotional expressiveness.¹ People who are high in extraversion are outgoing and tend to gain energy in social situations. Being around other people helps them feel energized and excited.

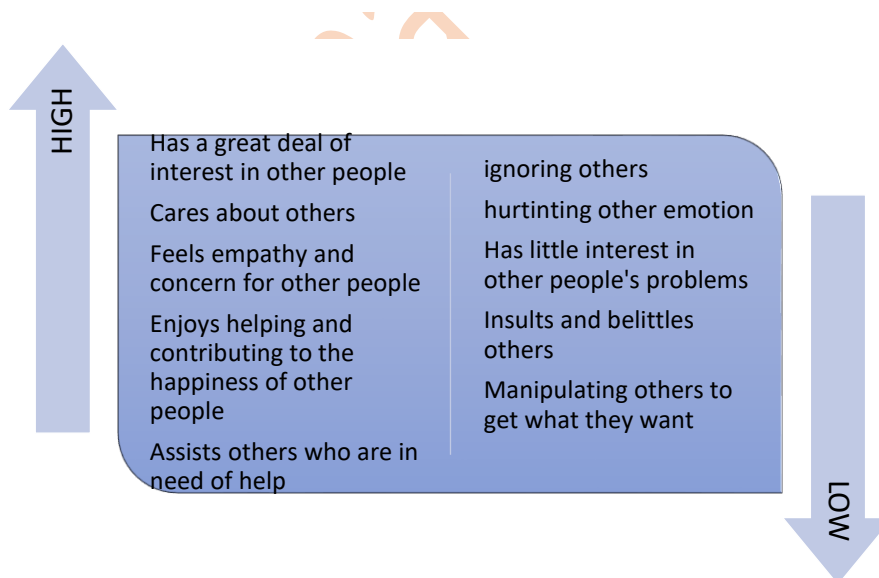
People who are low in extraversion (or introverted) tend to be more reserved and have less energy to expend in social settings. Social events can feel draining and introverts often require a period of solitude and quiet in order to "recharge."

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Agreeableness

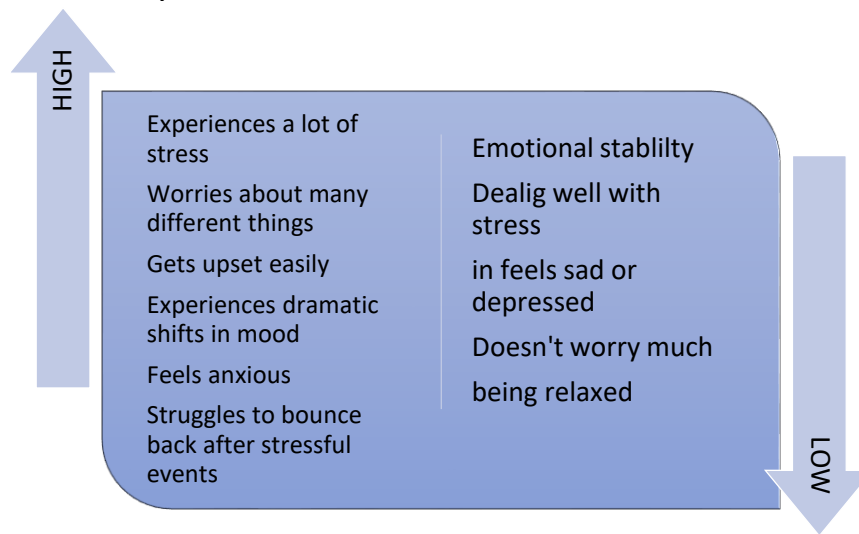
This personality dimension includes attributes such as trust, altruism, kindness, affection etc. People who are high in agreeableness tend to be more cooperative while those low in this trait tend to be more competitive and sometimes even manipulative.



Neuroticism

Neuroticism is a trait characterized by sadness, moodiness, and emotional instability. Individuals who are high in this trait tend to experience mood swings,

anxiety, irritability, and sadness. Those low in this trait tend to be more stable and emotionally resilient.



PERSONALITY ATTRIBUTES INFLUENCING OB:

1. Locus of Control: Locus of control is the extent to which people believe that they can control the events affecting their lives. Some believe that they are the masters of their own fate. These are labelled as internals. Other people see themselves as pawns of fate believing that whatever happens to them in their lives is due to luck or fate. These have been called the externals.

(a) **Internal Locus of Control:** A person with strong internal locus of control believes that he controls events concerning his own life and his internal traits determine what happens in a given condition. Such people are successful in their jobs, career and lives. They are better at stressful situations and are satisfied with challenging jobs and performance which is based incentives. They are independent and more active socially. They also prefer participative style of management.

(b) **External Locus of Control:** People who rate high in externality view that external environment or God determines what should happen to them and it will happen. Such people prefer directive management and can break under pressure. These people prefer chance-oriented awards and are more interested in job security and extrinsic awards. Externals do well on jobs that are well structured and routine.

2. Machiavellianism: This personality trait of Machiavellianism also known as Mach is named after Niccolo Machiavelli, who wrote in the 16th century on how



to gain and use power. The characteristics of high Machiavellianism employers are as follows:

- A Machiavellianism man maintain pragmatics emotional distance and believes that ends can justify means.
- A high Machiavellianism manipulates more, wins more, are persuaded less and persuade others more than the low Machiavellianism.
- High Machiavellianism people flourish when they interact face to face with others rather than indirectly
- These people are successful when the situation has a minimum number of rules and regulations.
- High Machiavellianism man has high self-confidence and high self-esteem. They are cool and calculating and have no hesitation using others or taking advantage of others in order to serve their own goals. We cannot conclude that whether high Machiavellianism makes good employees or not. The answer will depend upon the type of the job and whether moral and ethical values are considered in evaluating the performance of a person.

3. 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 behaviour. 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. Individuals with high self-esteem will take more risks in job selection and are more likely to choose unconventional jobs than people with low self-esteem. The most generalizable finding on self-esteem is that low self-esteem are more susceptible to external influence than are high self-esteem. Low self-esteem are dependent on the receipt of positive evaluations from others. As a result, they are more likely to seek approval from others and more prone to conform to the beliefs and behaviours of those they respect than are high self -esteems. In managerial positions, low self-esteem will tend to be concerned with pleasing others and, therefore, are less likely to take unpopular stands than are high self-esteem. Not surprisingly, self-esteem has also been found to be related to job satisfaction. A number of studies confirm that high self-esteem are more satisfied with their jobs than are low self-esteem.



4. Self-monitoring: "Self-monitoring is a personality trait that measures an individual's ability to adjust his or her behaviour to external situational factors". High self-monitors change their behaviour easily based on situational requirements while low self-monitors reveal their moods which may contradict situational requirements. They cannot change their behaviour. In case of low self-monitors, there is a high behavioural consistency between who they are and what they do. On the other hand, high self-monitors present striking contradictions between their public, personal and private image. The high self-monitors are more successful in managerial positions, are better leaders, can better observe and can work efficiently with people of different departments.

5. Risk taking: Managers in large organizations tend to be risk-averse, especially in contrast to growth-oriented entrepreneurs who actively manage small businesses. For the work population as a whole, there are also differences in risk propensity. As a result, it makes sense to recognize these differences and even to consider aligning risk-taking propensity with specific job demands. For example, a high-risk taking propensity may lead to more effective performance for a stock trader in a brokerage firm because that type of job demands rapid decision making. On the other hand, a willingness to take risks might prove a major obstacle to an accountant who performs auditing activities. The latter job might be better filled by someone with a low risk-taking propensity.

6. Type A and Type B personalities: Type A personality are impatient, aggressive and highly competitive. Such people are always in a hurry and can't deal with leisure time. They measure success with quantity and are always under time pressure. They are very productive but have poor judgment. Type B personality are easy going, laid back and non-competitive. They are not concerned about time and relax without feeling guilty. They don't have any time deadlines set for themselves. They are better on complex tasks involving judgment and accuracy rather than speed and hard work. Type A employees are poor in creativity. They suit to the routine activities and their behaviour is easily predictable.

Type B employees can easily get promoted as "promotions usually go to those who are wiser rather than to those who are hasty, to those who are tactful rather than to those who are hostile and to those who are creative rather than to those who are merely agile in competitive strife."



Personality-job fit theory

Personality-job fit theory was developed in the 1950s by John Holland. He was of the view that people are happier and most productive when they are placed into jobs that match their personality. The Personality-Job Fit Theory assumes that examining a person's personality will give insight into their adaptability in an organization. Basically, how well they will fit in and work. By matching the right personality with the right company you can achieve a better synergy and avoid pitfalls such as high turnover and low job satisfaction.

Personality-job fit theory (PJ Fit) revolves around the idea that every organization and individual has specific personality traits. The closer the traits between the person and the business match, the higher the likelihood of workplace productivity and satisfaction. The best personality fit will also decrease job turnover and stress, absenteeism, and poor job satisfaction. Personality-job fit theory shows the match between an employee's abilities, needs, and values and organizational demands, rewards, and values.

This theory groups people on the basis of their suitability for six different categories of occupations. The six types yield the RIASEC acronym, by which the theory is also commonly known. According to him, there are six key categories that define the modern worker. Those are: Realistic, Investigative, Artistic, Social, Enterprising and Conventional. He also viewed that most people fall into more than one category and people with the same personality type tend to work best with others of their type, but certain types work best alone or with specific groups over others.

Realistic (Doers): People who like to work with "things". They tend to be assertive and competitive, and are interested in activities requiring motor coordination, skill and strength. They approach problem solving "by doing something, rather than talking about it, or sitting and thinking about it. They also prefer concrete approaches to problem solving, rather than abstract theory. Finally, their interests tend to focus on "scientific or mechanical rather than cultural and aesthetic areas.

Investigative (Thinkers): People who prefer to work with "data". They like to think and observe rather than act, to organize and understand information



rather than to persuade. They also prefer individual rather than people-oriented activities.

Artistic (Creators): People who like to work with "ideas and things." They tend to be creative, open, inventive, original, perceptive, sensitive, independent and emotional. They rebel against structure and rules, but enjoy "tasks involving people or physical skills. They tend to be more emotional than the other types.

Social (Helpers): People who like to work with "people" and who seem to satisfy their needs in teaching or helping situations. They tend to be drawn more to seek close relationships with other people and are less apt to want to be really intellectual or physical.

Enterprising (Persuaders): People who like to work with "people and data." They tend to be good talkers, and use this skill to lead or persuade others. They also value reputation, power, money and status.

Conventional (Organizers): People who prefer to work with "data" and who like rules and regulations and emphasize self-control. They like structure and order, and dislike unstructured or unclear work and interpersonal situations. They also place value on reputation, power, or status.

Personality tests and their practical applications:

When it comes to the —how to find the right personalities in your office? Psychometric tests are an organization's best tool. Sure, hiring managers can rely on a hunch during hiring, and managers can take that into account later, but personality testing provides standardized, reliable information that helps organizations decide whether or not an employee is a good organizational fit.

Here are few personality tests that organizations can, and should, use to make sure their employees are the right ones for the job:

Myers Briggs

One of the most well-known tools for mapping employee personalities, Myers Briggs (MBTI) assessments describe an employee's tendencies toward: Extraversion vs. Introversion, Intuition vs. Sensing, thinking vs. feeling, and Judging vs. Perceiving. Results from these tests place the employee into one of 16 personality types, which each have their own strengths and weaknesses. Although personality type doesn't predict success on the job, knowing a new hire's personality type can help you to understand whether they will be a



cultural t for your company, as well as guide you toward integrating them effectively with the team.

Big Five

The Big Five are the five broad dimensions of personality that most researchers in the personality testing community use when evaluating a person's personality. For organizations, where an employee falls on the range for these five traits (Extraversion, Openness, Agreeableness, Conscientiousness and Neuroticism) can provide great insight into how a new hire or current employee interacts with co-workers, manages work-related stress, deals with managerial decisions, and more.

Projective Techniques

It uses vague, ambiguous, unstructured stimulus objects or situations in which the subject "projects" his or her personality, attitude, opinions and self-concept to give the situation some structure. The two widely used projective tests are as follows:

(a) Thematic Apperception Test (TAT): is a projective measure intended to evaluate a person's patterns of thought, attitudes, observational capacity, and emotional responses to ambiguous test materials. The individual is exposed to ambiguous pictures and requested to make up a story for each.

(b) Rorschach Test: a type of projective test used in psychoanalysis, in which a standard set of symmetrical ink blots of different shapes and colours is presented one by one to the subject, who is asked to describe what they suggest or resemble.

Occupational Interest Inventories (OIs)

In organizations with multiple positions and different career paths, occupational interest inventories can be effective tools for putting employees in the right roles. These tests, like the Holland Code Career Test, measure how interested a participant is in different tasks and roles. They also provide insight into the career interests of that participant. OIs are especially effective for increasing employee retention when administered to current employees to determine what their role in an organization should be.



DISC Behaviour Inventory

Understanding an employee 's work behaviour style can be important, especially when it comes to team building. Used frequently in larger organizations, the DISC classifies candidates into four different —styles based on questions about their behaviour at work. It helps organizations find out more about a candidate's tendencies toward: Dominance, Influence, Support, and Control.

Situational Judgment Tests (STJs)

If you are looking to see how an employee interacts with customers or handles the pressure of common challenging situations, consider using STJs as a part of your evaluation process. STJs put your employees in realistic, simulated situations to find out which pre-loaded responses the employee feels are most or least effective.

Dr. Pragna Mohapatra

PERCEPTION

Perception is the organization, identification, and interpretation of sensory information in order to represent and understand the environment.

All perception involves signals in the nervous system, which in turn result from physical or chemical stimulation of the sense organs.

It is not the passive receipt of these signals but is shaped by learning, memory, expectation, and attention.

The study, of these perceptual processes, shows that their functioning is affected by three classes of variables – the objects or events being perceived, the environment in which perception occurs, and the individual doing the perceiving.

Definition

“Perception includes all those processes by which an individual receives information about his environment—seeing, hearing, feeling, tasting and smelling.”

Joseph Reitz

“Perception is the process of becoming aware of situations, of adding meaningful associations to sensations.”

B. V. H. Gilmer

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

Uday Pareek

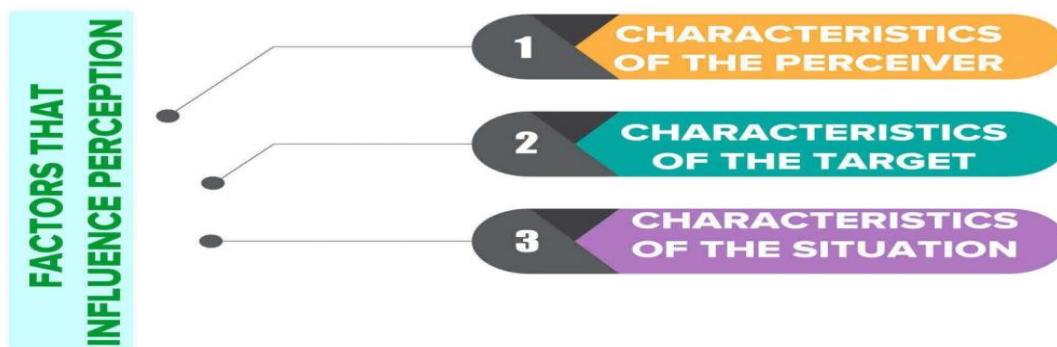
Perception can be defined as “the process by which individuals organize and interpret their sensory impressions in order to give meaning to their environments.”

S. P. Robbins

Importance of Perception in OB:

- (i) Perception is very important in **understanding the human behaviour**, because every person perceives the world and **approaches the life problems differently**- Whatever we see or feel is not necessarily the same as it really is. It is because what we hear is not what is really said, but what we perceive as being said. When we buy something, it is not because it is the best, but because we take it to be the best. Thus, it is because of perception, we can find out why one individual finds a job satisfying while another one may not be satisfied with it.
- (ii) If people behave on the basis of their perception, we **can predict their behaviour in the changed circumstances** by understanding their present perception of the environment. One person may be viewing the facts in one way which may be different from the facts as seen by another viewer.
- (iii) With the help of perception, the **needs of various people can be determined**, because **people's perception is influenced by their needs**. Like the mirrors at an amusement park, they distort the world in relation to their tensions.
- (iv) Perception is very important for the **manager who wants to avoid making errors when dealing with people and events in the work setting**. This problem is made more complicated by the fact that different people perceive the same situation differently. In order to deal with the subordinates effectively, the managers must understand their perceptions properly. Thus, for understanding the human behaviour, it is very important to understand their perception, that is, how they perceive the different situations.

Factors that Influence Perception



(i) Characteristics of the Perceiver

Several characteristics of the perceiver can affect perception. When an individual looks at a target and attempts to interpret what he or she stands for, that interpretation is heavily influenced by personal characteristics of the individual perceiver.

The **characteristics of the perceiver** influencing perception are:

Attitude

The attitude of employees influences perception formation. If they have positive attitudes towards the management, they directly perceive the stimuli given by management. In the case of negative attitudes, the employees suspect the management's approach. Employees of high aptitude have a desire and attitude for growth. They behave positively toward the management of an organization.

Motives

The motives and desires of employees cause them to view stimuli differently as per their level and angle. Helpful motives of the employees will always assist the management. If they desire to develop themselves and the organization, they will perceive objects and situations positively. Employees having low motives will not work sincerely. The perception will differ depending on different types of motives.

Interest

The interest of individuals draws more attention and recognition to stimuli. Less attention and recognition lowers the impact of stimuli or objects on

behaviour. If employees lack interest, behaviour pattern will be less effective, and the perception will be weak.

Experience

The experience of employees results in different levels of perception. A young employee takes time to understand the object and situation. Experienced employees generally understand objects quickly and correctly. However, in contradictory situations, it is difficult to correct aged persons, whereas the young are easily moulded towards achieving the objectives of the organization.

Expectation

Expectations distort perceptions. People see what they expect to see. If they see the object and the situation differently from their expectations, they get frustrated. They are unable to modify their behaviour. The employees may expect more pay and so they perceive the management from that angle. The real stimuli are not properly perceived if expectations exist there on. The management has to evolve expectations for proper perception.

Self-Concept

Another factor that can affect social perception is the perceivers' selfconcept. An individual with a positive self-concept tends to notice positive attributes in another person. In contrast, a negative self-concept can lead a perceiver to pick out negative traits in another person. Greater understanding of self allows us to have more accurate perceptions of others.

(ii) Characteristics of the Target

Characteristics in the target that is being observed can affect what is perceived. Physical appearance plays a big role in our perception of others. Extremely attractive or unattractive individuals are more likely to be noticed in a group than ordinary looking individuals. Motion, sound, size and other attributes of a target shape the way we see it.

Physical appearance

Physical appearance plays a big role in our perception of others. The perceiver will notice the target's physical features like height, weight, estimated age, race and gender. Perceivers tend to notice physical appearance characteristics that contrast with the norm, that are intense, or that are new or unusual.

Verbal communication

Verbal communication from targets also affects our perception of them. We listen to the topics they speak about, their voice tone, and their accent and make judgements based on this input.

Non-verbal communication

Non-verbal communication conveys a great deal of information about the target. The perceiver deciphers eye contact, facial expressions, body movements, and posture all in an attempt to form an impression of the target.

Targets are not looked at in isolation; the relationship of a target to its background influences perception because of our tendency to group close things and similar things together.

Objects

Objects that are close to each other will tend to be perceived together rather than separately. As a result of physical or time proximity, we often put together objects or events that are unrelated.

People, objects or events that are similar to each other also tend to be grouped together. The greater the similarity, the greater the probability we will tend to perceive them as a group.

(iii) Characteristics of the Situation

Change in situation leads to incorrect perception about a person. The factors that influence the perception are:

Time

The situation in which the interaction between the perceiver and the target takes place has an influence on the perceiver's impression of the target. For Example, a person decked up for a party may not be noticeable but the same dress in office would be noticed distinctly, though the person has not changed.

Work setting

You would have very frequently heard people say that their manager is different during working hours and opposite while in a social setting.

Social setting

The strength of the situational cues also affects social perception. Some situations provide strong cues as to appropriate behaviour. In these situations,

we assume that the individual's behaviour can be accounted for by the situation and that it may not reflect the individual's disposition. This is the discounting principle in social perception.

For example, you may encounter an automobile salesperson who has a warm and personable manner, asks you about your work and hobbies, and seems genuinely interested in your taste in cars. Can you assume that this behaviour reflects the salesperson's personality? You probably cannot, because of the influence of the situation. This person is trying to sell you a car, and in this particular situation, he probably treats all customers in this manner.

Managerial Implications of Perceptions

People in organisations are always judging each other. Managers must appraise their subordinate's performance. Let us look at the more obvious applications of perceptions in organisations.

During Interview: A major input into who is hired and who is rejected in any organisation is the employment interview. Evidence indicates that interviewers often make inaccurate perceptual judgements. Interviewers generally draw early impressions that become very quickly entrenched.

Performance Evaluation: An employee's performance appraisal very much depends on the perceptual process. The performance appraisal represents an assessment of an employee's work. While this can be objective, many jobs are evaluated in subjective terms. Subjective measures are, by definition, judgemental.

Performance Expectations: A manager's expectations from an individual employee affect both the manager's behaviour towards the individual and the individual's response. Similarly, New employees during their selection process acquire a set of expectations both about the organization and about the job. In case there is a big gap between the expectations and realities, there will be problems of increased alienation of employee, absenteeism, disobeying of order, lack of respect towards organization etc.

Performance Expectation: New employees during their selection process acquire a set of expectations both about the organization and about the job. In case there is a big gap between the expectations and realities, there will be

problems of increased alienation of employee, absenteeism, and even turnover.

Employee Effort: Since many organizations, the level of an employee's performance is given high importance. Hence, an employee's future in an organization depends upon his effort made for achieving the organizational goals. However, assessment of an individual's performance is subjective judgment and thus, susceptible to perceptual distortions and bias also.

Employee Loyalty: While assessing employees the managers also make another important decision- whether the employees are loyal to the organization? Like effort, assessment of loyalty is also a subjective judgment susceptible to perceptual distortions and bias. As an example, an employee looking for better opportunity outside the organization may be labelled as disloyal to the organization. As a resultant behaviour, the organization may cut his future advancement opportunities.

Perceptual Process

We have already defined perception as a process of receiving, selecting, organising, interpreting, checking and reacting to stimuli. This is like an input throughput-output process in which the stimuli can be considered as 'inputs', transformation of 'inputs' through selection, organisation and interpretation as 'throughputs' and the ultimate behaviour/action as 'output'.

This whole perceptual process can be presented as follows:

Let us discuss each of these in turn:

1. Receiving Stimuli: The perception process starts with the reception of stimuli.

The stimuli are received from the various sources. Through the five organs, we see things/objects, hear sounds, smell, taste and touch things. In this way, the reception of stimuli is a physiological aspect of perception process. Stimuli may be external to us (such as sound waves) and inside us (such as energy generation by muscles).

2. Selection of Stimuli: People, in their everyday life, are bombarded by myriads of stimuli. They cannot assimilate all what they observe or receive from the environment at a time. Hence, they select some stimuli for further processing to attach meanings to them while the rest are screened out.

Selection of stimuli is not made at random, but depending on the two types of factors, namely, external factors and internal factors. While external factors relate to stimuli such as intensity of stimuli, its size, movement, repetition, etc., internal ones relate to the perceiver such as his/her age, learning, interest, etc. Normally, *people selectively perceive objects or things which interest to them most in a particular situation and avoid those for which they are indifferent. This is also called 'selective perception'.* The '**selective perception**' involves the following two psychological principles:

(i) Figure Ground Principle: As we just noted, we select stimuli for further processing that we consider important for us or which we cannot study. The meaningful bits and pieces of stimuli are called the "figure" and the meaningless ones are levelled as "ground". More attention is given to figure and less to ground.

(ii) Relevancy: Relevancy is yet another principle involved in selective perception. In practice, people selectively perceive things that they consider relevant to meet their need and desires.

3. Organisation of Stimuli: Having selected stimuli or data, these need to be organised in some form so as to assign some meanings to them. Thus, organising the bits of information into a meaningful whole is called "organisation". There are ways by which the selected data i.e., inputs are organised. These are:

(i) Grouping: Grouping is based on the similarity or proximity of various stimuli perceived. The tendency to group stimuli i.e., people or things appearing similar in certain ways has been a common means of organising the perception. For example, all the workers having similarity in certain aspects may be perceived have similarly, opinion about their boss. Similarly, all the workers coming from the same place may be perceived as similar on the basis of proximity.

(ii) Closure: When people face with incomplete information, they tend to fill the gaps themselves to make it more meaningful. They may do it on the basis of their experience, hunches, guess or past data. Take an example of an advertisement of an alphabet written by putting electric bulbs. You may have noticed the name of a newspaper, for example, The Hindustan Times in your or other city shaping the alphabet by putting electric bulbs in broken line. In such case, you tend to fill up the gap among different bulbs to get meaning out of

these. Thus, the tendency to form a complete message from an incomplete one is known as Closure

(iii) Simplification: When people find themselves overloaded with information, they try to simplify it to make it more meaningful and understandable. In this process, what they do is to subtract less salient information and concentrate on important ones only

4. Interpretation: The data collected and organised remain meaningless for the perceiver till these are assigned meanings. Assigning meanings to data is called 'interpretation'. Thus, interpretation of data forms one of the most important element in the entire perceptual process. Strictly speaking, data collected and organised do not make any sense without interpretation. Several factors influence interpretation in organisations. The most important ones are halo effect, attribution, stereotyping. personality, situation, person perceived, etc. These are discussed one by one.

(i) Halo Effect: Drawing a general impression about an individual based on a single characteristics or trait is called halo effect. But it has an important implication for understanding or evaluating an employee in the organisation. An employee, based on halo effect, may be rated as bad in one trait, but good in other traits.

(ii) Attribution: Explaining human behaviour in terms of cause and effect is called attribution'. However, attributing casual explanation to a particular human behaviour sometimes tends to distort perception. For example, if a prosperous worker does overtime on any day, it is perceived that he has done it in the interest of organisation. But if a poor worker also does the same, the action or behaviour is perceived as being for money. A unique tendency is also observed among individuals that they attribute their own behaviour to situational requirements but explain the behaviour of others by their personal disposition

(iii) Stereotyping: When individuals are judged on the basis of the characteristics of the group to which they belong. this is called stereotyping. The word stereotype was first, in 1922, applied by Walter Lipmann to perception. Since then, it has become a frequently used term to describe perception. In particular, it is employed in analysing prejudice. Most stereotypes have favourable and unfavourable traits. That older workers cannot learn new skills', 'over-weight people lack discipline', "Japanese are

nationalistic', 'Indians eat very spicy food', 'Gujuratis are born to do business', "Punjabis are very funny", and 'workers are anti-management, are some common examples of stereotypes. The basic problem with stereotyping suffers is that it is so widespread that it does not give in-depth truth. The fact otherwise remains that it may not contain even a shred of truth or may be irrelevant. Thus, stereotyping makes the perception inaccurate based on a false premise about a group

(iv) Personality: Personality of the perceiver also affects what is to be perceived. In this context, researchers have reported that secure individuals tend to perceive others as warm not cold and indifferent and persons accepting themselves and having faith in their individuality perceive things favourable. These also imply that persons being insecure and nonaccepting themselves are less likely to perceive others around them.

(v) Situation: The situation or context in which we observe or see things also influences our perception about them. Just think. A management Professor may not notice his 20-years-old girl student in an evening gown and heavy makeup at a marriage party in a five-star hotel. Now, if the same girl student so attired attends his class on next day would certainly catch the Professor's attention along with that of the rest of the class. This indicates how situation affects our perception. Closely related to situation is time, light, heat or other situational factors that affect perceiver's perception about the things or events to be perceived.

(vi) Perceiver: So far, we have learnt how factors residing in objects and situations affect one's perception about things and events. Factors residing in the perceiver himself/herself do also operate to shape and sometimes distort his/her perception. The perceiver's attitudes, motives, interests, past experience, and expectations are among the more relevant personal factors/characteristics that affect perception. Let us give an example how personal factors influence what he or she perceives:

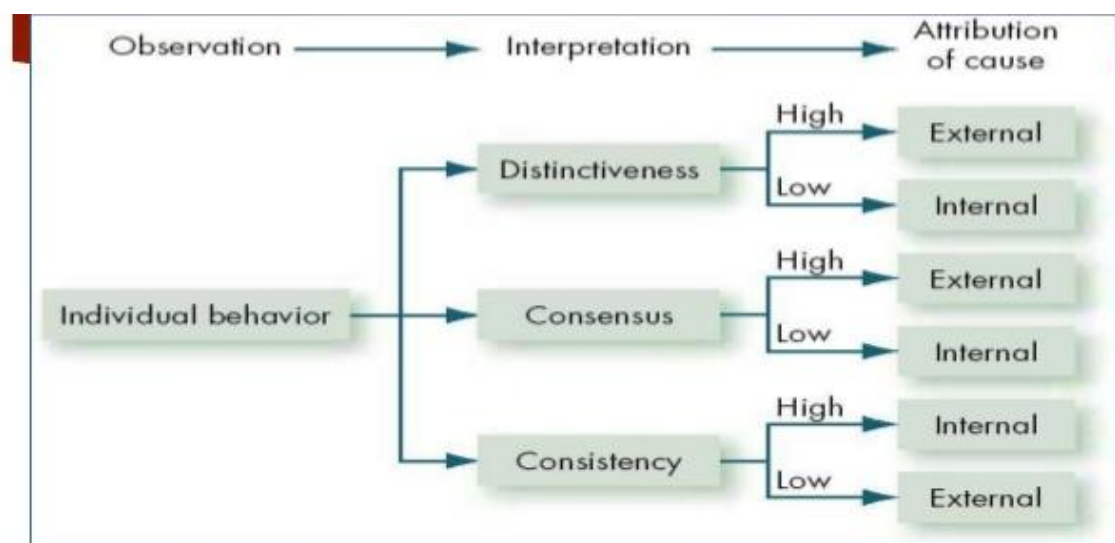
5. Action: Action is the last phase in the perceptual process. Action is the result of behaviour of individual emerging from the perceptual process. The action may be positive or negative depending upon favourable perception held by the perceiver. As an example, a student may respond favourably to the motivational intentions of the Professor provided his understanding about his Professor is positive or favourable. The action also may be covert or overt. The covert action relates to change in attitudes, opinion, feelings, impressions, etc.

The overt action may be in the form of one's behaviour easily noticeable and visible.

ATTRIBUTION THEORY OF PERCEPTION:

In day-to-day life, we come across people with whom we interact. Motives, intentions, belief and attitude of people have an impact as to how they behave. It has been seen that our perception about the people is greatly influenced by the assumption we make about a person and not by reality.

There are two factors, which has an impact on human behaviour. First is internally caused behaviour – refers to internal factors on which individual has a full control, secondly the externally caused behaviour refers to the behaviour which has been caused due to external factors and that the individual has no control over it. Attribution theory suggests that when we evaluate human behaviour, it is either internally caused or it is caused due to external factors as explained above. The determination however depends on the following three factors. See figure below:



(a) Distinctiveness: Let us for evaluation purposes take an example of X worker coming late for duty. When we carry out interpretation there are two factors, one whether arriving late is usual or unusual behaviour. If it is usual, it is attributed to internal factor on which X has full control. When the behaviour is unusual then it can be attributed to external factors. In the former situation individual could be counselled appropriately in the later situation, the external factors cannot be corrected. If the external factors are high, then late coming should not be attributed to the individual behaviour.

(b)Consensus: This factor refers to group behaviour. If the entire group taking the same route came late on duty, the causation is attributed to external factors. But by some chance if X only was late then the causation would be internal.

(c)Consistency: If the behaviour of Mr. X is consistence that is if he is consistently coming late then attribution should be to internal factors. In such cases there is a high internal causation. If X came late once in a while the causation would be low and attributed to external factors. More consistence the behaviour, the more the observer is inclined to attribute it to internal causes. It has been seen that we have the tendency to under estimate the influence of external factors and overestimate the influence of internal factors or personal factors while carrying out perception.

This phenomenon is called the fundamental attribution error. Fall in sales of a commodity is generally attributed to inefficiency of sales force rather than market trend, recession or innovative product launched by the competitor. There is also a self-serving bias error caused by the individuals who tend to attribute their own success to internal causation like ability, hard work and self-worth and the failure, to external factors like Luck. This phenomenon is called a self-serving bias displayed by the individuals. There are bias, which distorts attribution universally across culture. During World War II it was considered by Allies that Japanese are invincible, but the attribution proved to be false at later date when tide took the turn and Japanese had to suffer total annihilation.

Self-serving bias does not apply to all organizations, where cultural identity has been established like Defence Services of India. Where the leader takes the responsibility for the failure of group task and attribute success to collective efforts. This is the main reason that soldiers have great faith in their leader and his ability and that is how the soldiers are led in war and they follow the leader blindly because they have a correct perception of their leader.

HOW TO IMPROVE PERCEPTION?

By now it is proved that perception precedes behaviour. How one (say boss) will behave with others (say, subordinates) depends on how the former perceive the latter. More accurate the perception, the better will be behaviour and vice versa. Inaccurate perception distorts behaviour. And, in this lies the need for and importance of improving perception. Perception can be improved

by making various attempts Following are the important ones that can help one improve his/her perception.

1. Perceiving Oneself Accurately: In order to perceive others accurately first, one needs to perceive oneself accurately. Therefore, one needs to improve more awareness about himself/herself. Frequent and better interaction with peers; free, frank and open communication with others and mutual trust are some commonly adopted practices for perceiving oneself more accurately.

2. Improving One's Self-Concept: When people successfully accomplish what they want, it develops a sense of self-regard and self-esteem. It is called self-concept. Research studies suggest that people having self-concept tend to perceive others more accurately. Abraham Maslow also contends that self-actualising people have more accurate perceptions about themselves and others than those who are not self-actualising. It also indicates that correct perception about oneself helps perceive others also more accurately.

3. Be Empathetic: Empathy means to be able to see a situation as it is perceived by other people. In a way, it is like putting your feet in another's shoes. Looking at a problem from others' point of view enables the person to perceive the other side of the problem.

4. Having Positive attitudes: Positive attitude makes one's perception positive or more accurate. Hence, the managers need to try to overcome their personal bias, get rid of any negative feelings, if any, they have of others. These enhance an individual's perceptual skill.

5. Avoiding Perceptual Distortions: As discussed earlier, some factors such as halo effect, stereotyping, attribution, first impression, etc. distort one's perception about things or problems. Therefore, sincere and continuous efforts should be made to guard oneself against such biases. This, in turn, improves one's perceptual ability,

6. Communicating Openly: Experience suggests that sometimes perception gets distorted due to communication gap or/and inadequate communication. In such case, effective communication needs to be developed to ensure that true and right message reaches at the right place and at the right time. This will enable to know the problem in a better perspective which in turn, will improve person's perception about the problem



MOTIVATION

INTRODUCTION

It is essential to increase overall efficiency of human beings to improve performance of an organization. While machines, processes, technology of high order can be made available to the individuals, but high productivity can only be achieved if workers are highly skilled and adequately motivated. Motivation perhaps is a single most important factor of the study of organizational behaviour that concerns each and every executive today.

MOTIVE VS NEED

Motive is a strong need which has a certain degree of strength that propels a person to act for its fulfilment. If the need or motive is not fulfilled a person remains restless and when fulfilled a person enjoys a certain degree of satisfaction. Greater the motive, greater is the tension and higher the desire to fulfil.

TYPES OF MOTIVES:

Primary motives (Biological motives) are the motives that are absolutely essential for a person to satisfy. These are the basic needs of an individual that apply on everybody. For a motive to be classified in the primary motive category, there are certain conditions that must be met. Example: food, shelter, sleep, clothing etc. Once the primary motives are satisfied, the individual moves on to the secondary motives.

Secondary motives (Social motives) include the motives that are more of a need in a modern and developed society. The secondary motives are the ones that are learned and then applied to satisfy personal needs and wants. Example: power, achievement, security, social affiliation, status etc.

General motives (personal motives) are those motives that neither fall in the primary category nor in the secondary one. These are highly personalized and very much individualized motives. The most important among them are:

- Habits



- Goals of life
- Levels of aspirations
- Attitude and interest

MOTIVES VS MOTIVATION

- Motive is the specific reason for performing a specific action.
- it means a reason for doing something, and motivation means a reason or reasons for acting or behaving in a particular way. Here doing something focuses on one specific act, whereas acting or behaving in a particular way focuses on a more general pattern of action or behaviour

Derived from the Latin word “MOVERE” which means “to move”, “Motivation is the act of stimulating someone or oneself to get desired course of action, to push right button to get desired reactions.” Motivation is defined as the process that initiates, guides, and maintains goal-oriented behaviour. Motivation is what causes us to act, whether it is getting a glass of water to reduce thirst or reading a book to gain knowledge.

In nutshell, Motivation is a process which begins with a physiological or psychological need or deficiency which triggers behaviour or a drive that is aimed at a goal or an incentive.

DEFINITION OF MOTIVATION

- **Scot** defined motivation as “a process of stimulating people to action to accomplish desired goals”.
- **Mc Farland** has defined “motivation as the way in which urges, drives, desires, aspirations, strivings need direct, control or explain the behaviour of human beings”.
- **The Encyclopaedia of Management:** Motivation refers to degree of readiness or an organism to pursue some designated goals and implies the determination of the nature and locus of the forces, including the degree of readiness.

NATURE/CHARACTERISTICS OF MOTIVATION

- Psychological phenomenon: The process of motivation depends on the needs, desires, etc which are psychological phenomenon. The Psychology of every individual is different, hence the needs, desires, expectations are also different.
- Dynamic and situational: The motives, behaviour and goals, are dynamic. The drives differ every day.
- Not an observed phenomenon: Motivation is not directly observed, rather we apprehend something based on the behaviour of an individual underlying his motives.
- Goal oriented process: The motives of a person help one to achieve a goal.
- Continuous process: Human wants are unlimited, so the motives are unlimited and once the individual satisfies a single motive/want, he gets encouraged to satisfy another motive/need/want of a higher order.

THEORIES OF MOTIVATION

The motivation approaches can be broadly classified as content and process theories. Unlike the content models these process theories are relatively complex and difficult to translate into actual practice, and, therefore they have generally failed to meet the goals of prediction and control of organization behavior.

The **content theories** are concerned with identifying the needs that people have and how needs are prioritized. These theorists discuss about what motivates people to perform; The content theories are:

- ***Maslow's Hierarchy of Needs Theory***
- ***Herzberg's Two Factor Model theory***
- ***Alderfer's ERG Theory***

The **process theories** provide a much sounder theoretical explanation of work motivations. These theorists discuss how rewards control behaviour; e.g. expectancy, equity, reinforcement, social learning theories. Those theories are:

- ***Vroom's Expectancy Theory***
- ***Porter-Lawler's model***

Contemporary Theory: These are referred to as contemporary theories because these theories are able to more appropriately explain the phenomenon of the motivation in the contemporary organizations. Such a theory is:

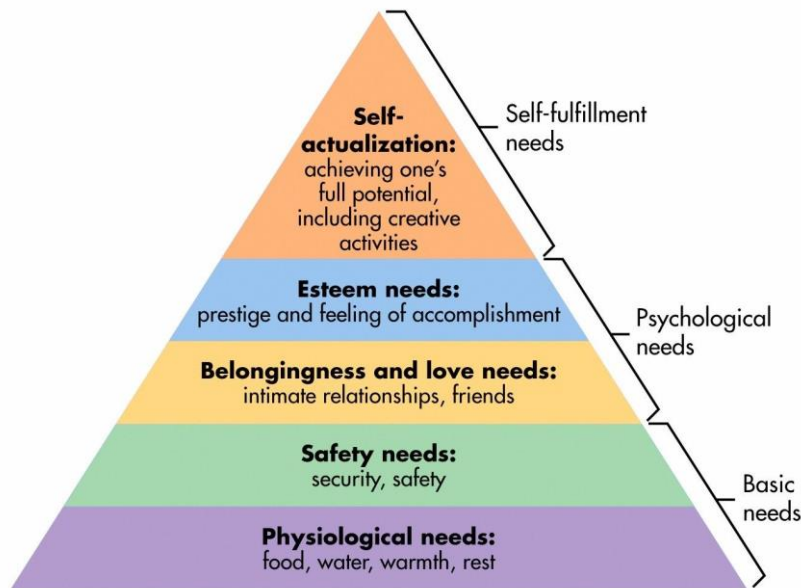
- ***Adam's Equity Theory***

CONTENT THEORY: ABRAHAM MASLOW'S HIERARCHY OF NEEDS THEORY

Abraham Maslow was a clinical psychologist in USA. His motivation theory is widely accepted and studied. Maslow suggested that every individual has complex set of needs at any particular moment and his behaviour is determined by the existence of strongest need. According to him if people grew in an environment in which their needs are not met, they will be unlikely to function as healthy individuals or well-adjusted individuals. Specifically, Maslow theorised that people have five types of needs and that these are activated in a hierarchical manner. This means that these needs are aroused in a specific order from lowest to highest, such that the lowest-order need must be fulfilled before the next order need is triggered and the process continues.

Assumptions of the Theory:

- a) Unsatisfied needs motivate or influence behaviour.
- b) Satisfied needs do not motivate behaviour.
- c) Needs are arranged in a hierarchy.
- d) Needs at any level of the hierarchy emerge as a significant motivator only when the lower-level needs are reasonably well satisfied.



1. Physiological/Basic Needs: The fulfilment of physiological needs takes precedence over all other needs. These needs dominate when they are unsatisfied and no other needs serve as a base for motivation. Unlike other needs, the physiological needs are finite but are recurrent.

2. Safety and Security Needs: The next higher level of need which assumes importance after the fulfilment of Physiological needs. The safety needs look towards the future. How can an individual satisfy his physiological needs when he becomes old? He must have reasonable 'safety' in his old age too. The pension plans, the payment of gratuity Act, the provident funds Act etc. and other benefits after retirement, are basically to ensure security for the man in his old age.

3. Social and belongingness needs: Since man is a social being, he has a need to belong and to be accepted by various groups. When social needs become dominant, a person will strive for meaningful relations with others. In the organization, these needs are reflected by the need to participate in a work group and to have positive relationships with co-workers and Supervisors.

4. Self Esteem Needs: also known as Ego-satisfaction needs or self-worth needs. These needs are manifested in three forms: the need for status, the need for power and the need for recognition. Ex: Promotion. Satisfaction of these needs' leads to a feeling of self-confidence and prestige.

5. Self-Actualization Needs: In the words of Maslow, these needs denote “what a man can be should be” – to become everything one is capable of becoming. It means individual should realize his or her potentialities, talents and capabilities. These are manifested as self-fulfilment and competency needs.

Organisational/ Managerial Applications of the theory:

- The rationale behind the theory lies on the fact that it's able to suggest to managers how they can make their employees or subordinates become self-actualized. This is because self-actualized employees are likely to work at their maximum creative potentials.
- Therefore, it is important to make employees meet this stage by helping meet their need organizations can take the following strategies to attain this stage.
- Recognize employee's accomplishments
- Provide financial security
- Provide opportunities to socialise
- Promote a healthy work force

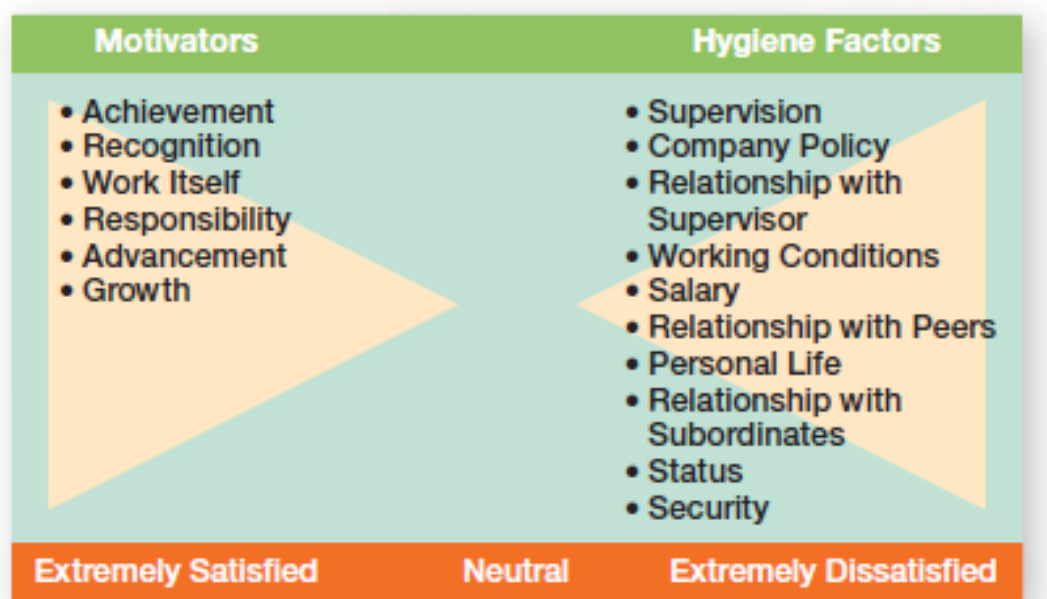
Criticisms of the Theory:

- According to some researchers, the needs fall into only 2 or 3 distinct categories and not five.
- Some also say that the order/hierarchy of the needs may not always be the same.
- Maslow's theory cannot be universally applied in all countries, firms or different positions. Give example.
- Maslow's observation that “a need that has been relatively well satisfied ceases to motivate may not be true in the case of self-esteem and self-actualization needs.
- Needs are not only the determinant of behaviour, there are other motivating factors like perception, experiences etc.
- Maslow's theory is static and needs to be changed over time. For ex: The needs of a graduate student would differ from the needs of a 60-year-old man.

CONTENT THEORY: HERZBERG'S TWO FACTOR THEORY OF MOTIVATION

Fredrick Herzberg's (1959) theory believes that an individual's relation to work is basic and that one's attitude towards work can very well determine success or failure. He extended the work of Maslow and developed a specific content theory of work motivation. In 1950's he conducted a study noting responses of 200 Accountants and Engineers employed by the firms in and around Pittsburgh. The respondents were asked to narrate one critical incident from their work life about which they felt especially unhappy and another incident from work-life about which they felt especially happy.

On analysing the data thus collected Herzberg came to conclusion that there are two sets of factors at the work life; one set he called "hygiene factors" while the other was called the "motivators".



Hygiene Factors: also called as Dissatisfiers. These are conditions of a job which operates primarily to cause dissatisfaction to the employee when they (conditions) are not present. But the presence of these factors does not build strong motivation. Such factors are called Maintenance factors since they are necessary to maintain a reasonable level of job satisfaction. According to him, an organization that meets only the hygiene needs of its employees will eliminate dissatisfaction but will not get superior performance.

Motivators: also called as Satisfiers. These are job conditions or factors which build high levels of satisfaction or motivation. However, if these conditions are not present, they do not prove to be highly dissatisfying. Motivators are concerned mainly with the job content and tend to be internal to the job. According, to Herzberg, opposite of satisfaction is not dissatisfaction as traditionally believed. His view is opposite of “satisfaction” is “no satisfaction” and opposite of “dissatisfaction” is “no dissatisfaction”.

CRITICISMS OF HERZBERG'S TWO FACTORY THEORY

- The analysis of critical incident type response is highly subjective.
- This theory is most applicable to professionals such as engineers, managers, accountants, etc and not relevant to blue-collar workers.
- Herzberg’s study focused on the level of satisfaction, not performance, and satisfaction and performance are not synonymous.

COMPARISON OF HERZBERG’S THEORY WITH MASLOW’S THEORY



- Both the theories belong to the Content Theories of Motivation.
- These theories use individual needs to understand job satisfaction and work behaviour.
- Herzberg’s motivators satisfy the higher order needs of Maslow: Self Esteem and Self Actualization. The Hygiene factors are the equivalent to the lower order needs like:
physiological, security and social needs of Maslow

CONTENT THEORY: ALDERFER'S ERG THEORY OF NEEDS

Clayton Alderfer revised Maslow's theory in 1972. He reduced the levels in the hierarchy from five to three and termed these as below:

- **Existence needs:** are the desires for material and physical well-being. These needs are satisfied with food, water, air, shelter, working conditions, pay, and fringe benefits.
- **Relatedness needs:** are the desires to establish and maintain interpersonal relationships. These needs are satisfied with relationships with family, friends, supervisors, subordinates, and co-workers
- **Growth needs:** are the desires to be creative, to make useful and productive contributions, and to have opportunities for personal development.

COMPARISON BETWEEN MASLOW'S THEORY AND ALDERFER'S ERG THEORY



1. Studies had shown that the middle levels of Maslow's hierarchy had some overlap; Alderfer addressed this issue by reducing the number of levels to three.
2. The ERG needs can be mapped to those of Maslow's theory as follows:

- Existence: Physiological and safety needs
- Relatedness: Social and external esteem needs
- Growth: Self-actualization and internal esteem

3. Like Maslow's model, the ERG theory is also hierarchical - existence needs have priority over relatedness needs, which have priority over growth.

PROCESS THEORY: VROOM'S EXPECTANCY THEORY

The Expectancy Theory of motivation as developed by Victor Vroom is a cognitive process theory of motivation that is based on the idea that people believe there are relationships between the effort they put forth at work, the performance they achieve from that effort, and the rewards they receive from their effort and performance. In other words, people will be motivated if they believe that strong effort will lead to good performance and good performance will lead to desired rewards.

Vroom's expectancy theory differs from the content theories of Maslow, Alderfer, Herzberg, and McClelland in that Vroom's expectancy theory does not provide specific suggestions on what motivates organization members. Instead, Vroom's theory provides a process of cognitive variables that reflects individual differences in work motivation.

People join organizations with expectations about their needs, motivations, and past experiences;

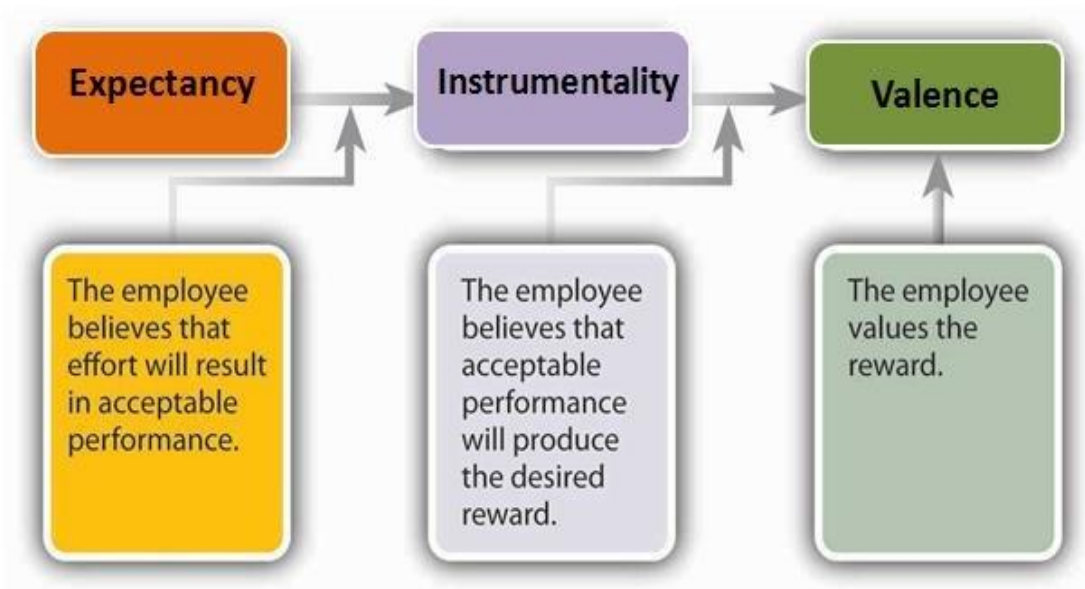
- An individual's behaviour is a result of conscious choice;
- People want different things from the organization and
- People will choose among alternatives so as to optimize outcomes for them personally.

This model is generally known as expectancy theory but is sometimes referred to as VIE theory, where the letters stand for valence, instrumentality, and expectancy, respectively. Vroom believes, a person is motivated to the degree that he or she believes that:

- (a) his/her effort will lead to an acceptable performance (expectancy),
- (b) that performance will be rewarded (instrumentality), and
- (c) the value of the rewards is highly positive (valence).

Therefore, his theory is often expressed as a formula: $\text{Valence} \times \text{Expectancy} \times \text{Instrumentality} = \text{Motivation}$

- Where, **Valence (Reward)** = the amount of desire for a goal (What is the reward?)
- **Expectancy (Performance)** = the strength of belief that work-related effort will result in the completion of the task (How hard will I have to work to reach the goal?)
- **Instrumentality (Belief)** = the belief that the reward will be received once the task is completed (Will they notice the effort I put forth?)





Expectancy: Relationship between Efforts and Performance is known as Expectancy (E). Expectancy is a person's estimate of the probability that job-related effort will result in a given level of performance. Expectancy is based on

probabilities and ranges from 0 to 1. If an employee sees no chance that effort will lead to the desired performance level, the expectancy is 0. On the other hand, if the employee is completely certain that the task will be completed, the expectancy has a value of 1.

Instrumentality: Relationship between Performance and Rewards/Work Outcomes is called as Instrumentality (I). Instrumentality is an individual's estimate of the probability that a given level of achieved task performance will lead to various work outcomes. As with expectancy, instrumentality ranges from 0 to 1.

For example, if an employee sees that a good performance rating will always result in a salary increase, the instrumentality has a value of 1. If there is no perceived relationship between a good performance rating and a salary increase, then the instrumentality is 0.

Valence: Relationship between Rewards/Work Outcomes and Personal goals is known as Valence (V). The valence measures the attractiveness, preference, value or the liking of the rewards or work outcomes for the employee. If an employee has a strong preference for attaining a reward, valence is positive. At the other extreme, valence is negative. And if an employee is indifferent to a reward, valence is the total range is from -1 to +1.

Therefore, the expectancy theory says that:

Effort or motivation = $E \times I \times V$

Criticisms of the Theory:

- The expectancy theory seems to be idealistic because quite a few individuals perceive high degree correlation between performance and rewards.
- The application of this theory is limited as reward is not directly correlated with performance in many organizations. It is related to other parameters also such as position, effort, responsibility, education, etc.

PROCESS THEORY: PORTER LAWLER MODEL OF MOTIVATION

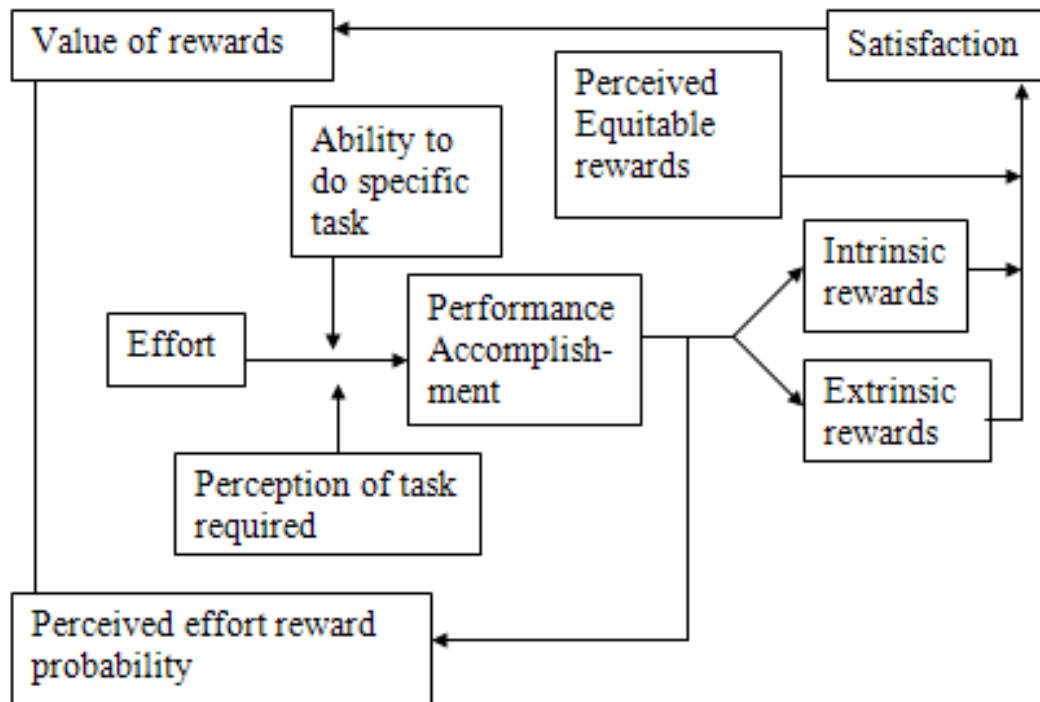
Lyman Porter and Edward Lawler came up with a comprehensive theory of motivation, combining the various aspects that we have so far been discussing and using two additional variables in their model. Vroom had suggested what leads to effort. The Porter Lawler model however, goes a step ahead and postulates that effort does not necessarily lead to performance and satisfaction. While efforts are determined by the value of reward and the perceived reward probability, performance i.e. accomplishment is influenced by an individual's abilities and role perceptions. In the ultimate analysis an employee derives satisfaction which is an amalgam of effort leading to performance interacting with rewards.

Though built-in large part on Vroom's expectancy model. Porter and Lawler's model is a more complete model of motivation. This model has been practically applied also in their study of managers. It is a multi variate model which explains the relationship that exists between job attitudes and job performance.

Assumptions of the theory:

- (i) As mentioned already, it is a multi variate model. According to this model, individual behaviour is determined by a combination of factors in the individual and in the environment.
- (ii) Individuals are assumed to be rational human beings who make conscious decisions about their behaviour in the organisations.
- (iii) Individuals have different needs, desires and goals.
- (iv) On the basis of their expectations, individuals decide between alternate behaviours and such decided behaviour will lead to a desired outcome.

MAJOR ELEMENTS OF THE MODEL:



1. Effort: Effort refers to the amount of energy which a person exerts on a job.

2. Value of Reward: First of all, people try to figure out whether the rewards that are likely to be received from doing a job will be attractive to them. This is referred to as valence in Vroom's theory. A person who is looking for more money, for example, extra vacation time may not be an attractive reward. If the reward to be obtained is attractive or valent then the individual will put extra efforts to perform the job. otherwise, he will lower his effort.

3. Perceived Effort Reward Probability: In addition, before people put forth any effort, they will also try to assess the probability of a certain level of effort leading to a desired level of performance and the possibility of that performance leading to certain kinds of rewards. Based on the valence of the reward and the effort reward probability, people can decide to put in certain level of work effort.

4. Performance: Effort leads to performance. The expected level of performance will depend upon the amount of effort, the abilities and traits of the individual and his role perceptions. Abilities include knowledge, skills and intellectual capacity to perform the job. Traits which are important for many

jobs are endurance, perseverance, and goal directedness. Thus, abilities and traits will moderate the effort- performance relationship.

In addition, people performing the jobs should have accurate role perception which refers to the way in which people define for the jobs. People may perceive their roles differently. Only those, who perceive their roles as is defined by the organization, will be able to perform well when they put forth the requisite effort.

5. Rewards: Performance leads to certain outcomes in the shape of two types of rewards namely extrinsic rewards and intrinsic rewards. Extrinsic rewards are the external rewards given by others in the organization in the form of money, recognition or praise. Intrinsic rewards are internal feelings of job self-esteem and sense of competence that individuals feel when they do a good job.

6. Satisfaction: Satisfaction will result from both extrinsic and intrinsic rewards. However, for being satisfied, an individual will compare his actual rewards with the perceived rewards if actual rewards meet or exceed perceived equitable rewards, the individual will feel satisfied and if these are less than the equitable rewards, the individual will feel dissatisfied.

To summarize actual performance in a job is primarily determined by the effort spent. But it is also affected by the person's ability to do the job and also by individual's perception of what the required task is. So performance is the responsible factor that leads to intrinsic as well as extrinsic rewards. These rewards, along with the equity of individual leads to satisfaction. Hence, satisfaction of the individual depends upon the fairness of the reward.

PROCESS/ CONTEMPORARY THEORY: ADAM'S EQUITY THEORY

One of the contemporary theories of motivation is Adam's Equity Theory developed by J. Stacy Adams. The core of the equity theory is the principle of balance or equity. As per this motivation theory, an individual's motivation level is correlated to his perception of equity, fairness and justice practiced by the management. Higher is individual's perception of fairness, greater is the motivation level and vice versa.

While evaluating fairness, employee compares the job input (in terms of contribution) to outcome (in terms of compensation) and also compares the

same with that of another peer of equal cadre/category. O/I ratio (output-input ratio) is used to make such a comparison. Equity is perceived when this ratio is equal. While if this ratio is unequal, it leads to “equity tension”. Adams called this a negative tension state which motivates him to do something right to relieve this tension.

Assumptions of the Equity Theory:



- The theory demonstrates that the individuals are concerned both with their own rewards and also with what others get in their comparison.
- Employees expect a fair and equitable return for their contribution to their jobs.
- Employees decide what their equitable return should be after comparing their inputs and outcomes with those of their colleagues.
- Employees who perceive themselves as being in an inequitable scenario will attempt to reduce the inequity either by distorting inputs and/or outcomes psychologically, by directly altering inputs and/or outputs, or by quitting the organization.

An employee might compare himself with his peer within the present job in the current organization or with his friend/peer working in some other organization or with the past jobs held by him with others. An employee's choice of the



referent will be influenced by the appeal of the referent and the employee's knowledge about the referent.

The four comparisons an employee can make have been termed as "referents" according to Goodman. The referent chosen is a significant variable in equity theory. These referents are as follows:

- 1. Self-inside:** An employee's experience in a different position inside his present organization.
- 2. Self-outside:** An employee's experience in a situation outside the present organization.
- 3. Other-inside:** Another employee or group of employees inside the employee's present organization.
- 4. Other-outside:** Another employee or employees outside the employee's present organization

Based on equity theory, employees who perceive inequity will make one of six choices:

- Change inputs (exert less effort if underpaid or more if overpaid).
- Change outcomes (individuals paid on a piece-rate basis can increase their pay by producing a higher quantity of units of lower quality).
- Distort perceptions of self ("I used to think I worked at a moderate pace, but now I realize I work a lot harder than everyone else.").
- Distort perceptions of others ("Mike's job isn't as desirable as I thought.").
- Choose a different referent ("I may not make as much as my brother-in-law, but I'm doing a lot better than my Dad did when he was my age.").
- Leave the field (quit the job)

MODULE 3

FOUNDATIONS OF GROUP BEHAVIOUR

UNDERSTANDING GROUP

A work group is collection of two or more individuals, working for a common goal and is interdependent. They interact significantly to achieve a group objective. For a manager it is difficult to manage group because of varied nature, personality traits, attitude of individuals and personal interest in the group job the group members' display. It is therefore important for managers to understand group member behaviour and deal effectively with the group because of the synergy they provide. Manager should be able to achieve not only group objective but should be able to fulfil individual objectives within the overall organizational frame work.

Fred Luthans states that if a group exists in an organization, its members: -

- Are motivated to join
- Perceive a group as unified unit of interacting people
- Contribute to various amounts to the group processes
- Reach agreement and disagreements through various forms of interaction

CHARACTERISTICS OF A GROUP:

Regardless of the size or the purpose, every group has similar characteristics:

(a) **Two or more persons:** A group exists by having at least two members, who are interdependent to each other to achieve the organizational objectives.

(b) **Formal social structure.**

(c) **Common goals:** Each member in a group has a shared/common goal to achieve. But the members do not always come to agreement regarding all group objectives.

(d) **Interaction:** groups are based on various modes of communication like face-to face, telephonic, email, or intranet.

(f) **Interdependence:** each member is complimentary to the other

(g) **Collective Identity:** Self-definition as group members. Every member of the group should be aware of other members in the group, but they all should be having a collective identity of their own considering themselves as belonging to one whole group.

(h) **Group Dynamics:** is a social process which involves the study of forces operating within a group.

WHY DO WE JOIN GROUPS? / NEED FOR GROUP DEVELOPMENT

- 1. Security:** By joining a group, individuals can reduce the insecurity of standing alone. People feel stronger and more resistant to threats when they are part of a group. Group provides safety and protection against a common enemy.
- 2. Affiliation:** Groups can fulfil social needs. People enjoy the regular interaction that comes with groups membership. For many people, these on-the-job interactions are their primary sources for fulfilling their need for affiliation.
- 3. Power:** What cannot be achieved individually after becomes possible through group action. There is power in number.
- 4. Goal Achievement:** Through pooling of knowledge, resources, talents and power in-group, people are able to achieve goals that may not be possible individually. More than one person can achieve one particular goal easily. In such instances management will rely on the use of formal group.
- 5. Self-Esteem:** Membership of prestigious groups increases the self-esteem of people. It generates positive feeling of self-worth.
- 6. Status:** Individuals get recognition and status when they are members of groups that are considered to be important by other. People look at them with respect and awe.

TYPES OF GROUPS

Formal groups

- 1. Command groups** are specified by the organizational chart and often consist of a supervisor and the subordinates that report to that supervisor. An example of a command group is an academic department chairman and the faculty members in that department.
- 2. Task groups** consist of people who work together to achieve a common task. Members are brought together to accomplish a narrow range of goals within a specified time period. Task groups are also commonly referred to as task forces. The organization appoints members and assigns the goals and tasks to be accomplished. Examples of assigned tasks are the development of a new product, the improvement of a production process, or the proposal of a motivational contest. Other common task groups are ad hoc committees, project groups, and standing committees.
- 3. A functional group** is created by the organization to accomplish specific goals within an unspecified time frame. Functional groups remain in existence after achievement of current goals and objectives. Examples of functional groups would be a marketing department, a customer service department, human resource department or an accounts department.

INFORMAL GROUPS

In contrast to formal groups, informal groups are formed naturally and in response to the common interests and shared values of individuals. They are created for purposes other than the accomplishment of organizational goals and do not have a specified time frame.

1. Interest groups usually continue over time and may last longer than general informal groups. Members of interest groups may not be part of the same organizational department but they are bound together by some other common interest. The goals and objectives of group interests are specific to each group and may not be related to organizational goals and objectives. An example of an interest group would be students who come together to form a study group for a specific class.

2. Friendship groups are formed by members who enjoy similar social activities, political beliefs, religious values, or other common bonds. Members enjoy each other's company and often meet after work to participate in these activities. For example, a group of employees who form a friendship group may have an exercise group, a football team, or a potluck lunch once a month.

3. A reference group is a type of group that people use to evaluate themselves. Reference groups have a strong influence on members' behaviour. By comparing themselves with other members, individuals are able to assess whether their behaviour is acceptable and whether their attitudes and values are right or wrong. For example, the reference group for a new employee of an organization may be a group of employees that work in a different department or even a different organization. Family, friends, and religious affiliations are strong reference groups for most individuals.

GROUP DYNAMICS

Group dynamics deals with the attitudes and behavioural patterns of a group. Group dynamics concern how groups are formed, what is their structure and which processes are followed in their functioning. Thus, it is concerned with the interactions and forces operating between groups.

Definition: "Group dynamics is a system of behaviours and psychological processes occurring within a social group (intragroup dynamics), or between social groups (intergroup dynamics)." Group dynamics is relevant to groups of all kinds – both formal and informal.

In an organizational setting, groups are a very common organizational entity and the study of groups and group dynamics is an important area of study in organizational behaviour.

PRINCIPLES OF THE GROUP DYNAMICS

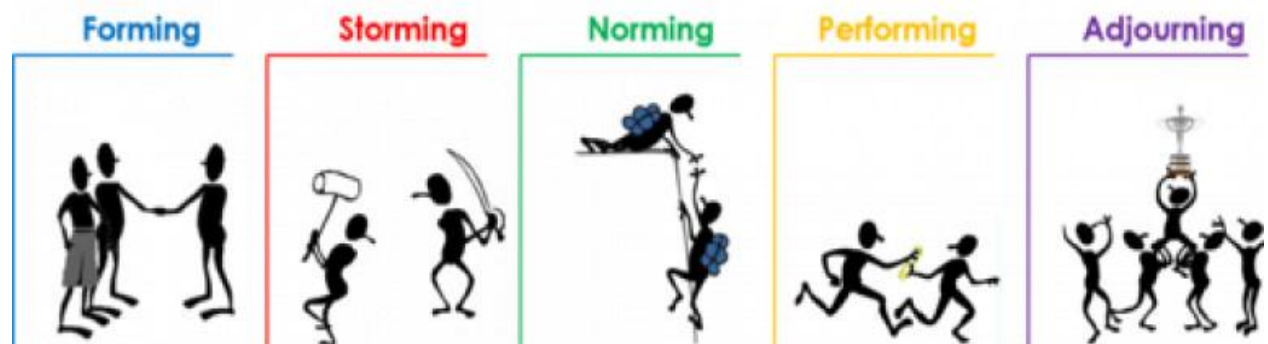
1. The members of the group must have a strong sense of belonging to the group. The barrier between the leaders and to be led must be broken down.

2. The more attraction a group is to its members, the greater influence it would exercise on its members.

3. The greater the prestige of the group member in the eyes of the member, the greater influence he would exercise on the them.

4. The successful efforts to change individuals sub parts of the group would result in making them confirm to the norms of the group.

STAGES OF GROUP DEVELOPMENT/ GROUP FORMATION



1. Forming: Individuals at the initial stage are not clear of the purpose for which they would like to form into groups. This stage is characterized by uncertainty and confusion. They try to get acquainted with each other. Member's test behaviours to determine which are acceptable and which are not to individuals in the group. Thus, members decide within themselves as part of a group.

2. Storming: In this stage, disagreement and conflict recur among members over work behaviour, relative priorities of goals, who is to be responsible for what, and the task related guidance and direction of the leader. There would be confusion over leadership. Individual personalities emerge and group members assert their opinions. Members may disagree over priorities, immediate goals or methods. Some members may withdraw or try to isolate themselves from the emotional tensions generated. This group is not yet unified and some groups never get beyond this stage and hence fail. This stage is complete when the members are clear about the leader and the hierarchy.

3. Norming: Work behaviour at this stage evolve into a sharing of information, acceptance of different opinions and positive attempts to make decisions that may require compromise. During this stage, team members set the rules by which the team will operate. The leader of the group might be identified during this stage. Cooperation and a sense of shared responsibility develop among team members.

4. Performing: Members exert full energy towards functioning and performing the tasks in order to attain the group goals. Team members show how effectively and efficiently they can achieve results together, that the roles of individual members are accepted and understood. The members have learned when they should work independently and when they should help each other. Some teams learn to develop from their experiences and others may perform only at a level that is needed for their survival. Group members interact

well, deal with problems and coordinate their work. The leader's role is to maintain a balance between various members' requirements.

5.Adjourning: The termination of work behaviours and disengagement from social behaviours occur during this stage. Some teams such as problem solving or a cross-functional team created to investigate and report on a specific issue within 6 months, have well-defined points of adjournment. Temporary groups which have limited task to perform, have this stage as the final stage in group development, as the group ceases to exist once the task is complete. But the permanent groups or relatively long-run groups either reach this stage rarely or in the long run.

MANAGING TEAMS

A team is a small number of employees with complementary competencies (abilities, skills and knowledge) who are committed to common performance goals and working relationships for which they hold themselves mutually accountable.

Two or more people who are interdependent, who share responsibility for outcomes, whose themselves as (and who are seen by others as) an intact social entity in a larger social system is also called as "Team".

When teams are formed, its members must have (or quickly develop) the right mix of complementary competencies to achieve the team's goals. Its members also need to be able to influence how they will work together to accomplish those goals.

TYPES OF TEAMS

1. Functional teams: They usually represent individuals who work together daily on a cluster of ongoing and independent tasks. Functional teams often exist within functional departments – marketing, production, finance, auditing, human resources and the like.

2. Problem solving teams: They focus on specific issues in their areas of responsibility, develop potential solutions, and often are empowered to take actions within defined limits. Such teams frequently address quality or cost problems.

3. Cross-functional teams: They bring together the knowledge and skills of people from various work areas to identify and solve mutual problems. They draw members from several specialities or functions and deal with problems that cut across departmental and functional lines to achieve their goals. They are often more effective in situations that require adaptability, speed and a focus on responding to customer needs.

4. Self-managed teams: They normally consist of employees who must work together effectively daily to manufacture an entire product (or major identifiable component) or service. These teams perform a variety of managerial tasks.

5. Virtual Teams: Teams that use computer technology to tie together physically dispersed members in order to achieve a common goal. Also known as a geographically dispersed

team, distributed team, or remote team. Example-Web development team. The basic characteristics of a virtual team are as follows:

- Consider each employee's ideas as valuable
- Be aware of employees' unspoken feelings
- Act as a harmonizing influence
- Be clear when communicating
- Encourage trust and cooperation among employees on your team
- Encourage team members to share information
- Delegate problem-solving tasks to the team
- Facilitate communication
- Set ground rules for the team
- Use consensus
- Establish team values and goals; evaluate team performance

DIFFERENCES BETWEEN GROUPS & TEAMS

Basis for Comparision	Group	Team
Meaning	A group is a collection of individuals who coordinate their individual efforts.	A team is a group of people who share a common team purpose and a number of challenging goals.
No. of Leaders	A group have only one leader.	A team can have more than one leader.
Members	In group the members are independent.	In Team the members are interdependent.
Focuses on	A group focuses on accomplishing individual goals.	A team focuses on accomplishing team goals.
Responsibility	The group members do not share responsibilities.	Team members share the responsibilities.
Process	The process of a group is to discuss the problem, then decide and finally delegate the tasks to individual members.	Team discusses the problem, then decide the way of solving it and finally do it collectively.
Conflict	Members of group are bothered by the conflict.	Members of a team see conflict as part of problem solving.
Conflict Resolution	In group there is no process for conflict resolution.	In team there is provision for conflict resolution.
Freedom	In groups members are verey cautious about what they say and are afraid to ask questions.	Open Communication.
Diverse Perspective	Diverse Perspective may not be welcomed.	Diverse perspective are welcomed.

WHY WORK TEAMS?

1. Helps solve complex problems: Working together a team can apply individual perspectives, experience, and skills to solve complex problems, creating new solutions and ideas that may be beyond the scope of any one individual. Apart from enhancing organisations' performance, good teamwork benefits individuals too.

2. Synergy Effect: Good teamwork creates synergy – where the combined effect of the team is greater than the sum of individual efforts.

3. It provides a framework: It increases the ability of employees to participate in planning, problem-solving and decision making to better serve customers.

ADVANTAGES & DISADVANTAGES OF TEAM

ADVANTAGES OF TEAMS	DISADVANTAGES OF TEAMS
Provides a larger pool of ideas	Some individuals are not compatible with teamwork
Results in more work being accomplished in less time and in better quality products	Team commitments may overshadow personal desires.
Interaction among team members enhances the knowledge of the whole team.	Management may recognize group achievement rather than individual achievement
Team commitment may stimulate performance, motivation and attendance	One person's negativity can demoralize the entire team.

TEAM EFFECTIVENESS MODEL:

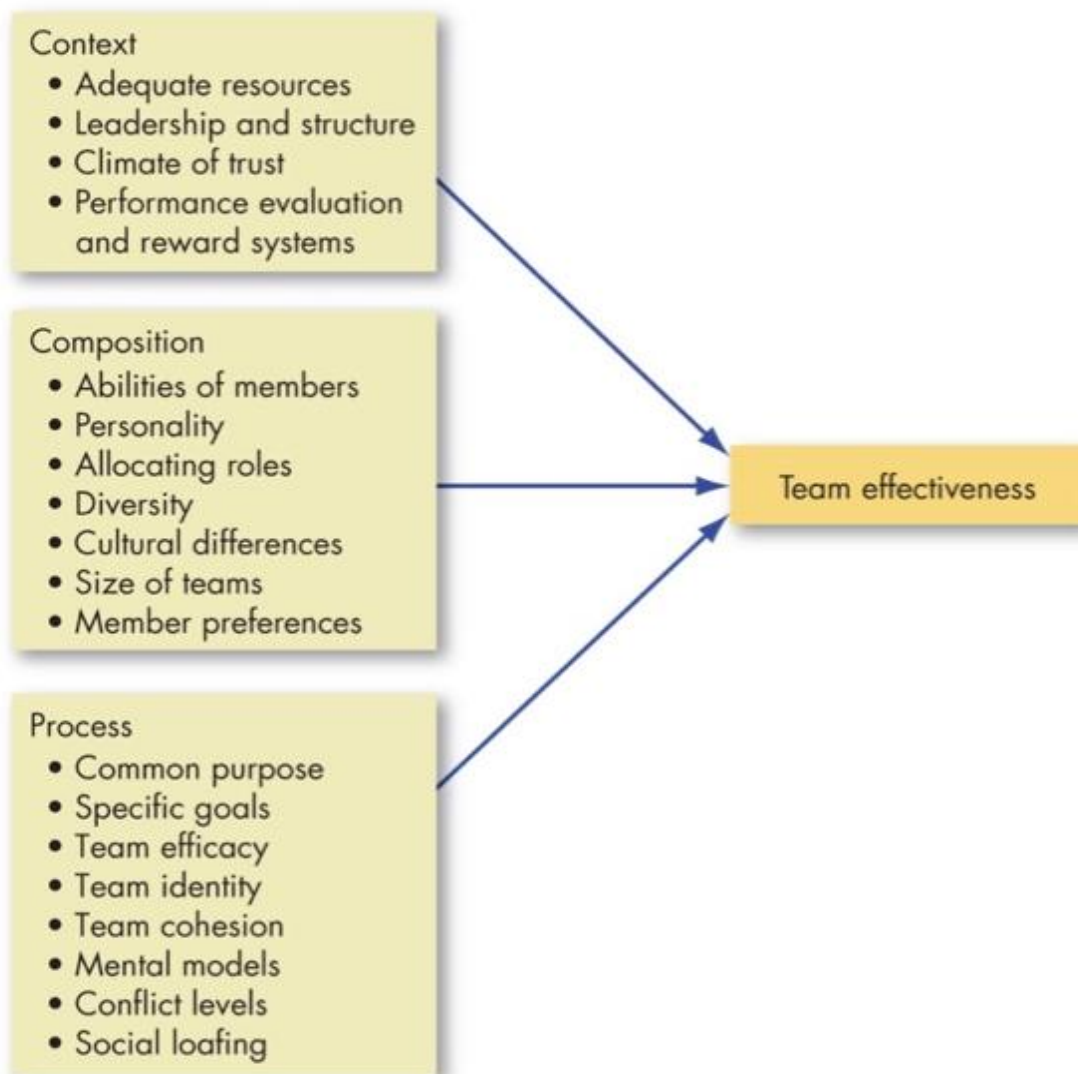
Adequate Resources: Teams are part of a larger organization system; every work team relies on resources outside the group to sustain it. A scarcity of resources directly reduces the ability of a team to perform its job effectively and achieve its goals. As one study concluded, after looking at 13 factors related to group performance, “perhaps one of the most important characteristics of an effective work group is the support the group receives from the organization.” This support includes timely information, proper equipment, adequate staffing, encouragement, and administrative assistance.

Leadership and Structure: Teams can't function if they can't agree on who is to do what and ensure all members share the workload. Agreeing on the specifics of work and how they fit together to integrate individual skills requires leadership and structure, either from management or from the team members themselves. It's true in self-managed teams that team members absorb many of the duties typically assumed by managers. However, a manager's job then becomes managing outside (rather than inside) the team. Leadership is

especially important in multiteam systems, in which different teams coordinate their efforts to produce a desired outcome. Here, leaders need to empower teams by delegating responsibility to them, and they play the role of facilitator, making sure the teams work together rather than against one another. Teams that establish shared leadership by effectively delegating it are more effective than teams with a traditional single-leader structure.

Climate of Trust: Members of effective teams trust each other. They also exhibit trust in their leaders. Interpersonal trust among team members facilitates cooperation, reduces the need to monitor each other's behaviour, and bonds members around the belief that others on the team won't take advantage of them. Team members are more likely to take risks and expose vulnerabilities when they believe they can trust others on their team. And, as we know, trust is the foundation of leadership. It allows a team to accept and commit to its leader's goals and decisions.

Performance Evaluation and Reward Systems: How do you get team members to be both individually and jointly accountable? Individual performance evaluations and incentives may interfere with the development of high-performance teams. So, in addition to evaluating and rewarding employees for their individual contributions, management should modify the traditional, individually oriented evaluation and reward system to reflect team performance and focus on hybrid systems that recognize individual members for their exceptional contributions and reward the entire group for positive outcomes. Group based appraisals, profit sharing, gainsharing, small-group incentives, and other system modifications can reinforce team effort and commitment.



Team Composition: The team composition category includes variables that relate to how teams should be staffed— the ability and personality of team members, allocation of roles and diversity, size of the team, and members’ preference for teamwork.

Abilities of Members: Part of a team’s performance depends on the knowledge, skills, and abilities of its individual members. It’s true we occasionally read about an athletic team of mediocre players who, because of excellent coaching, determination, and precision teamwork, beat a far more talented group. But such cases make the news precisely because they are unusual. A team’s performance is not merely the summation of its individual members’ abilities. However, these abilities set limits on what members can do and how effectively they will perform on a team. Research reveals some insights into team composition and performance.

First, when the task entails considerable thought (solving a complex problem such as reengineering an assembly line), high-ability teams—composed of mostly intelligent members—do better than lower-ability teams, especially when the workload is distributed evenly. That way, team performance does not depend on the weakest link. High-ability teams are also more adaptable to changing situations; they can more effectively apply existing knowledge to new problems.

Finally, the ability of the team's leader also matters. Smart team leaders help less-intelligent team members when they struggle with a task. But a less intelligent leader can neutralize the effect of a high-ability team.

Personality of Members: We know that personality significantly influences individual employee behaviour. Many of the dimensions identified in the Big Five personality model are also relevant to team effectiveness; a review of the literature identified three. Specifically, teams that rate higher on mean levels of conscientiousness and openness to experience tend to perform better, and the minimum level of team member agreeableness also matters: teams did worse when they had one or more highly disagreeable members. Perhaps one bad apple can spoil the whole bunch!

Allocation of Roles: Teams have different needs, and members should be selected to ensure all the various roles are filled. A study of 778 major league baseball teams over a 21-year period highlights the importance of assigning roles appropriately. As you might expect, teams with more experienced and skilled members performed better. However, the experience and skill of those in core roles who handle more of the workflow of the team, and who are central to all work processes (in this case, pitchers and catchers), were especially vital. In other words, put your most able, experienced, and conscientious workers in the most central roles in a team.

We can identify nine potential team roles. Successful work teams have selected people to play all these roles based on their skills and preferences. (On many teams, individuals will play multiple roles.) To increase the likelihood the team members will work well together, managers need to understand the individual strengths each person can bring to a team, select members with their strengths in mind, and allocate work assignments that fit with members' preferred styles.

Diversity of Members: The degree to which members of a work unit (group, team, or department) share a common demographic attribute, such as age, sex, race, educational level, or length of service in the organization, is the subject of organizational demography. Organizational demography suggests that attributes such as age or the date of joining should help us predict turnover. The logic goes like this: turnover will be greater among those with dissimilar experiences because communication is more difficult and conflict is more likely. Increased conflict makes membership less attractive, so employees are more likely to quit. Similarly, the losers in a power struggle are more apt to leave voluntarily or be forced out.

Many of us hold the optimistic view that diversity should be a good thing—diverse teams should benefit from differing perspectives. Two meta-analytic reviews of the research

literature show, however, that demographic diversity is essentially unrelated to team performance overall, while a third actually suggests that race and gender diversity are negatively related to team performance. One qualifier is that gender and ethnic diversity have more negative effects in occupations dominated by white or male employees, but in more demographically balanced occupations, diversity is less of a problem. Diversity in function, education, and expertise are positively related to group performance, but these effects are quite small and depend on the situation. Proper leadership can also improve the performance of diverse teams.

Size of Teams: Most experts agree, keeping teams small is a key to improving group effectiveness. Generally speaking, the most effective teams have five to nine members. And experts suggest using the smallest number of people who can do the task. Unfortunately, managers often err by making teams too large.

It may require only four or five members to develop diversity of views and skills, while coordination problems can increase exponentially as team members are added. When teams have excess members, cohesiveness and mutual accountability decline, social loafing increases, and more people communicate less.

Members of large teams have trouble coordinating with one another, especially under time pressure. If a natural working unit is larger and you want a team effort, consider breaking the group into sub-teams

Member Preferences: Not every employee is a team player. Given the option, many employees will select themselves out of team participation. When people who prefer to work alone are required to team up, there is a direct threat to the team's morale and to individual member satisfaction. This result suggests that call for a variety of viewpoints. But culturally heterogeneous teams have more difficulty learning to work with each other and solving problems. The good news is that these difficulties seem to dissipate with time. Although newly formed culturally diverse teams underperform newly formed culturally homogeneous teams, the differences disappear after about 3 months. Fortunately, some team performance-enhancing strategies seem to work well in many cultures.

Team Processes: The final category related to team effectiveness is process variables such as member commitment to a common purpose, establishment of specific team goals, team efficacy, a managed level of conflict, and minimized social loafing.

Common Plan and Purpose: Effective teams begin by analysing the team's mission, developing goals to achieve that mission, and creating strategies for achieving the goals. Teams that consistently perform better have established a clear sense of what needs to be done and how. Members of successful teams put a tremendous amount of time and effort into discussing, shaping, and agreeing on a purpose that belongs to them both collectively and individually. This common purpose, when accepted by the team, becomes what celestial navigation is to a ship captain: it provides direction and guidance under any and all conditions. Like a ship following the wrong course, teams that don't have good planning skills are doomed; perfectly executing the wrong plan is a lost cause. Teams should also agree on whether their goal is to learn about and master a task or simply to perform the

task; evidence suggest that different perspectives on learning versus performance goals lead to lower levels of team performance overall. It appears that these differences in goal orientation have their effects by reducing discussion and sharing of goal is important.

Effective teams also show reflexivity, meaning they reflect on and adjust their master plan when necessary. A team has to have a good plan, but it also has to be willing and able to adapt when conditions call for it. Interestingly, some evidence does suggest that teams high in reflexivity are better able to adapt to conflicting plans and goals among team members.

Specific Goals: Successful teams translate their common purpose into specific, measurable, and realistic performance goals. Specific goals facilitate clear communication. They also help teams maintain their focus on getting results. Consistent with the research on individual goals, team goals should also be challenging. Difficult but achievable goals raise team performance on those criteria for which they're set. So, for instance, goals for quantity tend to raise quantity, goals for accuracy raise accuracy, and so on.

Team Efficacy: Effective teams have confidence in themselves; they believe they can succeed. We call this team efficacy. Teams that have been successful raise their beliefs about future success, which, in turn, motivates them to work harder. What can management do to increase team efficacy? Two options are helping the team achieve small successes that build confidence and providing training to improve members' technical and interpersonal skills. The greater the abilities of team members, the more likely the team will develop confidence and the ability to deliver on that confidence.

Mental Models: Effective teams share accurate mental models —organized mental representations of the key elements within a team's environment that team members share. If team members have the wrong mental models, which is particularly likely with teams under acute stress, their performance suffers. If team members have different ideas about how to do things, the team will fight over methods rather than focus on what needs to be done.

Conflict Levels: Conflict on a team isn't necessarily bad. As we know that conflict has a complex relationship with team performance. Relationship conflicts—those based on interpersonal incompatibilities, tension, and animosity toward others—are almost always dysfunctional. However, when teams are performing non-routine activities, disagreements about task content (called task conflicts) stimulate discussion, promote critical assessment of problems and options, and can lead to better team decisions.

Social Loafing: As we noted earlier, individuals can engage in social loafing and coast on the group's effort because their particular contributions can't be identified. Effective teams undermine this tendency by making members individually and jointly accountable for the team's purpose, goals, and approach. Therefore, members should be clear on what they are individually responsible for and what they are jointly responsible for on the team.

LEADERSHIP

Leadership is a term that conjures up different images in different people. While to some it means charisma, to others, it means power and authority. One expert puts that there are almost so many definitions of leadership as there are persons who have attempted to define the term. Let us present a few important definitions of leadership.

According to George K. Terry "Leadership is the activity of influencing people to strive willingly for group objectives.

Koontz have defined leadership "as the art or process of influencing people so that they will strive willingly and enthusiastically towards the achievement of group goals."

In the opinion of Chester Barnard', "Leadership is the quality of behaviour of individuals whereby they guide people or their activities in organizing effort.

After going through the above definitions of leadership, it can safely be defined as a process of influencing group activities towards the achievement of certain goal.

Formal leadership occur when an organization officially bestows upon a leader the power and authority to guide and direct others in the organization.

Informal leadership occurs when others in the organization unofficially accord a person the power and influence to guide & direct their behaviour.

The person who guides or influences the behaviour of others is called leader and people guided or influenced are called the followers.

The **main characteristics** from the preceding definition of leader are as follows:

1. Leadership is a continuous process of influencing others behaviour
2. Leadership is basically a personal quality that enables the subordinates' behaviour at work.
3. The success of a leader depends on the acceptance of his leadership by the followers. Of course, the situational variables also affect the effectiveness of leadership.
4. There is a relationship between leader and followers which arises out of functioning for a common goal.



Following are yet some more hallmarks of effective or successful leadership

- The best example of leadership is leadership by example. A leader is one who knows the way, goes the way, and shows the way
- The function of leadership is to produce more leaders, not more followers.
- The leader takes people where they want to go. A great leader takes people where they don't necessarily want to go, but ought to go.
- A leader must have courage to act against experts, advice.
- Management is doing things right where as leadership is doing the right things

LEADERSHIP DIFFERS FROM MANAGEMENT

Some people treat leadership and management as 'synonymous'. However, leadership differs from management. While leadership, as you have already learnt, involves influencing people to strive towards the achievement of group goals, management involves planning, organizing, staffing, directing and controlling group activities to accomplish organizational goals. In sum and substance, managers manage things, while leaders lead people'. Leadership is a part of management but not all of it. This implies that a strong leader can be a weak manager because he/she is weak in other managerial activities like planning and organizing. The reverse is also possible. A manager can be a weak leader and still be an acceptable manager, especially when he happens to manage people who have strong inner achievement drives".

Leadership	Management
Leader lead people	Manager manage things
Leader can use his/her informal influence.	Manager holds formal position
Leader create vision & inspire	Manager achieves result by directing the activities of others.
Leader possess non sanctioned influencing activities	Manager enjoys formal designated activities of others
Leader inspire enthusiasm	Manager endanger fear



Leadership Style

There are three basic styles of leadership

- 1. Autocratic or Authoritative Style**
- 2. Democratic or Participative Style**
- 3. Laissez-Faire or Free-Rein Style.**

Let us discuss these in details.

1. Autocratic or Authoritative Style

In autocratic style, the leader centralizes the power of decision-making with himself/herself. The leader commands complete control over the subordinates who are compelled to obey the orders. The subordinates have no opportunity to make suggestions or take part in decision-making function. The autocratic leader has no concern for the well-being of employees. In turn, employees have a tendency to avoid responsibility and try to work as little as possible. They also suffer from frustration and low morale.

The autocratic leadership style is subject to several limitations. They are:

- It results in low morale and job dissatisfaction.
- Employees' efficiency tends to decline over period.
- Potential manager-leader employees do not get opportunity to exhibit their capabilities.

however, the autocratic style of leadership is suitable in the following situations when

- The subordinates are incompetent and inexperienced.
- The leader wants to be active and dominant in decision-making.
- The leader is highly competent for making a right decision

2. Democratic or Participative Style

In democratic style of leadership, the leader takes decision in consultation with the subordinates. In other words, the subordinates participate in decision-making function. Hence, the style is also known as participative style.



Participation in decision-making enables subordinates to satisfy their social and ego needs. It also makes them committed to their organizations. Frequent interaction between the manager-leader and subordinates also helps build up mutual faith and confidence. Several benefits offered by the democratic style of leadership are:

- It gives opportunity to the subordinates to develop their potential abilities and assume greater responsibilities.
- It provides job satisfaction, on the one hand, and improves the morale of the subordinates.
- subordinates, on the other hand participate in decision-making helps make right decision because 'two heads are better than one'

Despite the above benefits, democratic style of leadership cannot be regarded best style under all situations. It also suffers from the following limitations:

- Decision-making is a time-consuming process in democratic style.
- There is possibility that a few dominant subordinates may influence decision in their favor
- The responsibility for implementing decision cannot be fixed on an individual subordinate but on the whole group.
- Sometimes the decisions taken become the distorted one because 'many cooks spoil the broth'.

However, the democratic style is found suitable in the following situations when:

- Subordinates are competent and experienced.
- The leader prefers participative-decision making.
- The organization has made its objectives transparent to the employees
- Reward and involvement are used as the primary means of motivation and control.

Laissez Faire Style

Laissez faire style is just the opposite of autocratic style. In laissez faire style, the manager-leader leaves decision-making to the subordinates. The leader completely gives up his/her leadership role. The subordinates enjoy full freedom to decide as and what they like. The biggest limitation of this style is that, due to full freedom to subordinates, it creates chaos and mismanagement in decision-making.



Advantages of Laissez-Faire leadership style:

- Helps in motivating employees
- Brings in innovation and creativity
- Highly flexible
- Open and direct communication

Disadvantages of Laissez-Faire leadership style:

- Lack of control as the employees are given utmost freedom
- May result in confusion and chaos
- This style is most effective only when the employees are highly matured and knowledgeable
- Individual goals may get more important than group goals.

Nonetheless, laissez faire style is found suitable in the following situations when:

- Leader is able to fully delegate the powers of decision-making to his/her subordinates
- Subordinates are also well competent and knowledgeable.
- Organizational goals and objectives are well communicated to employees.

THEORIES OF LEADERSHIP

Since leadership makes difference between success and failure, for a long time, thinkers were trying to see if leadership success could be predicted. They were also trying to find out as to what makes a leader. Graphological, Phrenological and Demographic, studies were made in these directions. However, these studies had to be discarded because of many flaws. At best they were guesses.

1. Trait Theories of Leadership

The scientific analysis of leadership started off by concentrating on leaders themselves. The vital question that this theoretical approach attempted to answer was what characteristic or traits make a person a leader? The earliest trait theories, which can be traced back to the ancient Greeks and Romans, concluded that leaders are born, not made. The “great man” theory of leadership said that a person is born either with or without the necessary traits for leadership. Famous figures in history – for example, Napoleon were said to have had the “natural” leadership abilities to rise out of any situation and become great leaders.

Eventually, the “great man” theory gave way to a more realistic trait approach to leadership. Under the influence of the behaviorist school of psychological thought, researchers accepted the fact that leadership traits can be acquired through learning and experience. Attention was turned on the search for universal traits possessed by leaders. Later attempts on research helped in finding out six traits associated with effective leadership. They are as follows:

- 1. Drive: Willingness to take initiative**
- 2. Motivation: A strong desire to lead and influence others.**
- 3. Honesty and Integrity: Honesty and truthfulness in dealing with others.**
- 4. Self-confidence: Being decisive, assertive and confident**
- 5. Intelligence: Verbal and quantitative competence and the ability to process and use complex information.**
- 6. Job relevant knowledge: In depth understanding of the job, organization and industry. The research efforts were generally very disappointing. Only intelligence seemed to hold up with any degree of consistency.**

The research efforts were generally very disappointing. Only intelligence seemed to hold up with any degree of consistency.

In general, research findings do not agree on which traits are generally found in leaders or even on which ones are more important than others. The numbers of traits required of a successful leader are many. Not only this, depending on the situation the leader has to bring in various shades of the same trait. Trait theories also suffer from the problem of semantics.

Similar to the trait theories of personality, the trait approach to leadership has provided some descriptive insight but has little analytical or predictive value. The trait approach is still alive, but now the emphasis has shifted away from personality traits toward job related skill.

2. Behavioral Leadership Theories

The failure of trait theory led to the study of other variables which influence effective leadership. Behavioral theories are those theories which identified behaviors that differentiate effective leaders from in-effective leaders.

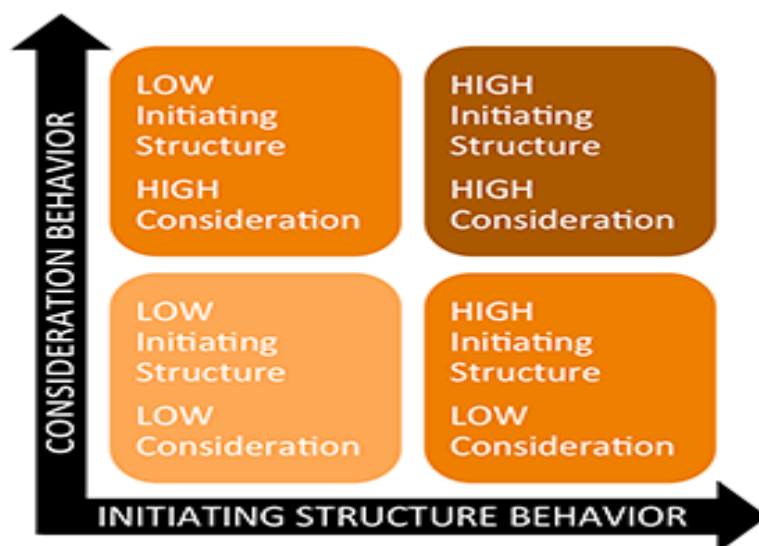
1. University of Iowa studies: Kurt Lewin and his associates conducted this study and explored 3 major leadership styles: Autocratic, Democratic and Laissez-faire leader.

Results: This study failed to identify that Democratic style of leadership shows effective leadership based on performance. Though subordinates' satisfaction was also very high under democratic leader than under an autocratic leader. From the results of Iowa studies, the focus shifted on whether the leaders need to focus on high performance or on achieving higher member satisfaction. This led to other related behavioral studies.

b) **The Ohio State Leadership studies:** Beginning in 1945, researchers at Ohio State University made a series of studies in many organizations. Resulted in Two important dimensions of leader behavior identified:

I) **Initiating Structure:** The extent to which leaders establish objectives and structure their roles and the roles of subordinates towards attainment of the objectives.

II) **Consideration:** The extent to which leaders' relationship with subordinates are characterized by mutual trust and respect for employees, ideas and feelings.



A leader who is high on both Initiating structure and consideration achieved High Group Task Performance and satisfaction. However, the high-high style did not always yield positive results.



C) University of Michigan studies: Rensis Likert and his colleagues had conducted studies on behavioral characteristics of leaders in the University of Michigan Institute for Social Research. They came out with two dimensions of Leadership behavior similar to Ohio studies: -

I) **Employee Oriented Leader:** Such leaders emphasize interpersonal relations, taking a personal interest in the needs of employees and accepting individual differences among members.

II) **Production Oriented Leader:** Such leaders emphasize on technical or task aspects of the job, regard group members as a means to that end.

Results indicated: Employee oriented leaders were associated with high group productivity and high employee satisfaction whereas Production oriented employee were associated with low productivity and low employee satisfaction.

d) **The Managerial Grid:** or Leadership Grid is a two-dimensional matrix developed by Robert Blake and Jane Mouton in 1969. Blake and Mouton's model helps to measure a manager's relative concern for people and task and reflects bi-directional nature of leadership. The managerial grid identifies a range of management behavior based on the various ways that the task oriented and employee-oriented styles, which have been explained as a continuum on a scale of 1 to 9. It shows concern for people on the vertical axis and concern for production on the horizontal axis.

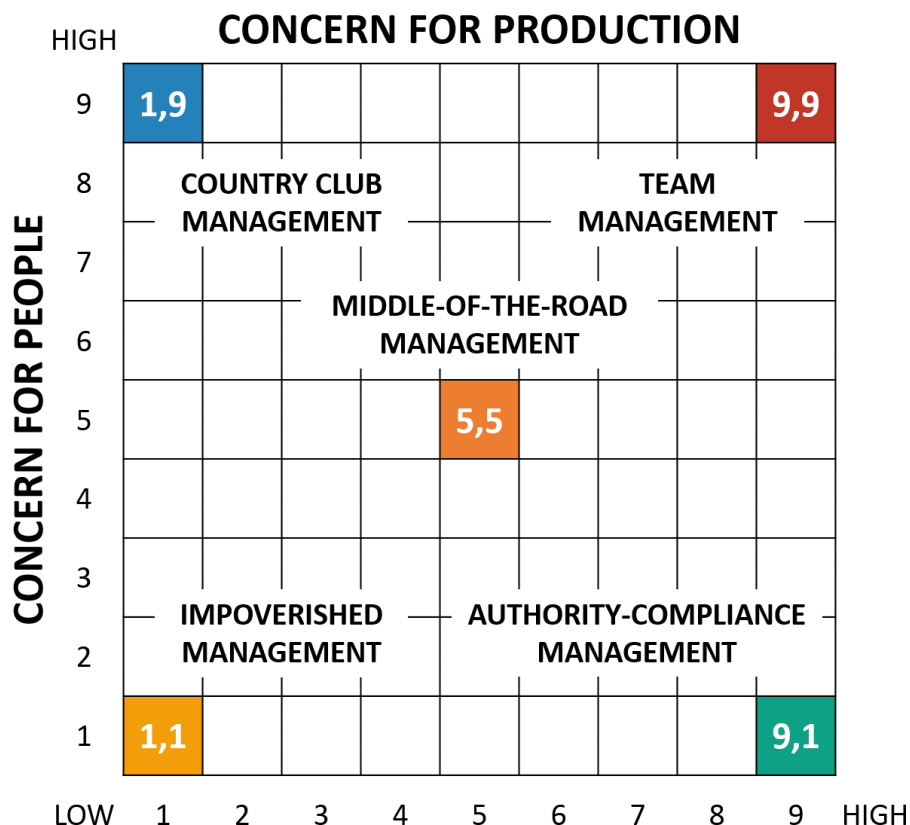
Concern for People includes such elements as degree of personal commitment to-wards goal achievement, maintenance of self-esteem of people, assigning task based on trust, provision of good working conditions and maintenance of good inter-personal relationship.

As far as the leadership style that displays **Concern for Production** includes elements like output of the workers, work efficiency, quality of policy decisions, various processes and procedures that are followed during the production line. It also includes creativity, research and development undertaken, quality of product produced and last but not the least services provided by the staff.

Although the grid has Nine by nine matrix outlining 81 different leadership styles, only 5

important behavior dimensions are emphasized:

1. **Impoverished Management (1,1)**
2. **Task Management (9,1)**
3. **Middle of the road Management (5,5)**
4. **Country Club Management (1,9)**
5. **Team Management (9,9)**



- 1) **Impoverished Management (1,1):** or the Laissez-faire type of management. The manager has little concern for either people or production. They only mark time and have abandoned their job. They act as messenger to pass information from superiors to subordinates. They display minimum involvement in the job they are assigned to. This amounts to exertion of minimum efforts on the part of leader to get required work done as appropriate to sustain organizational membership.



- 2) **Task Management /Authority-Obedience (9,1):** Or the autocratic style of management. The Manager stresses on operating efficiently through controls in situations where human elements cannot interfere. The leader functions in an autocratic way with no or very little concern for people.
- 3) **Middle of the road Management /Organization-Man (5,5):** The manager acts as a compromiser, attempts to balance concern for work in exchange for the satisfactory level of morale of the people. Managers have both concern for people and production. They set moderate production goals and achieve them. They achieve reasonably satisfactory results in maintain high morale of workers and meet production requirements.
- 4) **Country Club Management (1,9):** The Manager is thoughtful, comfortable, and friendly with people and has little concern for output. They create a very relaxed and friendly environment. There are no organizational goals and exist very loose style of functioning. The working environment is workers welfare oriented.
- 5) **Team Management (9,9):** The manager seeks high output through committed people, achieved through mutual trust, respect and a realization of interdependence. Their involvement is total. They are real team leaders who have full knowledge, skill and aptitude for job and also concern for the welfare of workers.

According to Blake and Mouton, the most effective leadership style is the Team Management Style (9,9). This leadership style results in improved performance, lower employee turnover and greater employee satisfaction.

3. Situational or contingency leadership theories

After the trait approach and behavioral approach was proved to fall short of being adequate overall theories of leadership, attention turned to the situational aspects of leadership.

a) Fred Fiedler's Contingency Theory of Leadership

Fiedler was one of the first scholars to introduce the influence of the situation in determining leadership success in his 1967 book, "A Theory of Leadership Effectiveness." He believed that there is no single most effective style that is appropriate to all situations. His contingency model contained the



relationship between leadership style and the favorableness of the situation to determine leadership effectiveness. Fiedler believed that effective group performance depends on the proper match between the leader's style and the degree to which the situation gives control to the leader. Therefore,

Fiedler's model consists of 3 primary elements:

- 1. Leadership Style (which according to Fiedler is fixed)**
- 2. Situational favorableness for leader (depends on Leader-Member Relations, Task Structure and Position Power of the leader)**
- 3. Relationship between Style and Situation**

1. Measuring the Leadership Style:

Fiedler believed that the leadership style is fixed, and it can be measured using a scale which he developed and called as the Least Preferred Co-worker (LPC) scale. The scale asks you to think about the person who you have least enjoyed working with. This can be a person who you have worked with in your job, or in education or training. You then rate on a scale of 1-8, (where 1 being the lowest rating and 8 being the highest), how you feel about this person for each factor (out of the 17 set of contrasting factors) and then add up your scores. If your total score is high, you are likely to be a relationship-oriented leader. If your total score is low, you are more likely to be a task-oriented leader.

Least Preferred Coworker (LPC) Scale

Pleasant	8 7 6 5 4 3 2 1	Unpleasant
Friendly	8 7 6 5 4 3 2 1	Unfriendly
Rejecting	8 7 6 5 4 3 2 1	Accepting
Tense	8 7 6 5 4 3 2 1	Relaxed
Cold	8 7 6 5 4 3 2 1	Warm
Supportive	8 7 6 5 4 3 2 1	Hostile
Boring	8 7 6 5 4 3 2 1	Interesting
Quarrelsome	8 7 6 5 4 3 2 1	Harmonious
Gloomy	8 7 6 5 4 3 2 1	Cheerful
Open	8 7 6 5 4 3 2 1	Closed
Backbiting	8 7 6 5 4 3 2 1	Loyal
Untrustworthy	8 7 6 5 4 3 2 1	Trustworthy
Considerate	8 7 6 5 4 3 2 1	Inconsiderate
Nasty	8 7 6 5 4 3 2 1	Nice
Agreeable	8 7 6 5 4 3 2 1	Disagreeable
Insincere	8 7 6 5 4 3 2 1	Sincere
Kind	8 7 6 5 4 3 2 1	Unkind

The model says that task-oriented leaders usually view their LPCs more negatively, resulting in a lower score. Fiedler called these low LPC-leaders. He said that low LPCs are very effective at completing tasks. They're quick to organize a group to get tasks and projects done. Relationship-building is a low priority. However, relationship-oriented leaders usually view their LPCs more positively, giving them a higher score. These are high-LPC leaders. High LPCs focus more on personal connections, and they're good at avoiding and managing conflict. They're better able to make complex decisions.

2. Determining the Situational Favorableness: Fiedler's model contained the relationship between leadership style and the favorableness of the situation. Fiedler described situational favorableness in terms of three empirically derived dimensions:

a) **The leader member relationship**, which is the most critical variable in determining the situation's favorableness. This is the level of trust and confidence that your team has in you. A leader who is more trusted and has more influence with the group is in a more favorable situation than a leader who is not trusted.

b) **The degree of task structure**, which is the second most important input into the favorableness of the situation. This refers to the type of task you're doing: clear and structured, or vague and unstructured. Unstructured tasks, or tasks



where the team and leader have little knowledge of how to achieve them, are viewed unfavorably.

c) **The leader's position power** obtained through formal authority, which is the third most critical dimension of the situation. This is the amount of power you have to direct the group, and provide reward or punishment. The more power you have, the more favorable your situation. Fiedler identifies power as being either strong or weak.

Situations are favorable to the leader if all three of the above dimensions are high. In other words, if the leader is generally accepted by followers; if the task is very structured and everything is "spelled out" and if a great deal of authority and power is formally attributed to the leader's position (high third dimension). If the opposite exists the situation will be very unfavorable for the leader.

B) Hersey and Blanchard's situational leadership theory

Developed by Paul Hersey and Kenneth Blanchard, called as Situational Leadership Theory (SLT). Most effective leadership style varies according to the level of readiness of the followers and the demands of the situation. This theory is based on the relationship of the above two factors:

- The amount of task behavior the leader figures (providing the directions on getting the job done)
- The amount of relationship behavior the leader provides (consideration of people)
- The level of task relevant readiness followers have towards the accomplishment of the leader's task.

S1: Telling – High task, Low relationship behavior (Directive)

- It is about "telling" employees what, how, when and where to do the work.
- The decision making and problem solving are initiated solely by the leader and the decisions and solutions announced to the employees. Therefore, the leader uses one way communication at this stage.
- He defines the roles and objectives of employees.
- This style is appropriate for managers dealing with new and inexperienced employees who lack task-relevant readiness.

S2: Selling – High task, High relationship behavior (Supportive)

- At this stage, there is still a need for high level of task behavior, since the employees yet do not have much experience to assume responsibilities.
- The leader still has to provide great deal of direction and leads the team with his or her own ideas.
- But the leader also discovers the group's feelings about decisions as well as eliciting their ideas and suggestions. This leads to two-way communication and increase in emotional support for employees.
- However, the control over decision-making remains with the leader only.

S3: Participating – High relationship, Low task behavior (Consulting)

- The employees have acquired more skill and experience, and are willing to take responsibilities.
- In this style, the focus of control for day-to-day decision making and problem-solving shifts from the leader to the group members. Therefore, the leader should reduce the amount of task behavior as employees have improved in task-relevant effectiveness.
- The leader's role is to provide recognition and to actively listen and facilitate decision making on the part of the group.
- So, the leaders/managers should continue with the high-level of emotional support and consideration for employees.
- This is the most appropriate leadership style.

S4: Delegating – Low relationship, Low task behavior

- This stage has the highest level of follower readiness.
- Employees at this stage are self-directed and self-controlled, as they are highly skilled and experienced.
- The leader discusses problems with his or her team members until a joint agreement is achieved on problem definition and then the decision-making process is totally delegated to the group members.
- The group members have the significant control over deciding how tasks are to be accomplished. So, they do not expect a high task behavior from the leader at this stage.

CONTEMPORARY LEADERSHIP APPROACH:

1. Transactional leadership (Influence based leadership approach): Transactional leadership is largely characterized by a desire to maintain the



company's existing culture, policies, and procedures. Transactional leaders use disciplinary power and an array of incentives to motivate employees to perform at their best. The term "transactional" refers to the fact that this type of leader essentially motivates subordinates by exchanging rewards or punishment for performance. A transactional leadership style can be more effective for front-line supervisors who deal with minimum-wage employees. Within the context of Maslow's hierarchy of needs, transactional leadership works at the basic levels of need satisfaction, where transactional leaders focus on the lower levels of the hierarchy. Transactional leaders use an exchange model, with rewards being given for good work or positive outcomes. Conversely, people with this leadership style also can punish poor work or negative outcomes, until the problem is corrected. One way that transactional leadership focuses on lower-level needs is by stressing specific task performance. Transactional leaders are effective in getting specific tasks completed by managing each portion individually.

2. Transformational leadership (Influence based leadership approach): A transformational leader goes beyond managing day-to-day operations and crafts strategies for taking his company, department or work team to the next level of performance and success. Transformational leadership styles focus on team-building, motivation and collaboration with employees at different levels of an organization to accomplish change for the better. Transformational leaders set goals and incentives to push their subordinates to higher performance levels, while providing opportunities for personal and professional growth for each employee. CEOs or sales managers can be more effective if they are transformational leaders. Example: Jack Welch, CEO of General Electric Co, USA.

Transactional Vs Transformational Leadership

Transactional Leadership	Transformational Leadership
Leaders are aware of the link between the effort and reward	Leaders arouse emotions in their followers which motivates them to act beyond the framework of what may be described as exchange relations
Leadership is responsive and its basic orientation is dealing with present issues	Leadership is proactive and forms new expectations in followers
Leaders rely on standard forms of inducement, reward, punishment and sanction to control followers	Leaders are distinguished by their capacity to inspire and provide individualized consideration, intellectual stimulation and idealized influence to their followers
Leaders motivate followers by setting goals and promising rewards for desired performance	Leaders create learning opportunities for their followers motivate and stimulate followers to solve problems
Leadership depends on the leader's power to reinforce subordinates for their successful completion of the bargain	Leaders possess good visioning, rhetorical and management skills, to develop strong emotional bonds with followers
Leaders often use technical knowledge to determine the change process	Leaders search for adaptive solutions to engage hearts and minds in the change process

3. Servant Leadership:

The early 21st century has been marked by a series of highly publicized corporate ethics scandals: between 2000 and 2003, we witnessed Enron, WorldCom, Arthur Andersen, Qwest, and Global Crossing shake investor confidence in corporations and leaders. The importance of ethical leadership and keeping long-term interests of stakeholders in mind is becoming more widely acknowledged.

Servant leadership approach defines the leader's role as serving the needs of others. According to this approach, the primary mission of the leader is to develop employees and help them reach their goals. Servant leaders put their employees first, understand their personal needs and desires, empower them, and help them develop in their careers. Unlike mainstream management approaches, the overriding objective in servant leadership is not necessarily getting employees to contribute to organizational goals. Instead, servant leaders feel an obligation to their employees, customers, and the external community. Employee happiness is seen as an end in itself, and servant leaders sometimes sacrifice their own well-being to help employees succeed. In addition to a clear focus on having a moral compass, servant leaders are also interested in serving the community. In other words, their efforts to help others are not restricted to company insiders, and they are genuinely concerned about the broader community surrounding their company.



According to historian Doris Kearns Goodwin, Abraham Lincoln was a servant leader because of his balance of social conscience, empathy, and generosity. Even though servant leadership has some overlap with other leadership approaches such as transformational leadership, its explicit focus on ethics, community development, and self-sacrifice are distinct characteristics of this leadership style. Research shows that servant leadership has a positive effect on employee commitment, employee citizenship behaviors toward the community (such as participating in community volunteering), and job performance. Leaders who follow the servant leadership approach create a climate of fairness in their departments, which leads to higher levels of interpersonal helping behavior. Servant leadership is a tough transition for many managers who are socialized to put their own needs first, be driven by success, and tell people what to do. In fact, many of today's corporate leaders are not known for their humility! However, leaders who have adopted this approach attest to its effectiveness. David Wolfskehl, of Action Fast Print in New Jersey, founded his printing company when he was 24. He marks the day he started asking employees what they can do for them as the beginning of his company's new culture. In the next two years, his company increased its productivity by 30%.