

Management & Organizational Behavior

Fundamentals of Organizational Behavior



Management and Organizational Behavior

Block

II

FUNDAMENTALS OF ORGANIZATIONAL BEHAVIOR

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BLOCK II: FUNDAMENTALS OF ORGANIZATIONAL BEHAVIOR

The second block of the course on Management and Organizational Behavior deals with the fundamentals of organizational behavior. The block consists of four units. The first unit deals with the definitions, frameworks, and models in organizational behavior. Unit two aims at understanding foundations of human behavior and discusses human relations and organizational behavior. While unit three discusses the aspect of diversity and ethics in organizations, the fourth unit concentrates on communication as an integral part of organizational behavior.

The first unit is *Understanding Organizational Behavior*: The study of organizational behavior plays a pivotal role in an era of globalization in which organizations are employing people with varied cultural and ethnic backgrounds. It helps managers in understanding and analyzing human resource which is the most important resource available to them. This unit discusses the various management roles and skills, and provides the theoretical framework on which the study of organizational behavior is based. Besides describing models used in its study, it also discusses the challenges and opportunities for Organizational Behavior.

The second unit is *Foundations of Human Behavior, Human Relations and Organizational Behavior*: The history of the development of human relations and organizational behavior is backed by the scientific management movement and different research studies. The significance of human relations and organizational behavior is discussed in this unit. Although unique, human behavior is influenced by various internal and external factors. This unit explains why organizations exist and how the nature of tasks assigned to employees influences their behavior in an organization. It also throws light on the social aspect of organizations.

The third unit is *Diversity and Ethics*: Managing diversity and promoting ethical behavior are major challenges which organizations face. This unit discusses ways and means of diversity management, and the dominant issues that affect ethics in organizations.

The fourth unit is *Managing Communication*: Communication plays a vital role in business, at all levels, more so in the modern age when communication technology is developing at a fast pace. This unit describes the importance of communication and the various contributions to the study of communication. It discusses the two-way communication process, the significance of non-verbal communication, varied forms in which communication takes place in an organization and the barriers to effective communication. The unit concludes with a discussion on communication technology.

All the four units are updated in 2021 with current examples, figures and industry exhibits illustrations, taken from reputed journals and magazines.

Unit 5

Understanding Organizational Behavior

Structure

- 5.1. Introduction
- 5.2. Objectives
- 5.3. Definition of Organizational Behavior (OB)
- 5.4. Management Roles
- 5.5. Management Skills
- 5.6. Consistency vs. Individual Differences
- 5.7. Theoretical Frameworks
- 5.8. Challenges and Opportunities for OB
- 5.9. Models of OB
- 5.10. Summary
- 5.11. Glossary
- 5.12. Self-Assessment Test
- 5.13. Suggested Reading / Reference Material
- 5.14. Answers to check your progress questions

5.1. Introduction

The previous unit discussed social and ethical responsibilities of management. A careful analysis of arguments for and against these activities determine whether an organization should implement social initiatives. Business enterprises are primarily accountable to social stakeholders. The unit also discussed ethics which deals with moral and ethical standards. A number of factors influence an individual's ethical behavior.

With the advent of globalization, organizations are employing people from different cultural and ethnic backgrounds. In order to facilitate the smooth functioning of their organizations, managers have to effectively manage the most important resource available to them i.e. human resources. This is where organizational behavior plays an important role. Organizational behavior is a study that helps managers in understanding and analyzing the nature of an organization's workgroups and the individuals within a workgroup.

This unit will discuss the various management roles and skills, and provides a theoretical framework for organizational behavior. It also discusses the challenges and opportunities of Organizational Behavior.

Block-2: Fundamentals of Organizational Behavior

5.2. Objectives

By the end of this unit, students should be able to:

- Define Organizational Behavior
- Analyze the various management roles and skills
- Discuss the theoretical frameworks of Organization Behavior
- Identify the challenges and opportunities of Organizational Behavior
- Describe the models of Organization Behavior

5.3. Definition of Organizational Behavior

OB is a study that analyzes and explains the behavior of the workforce acting as individuals and as groups in an organization. It attempts to apply this knowledge in the effective management of human resources in an organization. OB is a discipline that studies the effect of organizational structure and design, and the changes in the organizational environment on the behavior of the workforce. According to Fred Luthans, OB is “the understanding, prediction, and management of human behavior in organizations.”

OB is considered as an applied science as it provides theoretical concepts that are applicable to real life situations. The knowledge gained with regard to the OB practices of one organization may be applied to several other organizations. Thus, OB can be defined as the systematic study and application of human aspects in the management of an organization.

Social sciences like psychology, sociology, philosophy, political sciences, and economics along with research studies contribute to the constant improvement and development of OB as a scientific discipline.

Figure 5.1 represents the relationship between OB and other related disciplines – Organizational Theory (OT), Organizational Development, and Personnel/Human Resources (P/HR) Management.

Figure 5.1: Relationship of OB to Other Related Disciplines

Level of Analysis	Micro	Organization Behavior	Personnel/Human Resources Management
	Macro	Organization Theory	Organization Development
		Theoretical	Applied

5.4. Management Roles

Henry Mintzberg classified management roles into three categories depending upon the extent of the interpersonal relationships, transfer of information, and decision-making involved.

Interpersonal Roles

According to Mintzberg, the three important interpersonal roles of a manager are figurehead role, leadership role, and liaison role.

In the *figurehead* role, the manager performs the traditional duties that he is required to take on as the head of a group.

As the name suggests, under the *leadership* role the manager performs functions like hiring, training, motivating, and ensuring discipline among the employees.

Activity: Assume that you have been appointed as the CEO of AMC Company Limited, which is a leading manufacturer of soaps in India. You are responsible for managing the company which has a strong workforce of more than 10,000 people. Briefly comment on the various management roles that you will be playing and explain in detail how will you play the leadership role?

Answer:

Finally, in the *liaison* role, the manager interacts with and gathers useful information from individuals and groups within and outside the organization.

Informational Roles

Managers need to collect information regarding various aspects like technological developments, tastes and preferences of consumers, competitor's moves, prevailing terms, conditions of employment, etc. In the information role, managers perform the roles of a monitor, spokesperson, and disseminator.

As a *monitor*, a manager gathers information with the help of newspapers, magazines, etc., and also by communicating with field executives who are in close contact with customers.

As a *disseminator*, a manager is required to convey the information to other members of the organization.

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As a *spokesperson*, a manager performs the role of representing the organization to the outside parties.

Decision Roles

The following are the various decision roles of a manager:

Entrepreneur: As entrepreneurs, managers have to initiate and carefully choose new projects that enhance the organization's performance. They are also responsible for the successful implementation and constant monitoring of the project.

Disturbance handler: Managers need to effectively handle situations arising out of unforeseen circumstances.

Resource allocator: Managers have to allocate the organization's resources to various departments. They are required to allocate resources in a way that is most advantageous to the organization.

Negotiator: Managers are required to deal with the grievances of employees and other divisions in such a way that the outcome proves beneficial to the organization as a whole.

Check Your Progress-1

1. The understanding, prediction, and management of human behavior in organizations is referred to as _____.
 - a. Organizational design
 - b. Organizational development
 - c. Organizational behavior
 - d. Organizational culture
2. All managers play the role of hiring, training, motivating, and disciplining employees. This role may be termed as
 - a. Figurehead role
 - b. Leadership role
 - c. Liaison role
 - d. None of the above
3. Prakash Mohanty is the most senior manager in an MNC. He represents the organization during interactions with the press, clients, and business partners. In this case, Prakash performs the _____ role.
 - a. Disseminator
 - b. Spokesperson
 - c. Figurehead
 - d. Leadership

4. Mintzberg classified management roles into three categories depending on the extent of the interpersonal relationships, transfer of information, and decision-making involved. Match the following management roles within these categories, with their respective characteristics.

Management Roles

- i. Monitor role
- ii. Entrepreneurial role
- iii. Figurehead role

Characteristics

- p. Involves performing certain symbolic and ceremonial duties as head of a group.
- q. Involves attempting to improve an organization's performance by initiating new projects and monitoring their progress.
- r. Involves collecting information about the prevailing terms and conditions of employment, technological developments, the tastes and preferences of the public, and the plans/strategies of competitors.

- a. i/p, ii/q, iii/r
- b. i/q, ii/p, iii/r
- c. i/r, ii/q, iii/p
- d. i/p, ii/r, iii/q

5. Suresh Mahapatra is the marketing and sales manager of a cell phone manufacturing company. Due to a sudden spurt in demand for the company's cell phones, he had to take some immediate decisions to match demand with supply. In this case, Suresh performed the role of a _____.

- a. Resource allocator
- b. Entrepreneur
- c. Disturbance handler
- d. Liaison

6. The roles that a manager plays as an entrepreneur, disturbance handler, resource allocator, and negotiator are referred to as

- a. Liaison roles
- b. Decision roles
- c. Figurehead roles
- d. Leadership roles

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7. Suresh Verma has been appointed manager of a small garments manufacturing company at Durgapur. His role is to collect information on the tastes and preferences of the public, pricing strategies of the company's rivals, and prevailing terms and conditions of employment. The role played by Suresh may be regarded as a/an ____.
- a. Interpersonal role
 - b. Informational role
 - c. Decision role
 - d. Leadership role

5.5. Management Skills

Managers need to possess the following skills to successfully perform their jobs.

Technical Skills

The technical skills that managers possess in the field of accountancy, personnel management, operations research, marketing, information system, etc. help them in performing their jobs better.

Human Skills

Possessing human skills like the ability to understand people, the ability to communicate, and the ability to motivate makes it easier for managers to maintain peace and co-operation among the employees. This in turn ensures smooth functioning of the organization.

Conceptual Skills

Conceptual skills are the ability to analyze complex situations and to rationally process and interpret available information. Managers armed with such skills can effectively make decisions to meet unforeseen circumstances and difficult situations.

Activity: Harsha, Head of the HR department in Ash Systems Private Limited, has been assigned the task of hiring a suitable candidate for the post of sales manager in the company. The sales manager is a middle-level management position in the company's hierarchy. He/she is required to oversee the activities of the company's salesmen. List out the various skills Harsha should look for in the potential candidate and why do you think these skills are needed.

Answer:

5.6. Consistency vs. Individual Differences

Human beings in general behave in a way that they believe is in their best interests. It is also possible that one person's behavior might seem irrational to another. This is because of individual differences in perceiving a particular situation. Therefore, getting to know about a person's perception of a particular situation helps in understanding and predicting his/her behavior. Also if we take a closer look, we can find a consistency in the behavior of every individual.

In general, predictions of behavior are based on intuition and, as observed earlier, this might not always produce accurate results. Therefore, a systematic study of human beings under controlled conditions helps in recognizing the consistencies in behavior of people. It also helps in accurate prediction and explanation of human behavior.

5.7. Theoretical Framework

Theoretical frameworks such as cognitive framework, behavioral framework, and social learning framework help in developing an overall model of organizational framework.

Cognitive Framework

The cognitive approach is based on the expectancy, demand, and incentive concepts. Under this approach, behavior is determined with the help of cognition. The term cognition can be explained as a psychological process of recollecting information and past experiences. Cognition, in general, precedes behavior and thus provides inputs regarding a person's thoughts, perception, problem solving, and information processing.

The concept of a cognitive framework is clearly explained by Edward Tolman, who conducted some laboratory experiments on animals. He believed that behavior was the appropriate unit of analysis, meant for a definite purpose, and was directed towards a goal. According to Tolman, if a particular event always led to a certain consequence, it could be assumed that the event would always lead to the same consequence. He further elaborated that such findings led to the expectancy that a particular event would always have a certain consequence. The concept of expectancy implied that every organism thought of and was aware of the goal.

Although there were controversies regarding the contributions of this approach to behavioral sciences, the framework gained importance after the progress made in the field of psychology. In OB, the cognitive approach is applied in the analysis of perception, personality and attitude, goal setting, and motivation.

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Behavioristic Framework

Ivan Pavlov and John B Watson who pioneered the behavioristic theory explained human behavior with the help of stimulus-response experiments. The duo observed that a stimulus elicits a certain response, which results in learning. For example, when a person is pricked with a pin, he immediately flinches. The theory tried to explain the role of physical reflexes in human beings that contributed to the stimulus-response relationship.

BF Skinner further developed this concept and explained operant behaviors that had not been dealt with by the earlier researchers. Operant behavior indicates voluntary or learned behavior. After conducting operant conditioning experiments, Skinner concluded that the consequences of the response of an individual to a stimulus could lead to a particular behavior rather than the stimulus itself. He concluded that stimuli only managed to prompt a certain behavior and did not actually cause the behavior. Skinner believed that behavior was a function of the consequences to response.

Although the behavioristic approach is based on the environment, some behavioristic scientists believe that cognitive variables too have a role in this approach. As a result of continuous efforts, a new area called the social learning approach has evolved, which incorporates both cognitive and behavioristic concepts.

Social Learning Framework

The social learning approach incorporates both the cognitive and behavioral approaches though it is influenced more by the behavioral approach than the cognitive approach. Like the behavioristic framework, the social learning concept considers behavior as the appropriate unit of analysis. According to the social learning framework, people are self-aware and make efforts toward conscientious behavior. They gain knowledge of the environment and accordingly alter and construct it in a manner that is most suitable to them.

Albert Bandura explained behavior as a continuous reciprocal interaction among cognitive, behavioral, and environmental determinants. According to him, the individual through his/her actions creates an environmental condition that in turn affects his/her behavior. He also explained that the environmental situation does not necessarily stimulate an individual to respond; rather, it is the mutual interaction between the environment and the individual that elicits a response. This experience generates a specific behavior in the individual. This behavior so observed may help in predicting the future behavior of the individual.

Exhibit 5.1 explains Social learning possibility in End-to-End (E2E) digital transformation, amidst COVID-19.

Exhibit 5.1: Social Learning Possibility in End-to-End (E2E) Digital Transformation, Amidst COVID-19

Albert Bandura, in his social learning theory, explained behavior as a continuous reciprocal interaction among cognitive, behavioral, and environmental determinants. According to him, the individual through his/her actions creates an environmental condition that in turn affects his/her behavior.

An article in McKinsey, April, 2021 reported on how organizations are striving hard to transform in to digital organization in a holistic manner, starting from the factory floor level to the business support functions. Many organizations are held up in pilot mode. However, COVID-19 made it imperative for the organizations to go digital and employees started using digital tools during the pandemic (though hesitant/unwilling).

The use of digital tools during pandemic disclosed new learning needs, derived from the way organizations functioned, how they coordinated with people to work together, and how they lead the employees. These new learning needs and the lessons learned during remote working (due to COVID-19) need to be employed to enhance operational performance. Organizations should focus on building new capabilities to accomplish their strategies post pandemic as well. Remote capability building was found to generate additional benefits like - employees can learn, implement, and sustain the new knowledge acquired and can incorporate learning into their day-to-day work.

For instance, a global steel manufacturer implemented a skill-development program scheduled as an eight-week remote training program. In each session, the training focused on a single skill and covered it in depth. Every session included explaining theory in the form of presentations, how to use the tool and its application in the teams, it also helped small teams to practice the skill. At the end of each session, participants were given tasks related to the new tool. Immediately, the next week, participants had to share their experiences and results in online session. Finally in the last two sessions, participants were asked to assimilate the various tools learnt through the program.

Source: <https://www.mckinsey.com/business-functions/operations/our-insights/everyone-is-within-learning-distance-building-skills-remotely> April 8 2021

Check Your Progress-2

8. The skills a manager has in the areas of operations research, personnel management, information systems, and marketing are termed _____.
- Technical skills
 - Conceptual skills
 - Human skills
 - Analytical skills

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9. Which of the following approaches is widely applied in the field of organizational behavior and used mostly in the analysis of perception, personality and attitude, motivation, and goal setting?
 - a. Behavioristic approach
 - b. Social learning approach
 - c. Cognitive approach
 - d. All of the above
10. In the social learning approach to organizational behavior, which is considered the most appropriate unit of analysis?
 - a. Behavior
 - b. People
 - c. Environment
 - d. Both (a) and (c)
11. Albert Bandura defined _____ as a continuous reciprocal interaction among cognitive, behavioral, and environmental determinants.
 - a. Culture
 - b. Behavior
 - c. Stimulus
 - d. Learning

A Model of Organizational Behavior

Organizational behavior is a relatively young and developing field. Traditionally, many theorists like Douglas McGregor used a humanistic approach to OB. Later, theorists like Victor Vroom, Lyman Porter, and Edwin Locke used cognitive concepts in OB. However, modern theorists and researchers have been increasingly applying the behavioristic approach in OB. They also emphasize the need to integrate the behavioristic and cognitive approaches to develop a comprehensive model of OB. Since the social learning approach incorporates both the concepts, the theoretical foundation of OB is based on the social learning approach.

The model is built based on the fact that the cognitive approach helps in understanding the behavior of human beings whereas the behavioristic approach helps in predicting and controlling human behavior. Edward Thorndike in his book Classic Law of Effect explained that the behavioristic approach held that a particular behavior when followed by positive consequences would be reinforced and exhibited frequently in an organization, whereas, a behavior that was followed by an unpleasant consequence would become weak and be exhibited less frequently. Thus, managing the immediate

work environment helps managers to predict and control organizational behavior.

The internal causal factors in an organization are cognitively oriented whereas the external environmental factors are behavioristically oriented. Therefore, both the approaches have gained considerable importance in the development of the conceptual model of OB. Hence, social learning that incorporates both the approaches is used in the OB model.

The OB model based on the social learning approach is termed as the SOBC model, where S stands for stimulus, O for organism, B for behavior, and C for consequence.

The S-O-B-C model gives the basic framework rather than a complete explanation of OB.

A Model of Organizational Behavior

- S** – Stimulus is an environmental variable that depicts the environmental situation, both contextual and organizational.
- O** – Organism is a cognitive variable that understands organizational participants which link the environmental situation and the resulting organizational behavior.
- B** – Represents the organizational behavior.
- C** – Consequence is an environmental variable that depicts organizational and group dynamics and the consequences of previous interactions between

Compiled from various sources.

Check Your Progress-3

12. The social learning concept that incorporates the cognitive and behavioristic approaches is the most appropriate conceptual model of organizational behavior (OB). The OB model based on social learning is known as the
 - a. SCOB model
 - b. COBS model
 - c. SOBC model
 - d. CSOB model
13. Environmental variables in the SOBC model of organizational behavior are
 - i. Stimulus (S)
 - ii. Consequence (C)
 - iii. Organism (O)
 - iv. Behavior (B)

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- a. Only i and ii
- b. Only i, ii, and iii
- c. Only ii and iv
- d. Only iii and iv

5.8. Challenges and Opportunities for Organizational Behavior

Creation of Global Village

The world has been transformed into a global village as a result of fewer trade barriers between various countries. Further, there is a free flow of factors of production like capital, labor, etc. As a result, managers have to employ a workforce that is highly skilled and diversified with respect to culture, attitudes, behavior, etc. Managers should keep these diversities in mind and think of ways to deal with them. In fact, OB helps them in synchronizing their management style with unknown and unfamiliar cultures.

One of the major challenges that managers in contemporary organizations face is dealing with workforce diversity. Workforce diversity implies the heterogeneity of employees in an organization in terms of gender, race, and ethnicity. A person who differs from the rest of the group in any form contributes to workforce diversity. Traditionally, it was believed that irrespective of their backgrounds, employees automatically adapted or adjusted to the organization they were associated with at some point of time. It was believed that employees did not carry their cultural values and lifestyle preferences to the workplace. However, it is now believed that employees do carry their culture to the workplace and that diversities in the workforce can have a positive impact on organizational performance. Hence, managers need to change their uniform approach and be more responsive to the differences in culture of the employees. For this, managers should be given special training. In the event of a failure on the part of a manager to adapt to the changing environment, an organization might experience high employee turnover, interpersonal conflicts, and ineffective communication.

Improving Quality and Productivity

Organizations today are laying more and more emphasis on improving the quality and productivity of organizational processes. Total Quality Management (TQM) and Re-engineering are two widely used methods that help management in achieving this objective. The philosophy underlying TQM is continuous improvement in all organizational processes. It encourages employees to rethink their actions and also empowers them to participate in workplace decisions. Re-engineering on the other hand involves redesigning the

organization from scratch to accommodate latest technological developments and other trends in management practices. However, both the methods require the participation and co-operation of employees to achieve the desired results. OB provides managers with some valuable insights that help them in planning and implementing organizational changes.

Improving People Skills

People skills found in employees such as communication skills, skills to delegate authority, and the ability to build creative teams etc., help managers in enhancing their organizational performance. With the help of OB, managers can help employees improve their people skills. OB helps employees to learn about their own behavior as well as that of others. It also provides useful insights that help employees modify their own as well as others' behavior, thus improving their interpersonal skills and job performance.

Management Control to Empowerment

The superior-subordinate relationship in organizations is undergoing a sea change. Earlier, managers were in charge of the work assigned to employees. Of late, however, managers are assuming the roles of coaches, advisers, sponsors, and facilitators. Employees are increasingly being given complete freedom in their work. Thus, by empowering employees -- i.e., by making them responsible for their actions, managers ensure that the employees are responsible for their work. This has the effect of making the employees more careful while taking decisions.

Stability to Flexibility

Previously, the structure and process of organizations remained constant for long periods and changes took place occasionally. However, in the recent times, change has become a continuous process. Organizations that constantly bring about changes in their processes and structure in tune with the needs of external business environment are more successful. Employees are also required to continuously update their knowledge and skills to cope with the changing business trends. Managers too need to react spontaneously and should be flexible enough to adapt to the changing business conditions. They should also help subordinates cope with and adapt to such organizational changes. OB helps managers to understand change in a better way and in the long run, to shape the organizational culture.

Improving Ethical Behavior

In the present scenario, organizations function in a fiercely competitive environment that forces them to set stiff targets for their employees. As a result, employees are made to work in an environment of pressure. This in turn makes

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it more tempting for them to resort to unfair practices to achieve their targets. The employees' superiors may also sometimes encourage them to follow unethical practices to accomplish the tasks. In such cases, these employees face an ethical dilemma on whether to obey the orders of his/her superior or report the matter to the top management. Although characteristics of ideal ethical behavior are not clearly defined, every organization must adopt a policy that ensures the employees at all levels follow ethical practices in the organization.

Activity: Swethlana, CEO of June Food Products India Limited, recently set up an international sales division in Amsterdam. The division was to receive food products from India. Ram, who was working as head of the marketing and sales division for the company's operations in the Southern zone of India, was appointed head of the international sales division. What are the various challenges and opportunities that Ram may face as he begins his duties in a foreign country with a workforce constituted by personnel from both India and the Netherlands?

Answer:

Check Your Progress - 4

14. _____ refers to the heterogeneity of employees in organizations in terms of gender, race, and ethnicity.
 - a. Globalization
 - b. Workforce diversity
 - c. Cosmopolitanism
 - d. Secularism
 15. Identify the method/s used for improving quality and productivity in organizations.
 - a. Total Quality Management
 - b. Reengineering
 - c. Cognition
 - d. Both (a) and (b)
-

5.9. Models of Organizational Behavior

OB models play a significant role in the management of an organization. Models are frameworks of description of how things work and are also known as paradigms. Every model in OB makes certain assumptions regarding the nature of the people working in the organization. Models of OB not only differ from organization to organization but also from department to department within an organization. The organizational practices are also largely dependent on a manager's personal preferences.

The Autocratic Model

The autocratic model is based on power. Under this model, the person who holds power has the authority to demand work from workers. This model was widely popular during the Industrial Revolution. It is based on the assumption that work can only be extracted by means of pushing, directing, and persuading the employees. The model empowers managers with authority which might be used for unfair practices such as suspending the employees for not obeying the orders, giving low pay, etc. Such a work environment motivates very few employees to exhibit higher productivity. However, the autocratic model works well under certain conditions, particularly in times of an organizational crisis.

The Custodial Model

In the custodial model, the emphasis is laid on providing job security to the employees. It has been observed that employees generally prefer jobs that promise job security. Therefore, employers offer fringe benefits to strengthen the employee's confidence in job security. While this helps in retaining the employees, knowing that they are going to get incentives irrespective of their job performance might cause the employees to be more laid back in their approach toward work.

The Supportive Model

The supportive model emphasizes leadership rather than power or money. Under this approach, leaders promote an environment for the employees to grow while they help in achieving the organization's objectives. Also the support extended by the management motivates the employees to work. The employees are self-motivated to enhance their performance and are not compelled to do so. The model might not be effective for employees whose lower level needs are not satisfied. Nevertheless, the supportive model enhances the relationships between the employee and the employer.

The Collegial Model

In the collegial model, employees are self-disciplined, self-satisfied, and have specific goals which motivate them to improve their performance. In this approach, the superior acts more like a leader who leads the way and motivates

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employees that to perform at their best. The term 'collegial' refers to a group of persons working for a common purpose. This approach is an extension of the supportive model.

Check Your Progress-5

16. Which of the following models gives importance to the provision of job security for employees?
 - a. Custodial
 - b. Collegial
 - c. Autocratic
 - d. Supportive
 17. Which of the following models of organizational behavior is based on power and works well under certain conditions, especially during organizational crises?
 - a. Autocratic model
 - b. Supportive model
 - c. Collegial model
 - d. Custodial model
 18. Which of the following organizational behavior models is based on leadership rather than on power or money?
 - a. The custodial model
 - b. The supportive model
 - c. The autocratic model
 - d. The collegial model
 19. Which among the following models of organizational behavior is an extension of the supportive model?
 - a. Lewin's three-step model
 - b. Collegial model
 - c. Autocratic model
 - d. Porter-Lawler model
-

5.10. Summary

- OB is the study and application of knowledge about how people as individuals and as groups act within an organization.

- Henry Mintzberg classified the management roles into interpersonal roles, informational roles, and decision roles.
- Managers need to be equipped with skills like technical skills, human skills, and conceptual skills to perform their roles better.
- The OB model is based upon three theoretical frameworks namely cognitive framework, behavioristic framework, and social learning framework. Under the cognitive approach, the emphasis is on people and their thought process. On the other hand, the behavioristic approach focuses on the stimulus-response relationship. Behavior is determined by the consequence of the response. The social learning approach integrates the contributions from both cognitive and behavioristic approaches. In this approach, behavior is a continuous reciprocal interaction among cognitive, behavioral, and environmental determinants. The OB model based on the social learning approach is known as the SOBC model.
- Factors such as globalization, TQM, and reengineering, workforce diversity, ethics, etc., pose various challenges to organizational behavior.
- Models of OB help the organizations and managers to adopt organizational practices that best suit their requirements. Autocratic model, custodial model, supportive model, and collegial model are the various types of models that help managers in managing the organization.

5.11. Glossary

Authority – The rights inherent in a managerial position to give orders and expect the orders to be obeyed.

Change – Making things different

Communication – The use of symbols to transfer the meaning of information

Conceptual skills – The analytical ability to diagnose complex business situations.

Conflict – A process that begins when one party perceives that another party has negatively affected, or is about to negatively affect, something that the first party cares about.

Consistency – Reliability, predictability, and good judgment in handling situations.

Controlling – Monitoring activities to ensure that they are being accomplished as planned and correcting any significant deviations.

Culture – The acquired knowledge that people use to interpret experience and generate social behavior.

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Decision Roles – Roles that include those of entrepreneur, disturbance handler, resource allocator and negotiator.

Diversity – The situation that exists when members of a group or organization differ from each other in terms of age, gender, ethnicity, and/or education.

Empowerment – Making employees in charge of what they do.

Group – Two or more individuals, interacting and interdependent, who have come together to achieve particular objectives.

Human skills – The ability to work with, understand, and motivate other people, both individually and in groups.

Informational roles – Roles that include monitoring and disseminating activities.

Intuition – A feeling not necessarily supported by research.

Leadership – The ability to influence a group towards the achievements of the goals.

Learning – The acquisition of knowledge or skill through study, practice or experience.

Needs – Some internal state that makes certain outcomes appear attractive.

Operant conditioning – A type of conditioning in which desired voluntary behavior leads to a reward or prevents a punishment.

Organization – A consciously coordinated social unit, composed of two or more people that functions on a relatively continuous basis to achieve a common goal or set of goals.

Organizational behavior – The understanding, prediction, and management of human behavior in organizations.

Organizational structure – The arrangement of positions and departments through which the essential tasks of an enterprise are subdivided and grouped to create the systems and behavioral linkages that carry out business strategies.

Perception – A process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment.

Personality – The sum total of ways in which an individual reacts and interacts with others.

Power – A capacity that A has to influence the behavior of B so that B does things he or she would not do otherwise.

Role(s) – A set of expected behavior patterns attributed to an individual occupying a given position in a social unit.

Sociology – The study of people in relation to their fellow human beings.

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Technical skills – The ability to apply specialized knowledge or expertise is referred to as technical skill.

Total quality management – A philosophy of management that is driven by the constant attainment of customer satisfaction through the continuous improvement of all organizational processes.

Values – Basic convictions that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence.

Workforce diversity – The increasing heterogeneity of organizations with the inclusion of different groups.

5.12. Self-Assessment Test

1. Define OB? Explain the theoretical frameworks of OB.
2. In the present scenario, what are the various challenges and opportunities faced by managers in contemporary organizations? How does OB help in tackling these challenges?
3. What are the various models of organizational behavior? Explain.

5.13. Suggested Reading / Reference Material

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Additional References:

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3. https://sloanreview.mit.edu/article/being-the-agile-boss/?utm_source=newsletter&utm_medium=email&utm_content=what%20it%20means%20to%20manage&utm_campaign=Enews%20Gen%2012/16/20%20Top%202020
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14. Answers to check your progress questions

1. (c) Organizational behavior

According to Fred Luthans, organizational behavior is, “the understanding, prediction, and management of human behavior in organizations.”

2. (b) Leadership role

Interpersonal roles of a manager include figurehead, leadership, and liaison. Leadership includes hiring, training, motivating, and disciplining employees. In the liaison role, the manager interacts with individuals or groups, inside or outside the organization. In the figurehead role, the manager performs certain symbolic and ceremonial duties as head of a group.

3. (b) Spokesperson

Managers perform the spokesperson role when they represent the organization during interactions with the press, clients, and business partners. Managers perform the role of a disseminator transmitting information to other members in the organization. In the figurehead role, managers perform symbolic and ceremonial duties as the head of a group. In the leadership role, the manager is responsible for hiring, training, motivating, and disciplining employees.

4. (c) i/r, ii/q, iii/p

Henry Mintzberg classified management roles into three categories – interpersonal, informational, and decision roles. Managers play various roles within these categories. They obtain information about prevailing terms and conditions of employment, technological developments, the

tastes and preferences of the public, the plans/strategies of their competitors, etc. from newspapers, magazines and trade journals; and also by interacting with field executives who are in close contact with customers or by directly talking to the customers. Such a role is termed as the *monitor* (informational) role. The other two informational roles are *disseminator* role and *spokesperson* role. In the *entrepreneur* (decision) role, they seek to improve an organization's performance by initiating new projects and monitoring their progress. The other three decision roles are *disturbance handler* role, *resource allocator* role, and *negotiator* role. In their *figurehead* (interpersonal) role, managers perform certain symbolic and ceremonial duties as head of a group. The other two interpersonal roles are *leadership* role and *liaison* role.

5. (c) Disturbance handler

In the role of a disturbance handler, managers should respond to unforeseen problems. In the role of a resource allocator, he/she is responsible for allocating human, physical, and capital resources to various departments of the organization. Again, as an entrepreneur, the manager seeks to improve an organization's performance by initiating new projects and monitoring progress. Finally, a manager interacting with individuals or groups, inside or outside the organization, performs the role of a liaison.

6. (b) Decision roles

Managers play four roles which involve making of choices. These roles are the role of an entrepreneur, the role of a disturbance handler, the role of a resource allocator, and the role of a negotiator. All these roles are referred to as the decision roles.

7. (b) Informational role

Informational role involves collecting information on the tastes and preferences of the public, pricing strategies of the company's rivals, and prevailing terms and conditions of employment. Interpersonal roles of a manager include figurehead, leadership, and liaison roles. The manager plays the role of an entrepreneur, disturbance handler, resource allocator, and negotiator under the decision role. Leadership role includes hiring, training, motivating, and disciplining employees.

8. (a) Technical skills

A manager's ability to apply specialized knowledge or expertise is termed technical skills. The ability to work with good understanding of people (both individually and in groups) coupled with the art of motivating them is referred to as human skills. Conceptual skill is the ability to analyze complex situations, rationally process, and interpret

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available information. The ability to understand a situation or problem can be called analytical skill.

9. (c) Cognitive approach

The cognitive approach emphasizes more on people compared to other approaches. It is based on the expectancy, demand, and incentive concepts. Cognition is a psychological process of recollecting information and past experiences. Cognitive approach is also widely applied in the field of organizational behavior and is mostly used in the analysis of perception, personality and attitude, motivation, and goal setting. The role of cognition is found to be significant in decision making.

10. (a) Behavior

In the social learning approach to organizational behavior, behavior is considered the most appropriate unit of analysis. The cognitive approach emphasizes more on people and the behavioristic approach is based on the environment.

11. (b) Behavior

Albert Bandura explained behavior as a continuous reciprocal interaction among cognitive, behavioral, and environmental determinants.

12. (c) SOBC model

The OB model based on social learning is known as the SOBC model.

13. (a) Only i and ii

In the SOBC model of organizational behavior, stimulus (S) and consequence (C) are environmental variables.

14. (b) Workforce diversity

Workforce diversity refers to the heterogeneity of employees in organizations in terms of gender, race, and ethnicity. If any person differs from the rest of the group in any form, it may be referred as heterogeneity which contributes to workforce diversity.

15. (d) Both (a) and (b)

Total Quality Management and reengineering are two methods used for improving quality and productivity in organizations. On the other hand, cognition is a psychological process of recollecting information and past experiences.

16. (a) Custodial

The custodial model gives importance to the provision of job security for employees. In the collegial model, employees are self-disciplined,

self-satisfied, and have specific goals which motivate them to improve their performance. The autocratic model is based on power. In this model, the employees tolerate ill-treatment silently. In the supportive model, employees work hard and strive to enhance their performance not under compulsion but because they are motivated by the support extended by the management.

17. (a) Autocratic model

The autocratic model is based on power. On the other hand, the supportive model of organizational behavior is based on leadership. The collegial model is an extension of the supportive model. In the custodial model, employees are assured of economic rewards and benefits irrespective of performance.

18. (b) The supportive model

The organizational behavior (OB) models dominate and affect the decisions and actions of management in every organization. There are four models of OB, namely, autocratic, custodial, supportive and collegial. The supportive model is based on the principle of supportive relationships. It is based on leadership rather than on power or money.

19. (b) Collegial model

Collegial model of organizational behavior is an extension of the supportive model. Managements functioning on supportive model help employees to perform better. In the collegial model, the manager is not addressed as 'boss' to avoid psychological distance with the employee. He or she is like a leader leading the way and motivating employees to do their best.

Unit 6

Foundations of Human Behavior, Human Relations and Organizational Behavior

Structure

- 6.1. Introduction
- 6.2. Objectives
- 6.3. Definition of Human Relations and Organizational Behavior
- 6.4. Historical Development of Human Relations and Organizational Behavior
- 6.5. Contributions of Other Disciplines to Human Relations and Organizational Behavior
- 6.6. Significance of Human Relations and Organizational Behavior
- 6.7. Research Foundations for Organizational Behavior
- 6.8. Elements of Human Behavior
- 6.9. Influence of Internal and External Factors on Human Behavior
- 6.10. Understanding Human Behavior
- 6.11. Why Organizations Exist
- 6.12. Organizational Tasks
- 6.13. Social Aspect of Organizations
- 6.14. Summary
- 6.15. Glossary
- 6.16. Self-Assessment Test
- 6.17. Suggested Reading / Reference Material
- 6.18. Answers to check your progress questions

6.1. Introduction

The previous unit discussed management roles and skills, and provided a theoretical framework for organizational behavior. This unit is about the foundations of human behavior and development of human relations and organizational behavior.

Several contributions have been made from various other disciplines such as psychology, sociology, anthropology, economics and political sciences in developing the subject of human relations and organizational behavior. Further, research studies conducted at different places in the world and the theories proposed by many researchers have helped in the development of OB.

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Organizations and human beings are inseparable from each other. Understanding human behavior is associated with learning. Learning can be referred to as a relatively permanent change in an individual's beliefs and attitudes as a result of experience gained by him or her over a period of time. The nature of tasks assigned to employees also influences their behavior in the organization. All this will be taken up for discussion in this unit.

6.2. Objectives

By the end of this unit, students should be able to:

- Discuss the historical development of human relations and organizational behavior
- Evaluate the contribution of other disciplines to human relations and organizational behavior
- Analyze the significance of human relations and organizational behavior
- Compare and contrast Theory X, Theory Y and Theory Z.
- Discuss the uniqueness of human beings and the influence of internal and external factors on human behavior
- Describe the relationship between task design, efficiency and motivation

6.3. Definition of Human Relations and Organizational Behavior

Human Relations

In the general context, the study of human relations deals with the interaction between different kinds of people. But in the organizational context, human relations consist of the interaction of people while performing their organizational tasks. SG Huneryager and IL Heckmann defined human relations as "A systematic developing body of knowledge devoted to explaining the behavior of individuals in the working organization."

Keith Davis defines human relations as "Motivating people in organizational settings to develop teamwork which accomplishes individual as well as organizational goals effectively."

Organizational Behavior (OB)

OB is all about studying how people act as individuals and as groups within organizations and applying this knowledge to better organizational

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functioning. Fred Luthans defines OB as "the understanding, prediction, and management of human behavior of organizations." OB can be defined as implementing human aspects in managing an organization.

6.4. Historical Development of Human Relations and Organizational Behavior

Relationships between human beings have always existed but a separate branch of knowledge to deal with human relations was developed only during the period of the Industrial Revolution. Scientific management as suggested by Frederick Taylor gained prominence in the 1900s. Other research studies and developments contributed to the emergence of human relations and OB.

Scientific Management

Frederick W. Taylor, 'The father of Scientific Management,' propagated the importance of the human element in organizations. Until the 1900s, the working conditions in organizations were deplorable. Taylor proposed management practices such as division of labor and the use of scientific methods in selection, placement, and training of workers. Taylor emphasized mass production in organizations along with technical efficiency. Though Taylor made a significant effort to improve the working conditions of workers, he overlooked certain interpersonal and social aspects such as leadership, group cohesiveness and communication, which affected the performance of workers.

Research Studies

Experiments conducted by Elton Mayo and F.J. Roethlisberger in the 1920s and the 1930s made a significant contribution to understanding the importance of people at the workplace. To study human behavior at work, they conducted experiments at the Hawthorne plant of Western Electric Company. These experiments proved how productivity was affected by worker participation.

Many other organizations such as the Research Center for Group Dynamics, University of Michigan, Ohio State University, etc., conducted research projects in the 1940s and 1950s. The findings of all these studies helped managers in understanding people's behavior at work.

Other Developments

Concepts like paternalism and welfare management were developed in the first half of the twentieth century. Separate departments were created in organizations to improve human relations. Solving employees' problems

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at the workplace was given importance. World War II helped in intensifying the human relations movement. Studies by many behavioral scientists helped managers in improving business. However, the human relations movement had lost its significance by the 1950s.

Interdisciplinary Studies

Organizations throughout the world have carried out research studies on human relations at various places. Professional journals like *Personnel Human Relations*, and *Personnel Psychology* were actively involved in research studies. In India, various organizations were established such as the Bombay Textile Research Association (BTRA) in 1954, the South Indian Textiles Research Association (SITRA) in 1955, and the Shri Ram Center for Industrial Relations (SRC) in 1963 to conduct interdisciplinary studies on the social and psychological problems of industrial workers.

The Mature Outlook

In the late 1950s, a large number of students took up the study of organizational behavior and related disciplines as a major subject at the university level. This helped in bringing maturity to organizational practice. Publication of books like *The Human Side of Enterprise* by Douglas McGregor highlighted the mature outlook and helped in the detailed study of human relations and organizational behavior.

The Emergence of Human Relations and Organizational Behavior

The fields of human relations and organizational behavior emerged by the combining of the knowledge of behavioral sciences and concepts from disciplines like economics, psychology, and sociology with practical implementation. Many theories of human behavior are put to test in real life to find solutions to complex organizational problems. A better understanding of organizational complexities leads to a better understanding between managers and workers with regard to their work, thus ensuring efficient functioning of the organization.

6.5. Contribution of other Disciplines to Human Relations and Organizational Behavior

In developing human relations and organizational behavior, several contributions have been made from various other disciplines such as psychology, sociology, anthropology, economics and political sciences.

While psychology contributed to understanding individual behavior, disciplines like sociology, anthropology, economics, and political science helped in analyzing group behavior within organizations and its influence on the organizational system.

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Psychology

Psychology is a social science that analyzes human behavior. It has contributed to human relations and organizational behavior in areas related to individual behavior, motivation, perceptions, learning, training, and the role of personality.

Social Psychology: Social psychology is a combination of psychology and sociology that focuses on the influence of people on each another. Social psychologists have contributed to OB by providing insights into communication patterns, attitudinal changes, and the group decision-making process. Social psychology has greatly helped managers in implementing change in organizations.

Industrial Psychology: Industrial psychology relates to the theories and principles of psychology applied in the industrial context. Its contribution to OB has been in analyzing various selection and placement processes, the influence of the physical environment on human performance, accident, and safety, and in understanding individual differences.

Sociology

Sociology is the scientific study of the developments in society and the nature of social behavior. Sociologists have contributed to OB with their analyses that have helped to better understand group dynamics, work teams, norms, roles, status, organizational theory and structure, organizational culture, communication, intergroup behavior, socialization, power, and conflict.

Anthropology

Anthropology is the study of mankind mainly dealing with its origin, development, customs, and beliefs. Anthropologists have contributed to OB by providing insights into the basic differences in values, attitudes, and behavior of people in different organizations from various countries of the world.

Economics

Economics is a science which deals with goods and services, especially their production, distribution, and consumption. It provides insights into the aspects of decision and choice of policies affecting the economic growth of a firm and in effective allocation of limited resources among equally important alternatives.

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Political Science

Political science is a study of the behavior of individuals and groups within a particular political environment. It has contributed to OB in terms of allocation of power, dealing with conflicts and politics within an organization, and in the overall administrative process.

6.6. Significance of Human Relations and Organizational Behavior

The study and practice of human relations and organizational behavior helps in developing the skills of employees and improving the overall performance of an organization.

Development of Skills

Leading organizations have realized that human resource is their most important asset. The human resource of an organization is the inherent abilities, skills and talents of its employees. Developing the skills of employees is essential if an organization is to run successfully. This can be achieved by training, motivating, and enabling employees to improve educational qualifications and develop their personality. If managers spend time in improving interpersonal relations in the organization, the quality of performance of the employees will improve.

Organizational Performance

By ensuring good human relations and organizational behavior, organizations can significantly improve their productivity. Keith Davis illustrates the performance of productive organizations in the form of equations as follows.

$$\text{Knowledge} \times \text{Skill} = \text{Ability}$$

$$\text{Attitude} \times \text{Situation} = \text{Motivation}$$

Ability is represented as a product of knowledge and skill and motivation is the product of attitude and situation. The performance of an individual in an organization is determined by the product of his/her ability and motivation levels.

$$\text{Ability} \times \text{Motivation} = \text{Potential Performance}$$

OB helps in understanding the abilities of people and the factors which motivate their performance to bring about an improvement in the overall

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organizational performance. Organizational performance is derived by multiplying human performance by other resources.

$$\text{Human Performance} \times \text{Resources} = \text{Organizational Performance}$$

In this way, human relations and organizational behavior play a significant role in influencing organizational performance by developing the skills of the employees.

Exhibit 6.1 explains the importance of human part in implementation of technology

Exhibit 6.1: How Human Relations in Organizations Help in Developing Individual Skills

Rahul joined ABC Company after completing his graduation. He was a quick learner and a friendly person. There was an informal group within the company which was active in organizing social gatherings for employees. Rahul became a part of the group and started taking care of arrangements for the meetings and interacted with all the employees. Seeing the ease with which he dealt with people, the management offered him the position of Customer Relations Officer, which helped him in advancing his career. In this way, his relations with other people in the organization and teamwork helped him to develop personally.

Source: <https://sloanreview.mit.edu/projects/expanding-ais-impact-with-organizational-learning/> October 19, 2020

6.7. Research Foundations for Organizational Behavior

Research studies conducted at different places in the world and the theories proposed by many researchers have helped in the development of OB. Some of them are Hawthorne Studies, Theory X, Theory Y, and Theory Z.

Hawthorne Studies

In the 1920s, the management of Western Electric Company was concerned about the high level of dissatisfaction prevailing among them. In 1924, the company hired efficiency experts to trace the causes for the problems but they failed. The company then approached the National Academy of Sciences to help in finding a solution. The Academy initially conducted illumination experiments at the Hawthorne plant of the company.

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The Illumination Experiments: In the illumination experiments, the researchers altered the illumination at the workshop in order to find out the relationship between the efficiency of workers and the illumination at the workplace. A control group and an experimental group were selected to study the effect of variations in illumination. Illumination for the control group was unaltered throughout the period of the experiments and was altered for the experimental group. Initially, illumination was increased for the experimental group and it was found that this led to enhanced production by the group. There was also an increase in production by the control group. Later, when the illumination for the experimental group was lowered, the productivity still shot up. The illumination experiments could not arrive at a conclusion but revealed that there was some other variable which influenced the efficiency of workers apart from the conditions at the workplace.

Hawthorne Studies

- Productivity increased when the illumination was increased, and decreased, and even when it was maintained at the same level in the control room.
- The output of the group in the relay assembly room went up irrespective of changes made.
- Researchers tried to discover the reasons for behavior at work by conducting interviews and they could only arrive at some generalizations.
- In the bank wiring room, the incentive payment plan had no effect on performance as workers gave importance to group acceptance and had doubts and fears about the intentions of management.

Hawthorne Studies - Major Outcomes

- Group cohesiveness motivates workers more than monetary rewards.
- Changes in working conditions have the least effect on workers' performance when they work with willingness and in a happy atmosphere.
- Employees give importance to the work norms set by informal groups within organizations.
- The productivity of an organization improves when workers develop a feeling of belonging rather than through strict supervision.
- Teams and groups in organizations influence OB.

Relay Assembly Room Experiments: In 1927, Elton Mayo and F J. Roethlisberger of the Harvard Business School began experiments at the Hawthorne plant of Western Electric Company. To conduct the relay room experiments, a group of six was selected. Initially, two girls were selected

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and they in turn were given the opportunity to choose four other girls. These girls were observed in a test room where they had to assemble parts for telephone relays. An active observer present with them got feedback from them and listened to their grievances. The relay assembly room experiments aimed at finding means to increase productivity by introducing various changes in the working conditions, work hours, and in compensation. The group of girls selected for the experiment was intimidated prior to making a change and the effect was found by observing them for a period of four to twelve weeks.

The experiments were conducted over a period of five years by introducing various changes and observing whether the changes led to an increase or decrease in productivity. Some of the changes made and the results observed were as follows:

- Initially, the girls produced 2400 relays in a 48-hour week without any breaks or rest pauses. When two five-minute rest pauses were introduced, the productivity increased.
- When the duration of two rest pauses was increased to ten minutes, the productivity further increased.
- When six five-minute rest pauses were introduced, it resulted in a decline in productivity as the work pattern was upset by frequent pauses.
- When the girls were paid on a piece-work basis, the productivity increased.
- By serving a hot meal free of cost during the breaks, increased production was observed.
- By allowing the girls to leave home half-an-hour early, there was an increase in productivity.
- When the girls were allowed to leave an hour early, productivity did not increase.
- Restoring the original working hours and withdrawing the incentives such as hot meals and piece-wages showed an increase in productivity.

This increase in productivity was found to be the result of the girls forming an informal group. Irrespective of the changes introduced, there was an increase in their productivity. The researchers attributed this enhancement in production to the freedom given to the girls at work. As they had a jovial time at work and were guided by a friendly observer instead of an authoritarian supervisor, they participated in the experiments voluntarily.

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Also, the self-esteem of the girls was elevated when they were preferred over other factory workers as a part of the study. By analyzing these findings, the researchers discovered the concept of informal organization.

Interview Phase: Interviews were conducted during the experiments to find out the reasons for different human behavior at work. Around 21,000 people were interviewed over a period of three years and the researchers arrived at generalizations such as complaints need not arise due to facts but may be caused by personal disturbance which had a deep-rooted cause. The researchers also found that the workers wanted to be accepted by the group with which they worked. The experiences of working in a group also influenced the social demands of the workers.

Bank wiring observation room experiments: As a part of the Hawthorne studies, experiments were conducted in a bank wiring observation room in 1931-32. A group of fourteen men involved in bank-wiring who attached wires to switches for certain parts of telephone equipment, were studied to understand the power of informal groups and the effect of peer pressure on the productivity of workers. The physical working conditions were unaltered and a pay plan based on incentives for increase in output was implemented. Researchers found that contrary to their expectations, the output did not register any significant growth. They arrived at the conclusion that the group had an idea of what a fair day's work was and did not encourage too much or too little work. Group acceptance appeared to be more important to workers than money. The researchers concluded that the participants restricted production due to lack of trust in the objectives of the project and also due to the fear that the management might raise standards. Protecting workers whose productivity was lower was another reason for the restricted production. The Hawthorne studies on the whole led to the human relations movement and the development of concepts such as participatory management, team building, etc.

Check Your Progress-1

Indicate your choice of the answer from the options given by putting a ✓ mark.

1. _____ refers to the act of motivating people in organizational settings to develop teamwork which accomplishes individual as well as organizational goals effectively.
 - a. Cognition
 - b. Psychology
 - c. Human relation
 - d. Organizational development

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2. _____ is known as The father of 'Scientific Management' According to him 'Specific scientific methods could help people perform their jobs effectively and efficiently'.
 - a. Elton Mayo
 - b. Frederick W. Taylor
 - c. S. O, Huneryager
 - d. Fred Luthans
3. The emphasis of scientific management is mostly on _____.
 - i. Division of labor and scientific selection
 - ii. Placement and training of workers
 - iii. Differential piece rate system
 - a. Only i and ii
 - b. Only ii and iii
 - c. Only iii
 - d. i, ii, and iii
4. _____ is a combination of psychology and sociology that focuses on the influence that people have on one another.
 - a. Industrial Psychology
 - b. Anthropology
 - c. Social psychology
 - d. Political science
5. Which of the following experiments formed part of the Hawthorne studies?
 - i. Illumination experiments
 - ii. Sound experiments
 - iii. Bank wiring observation room experiment
 - iv. Relay assembly room experiment
 - a. Only i, ii, and iv
 - b. Only i, iii, and iv
 - c. Only ii, iii, and iv
 - d. i, ii, iii, and iv
6. Which of the following observations were made during the Illumination experiment?
 - a. When the intensity of illumination was reduced for the experimental group, the productivity of the group decreased.
 - b. When the intensity of illumination was reduced for the experimental group, the productivity of the group did not decrease.

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- c. When the illumination was enhanced for the experimental group, its productivity increased but the productivity of the control group decreased.
 - d. The productivity of the control group (which was not subjected to changes in illumination) increased and the productivity of the experimental group decreased.
-

Theory X

Theory X was formulated by Douglas McGregor in his book *The Human Side of Enterprise*. The basic assumptions of Theory X were:

- On an average, people dislike work and try to avoid it.
- To make people work effectively, coercion by punishment or financial rewards for good work should be given.
- An average employee prefers to get directions at work and is reluctant to take on responsibility.
- Workers are not ambitious; they avoid risks and give utmost importance to security needs.

These assumptions of theory X were held by Taylor and others in scientific management approach. Managers who believe in Theory X force their employees to work efficiently by using fear tactics or by announcing financial rewards for high performance. But they cannot generate the right kind of interest in work in their employees as the employees do not get the opportunity to fulfill their needs.

Theory Y

Apart from Theory X, McGregor formulated another set of assumptions known as Theory Y about the behavior of individuals at work. The basic assumptions of Theory Y were:

- People put the same kind of physical and mental efforts into work as they do in playing.
- An employee's commitment to organizational goals drives him/her to deliver, more.
- Tight controls and punishments cannot drive people toward goals.
- People, in general, accept and seek responsibility.
- Job satisfaction brings a commitment in employees toward organizational goals.

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Theory Y advocated delegation of authority in organizations and freedom to all employees in setting organizational objectives. In this system, the emphasis was on individual needs and it influenced the implementation of personnel policies and practices. Both Theory X and Theory Y propagated that managers were responsible for enhancing production and getting workers' cooperation to achieve organizational goals. McGregor concluded that the perception of managers about the nature of people at work depended on the basic assumptions they had about people.

Theory Z

William Ouchi propounded Theory Z in his book, *Theory Z: How American Organizations Can Meet the Japanese Challenge*. There are some basic differences in the management styles of Japanese and American organizations. While the Japanese organizations believe in lifetime employment, short-term employment is common in American organizations. Japanese managements consider their employees as family members and take care of them at work as well as in their social life. Employees in turn feel committed and are loyal to the organization for which they work. American organizations, on the other hand, are concerned mainly about the employee's work or professional life.

Activity: Identify the theory (Theory X or Theory Y) that was adopted in the situations described here:

- Sheela, a sales representative, was summoned by her manager when she failed miserably to attain the sales target for the previous month. The manager told her that this was her last chance and that she should show improvement in performance if she did not want any strict action to be taken against her.
- Rohan failed to meet the deadline for a project. His team leader met him personally and enquired about the reasons for his failure. He also asked Rohan to share his views with regard to the set performance target and its achievability within the time frame given.
- Gupta, the operational head of Tex Group of Industries, announced that an additional 10 percent salary would be given as an incentive to employees who exceeded the performance target set for them.
- When the productivity of the plant came down, Anil set group targets instead of individual targets by grouping employees who were performing related tasks.

Answer:

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They believe in going on the fast track in awarding promotions. American organizations focus on individuals and the manager takes decisions for the entire group. William Ouchi suggested that in order to match the quality and productivity of Japanese firms, American organizations had to modify their management styles. He proposed Theory Z as an integrated model of OB. Ouchi recommended that American organizations had to adopt some changes:

- They should offer better and secure career prospects to the employees.
- They should encourage the involvement of all employees in decision-making.
- They should emphasize team spirit and recognize the individual's contribution to team effort.
- Managers should also respect subordinates and value their ideas.

Thus, Theory Z suggested mutual cooperation between management and employees to attain organizational objectives.

Activity: Harry set up Refricom, a manufacturing unit to produce compressors for refrigerators, in India. He had visited a Japanese firm and was impressed by the policies of the management like treating employees as partners in the business, sharing the profits with employees, the friendly relationship between superiors and subordinates, and the loyalty exhibited by the employees toward the organization. Harry wants to develop his organization on the lines of the Japanese firm he visited. As the behavior of people differs from country to country, do you think he will be successful in implementing the management practices of the Japanese firm in his unit? Comment.

Answer:

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Check Your Progress-2

Indicate your choice of the answer from the options given by putting a ✓ mark.

7. Employees are basically lazy and they dislike work. This is the assumption of
 - a. Theory X
 - b. Theory Y
 - c. Theory Z
 - d. Both (a) and (b)
8. ABC Corporation Limited (ABC) follows the practice of giving cross-functional training to its employees and involves them in the decision making process. Further, it offers long-term employment, and managers are held responsible for the decisions taken by them. It uses both explicit and implicit controls. Which of the following terms best describes organizations like ABC?
 - a. Theory X organizations
 - b. Theory Y organizations
 - c. Theory Z organizations
 - d. Theory XY organizations

6.8. Elements of Human Behavior

Uniqueness of Human Beings

According to Charles Darwin, human beings evolved just like animals and they both had intelligence and memory which allowed them to learn and solve problems. Human beings exhibit some shared behavioral aspects with animals like living in groups, expressing feelings of joy, pain, anger, affection, sadness, etc. However, they are much more advanced when it comes to communication and mental capabilities. Unlike animals, human beings are capable of speaking, reading, and writing. Also the human brain is considered far more creative than that of animals. Humans have the capability to respond and cope with any situation in the environment. The thought process of each individual differs from that of others, making it complex to understand the human behavior. All these aspects set human beings apart from other organisms in the world.

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Human Limitations

The behavior of human beings is influenced by external and internal factors. External factors could be the situations faced by an individual, the behavior of other individuals with whom the person interacts, etc. For instance, a student's performance in an examination can be attributed to the influence of competition in his/her external environment. Internal factors could be the personality-traits, perception, beliefs, instincts, thought processes, etc., of the individual. If internal factors alone determine human behavior, the degree of change and growth possible for an individual would be highly restricted. On the contrary, if environment or external factors alone determine behavior, the capacity of human beings to change would be almost unrestricted. Human beings have certain physical and psychological limits beyond which they cannot change themselves. For instance, a person cannot assimilate complicated or a large volume of data at a time. It also leaves the person in a state of confusion and he/she might commit several mistakes while processing the data. As a result, the person's work might be ineffective. Though people make efforts to achieve perfection in their work, it is not easy to completely overcome these limitations.

6.9. Influence of Internal and External Factors on Human Behavior

Instinct vs. Environment

It was earlier believed that human behavior was the manifestation of instinct. Instinct refers to the voluntary actions that a person takes without considering the consequences of the actions. They are internally generated drives that cause individuals to display certain types of behavior such as anger, frustration, love or hatred. These drives have their roots in genes and they pass on from generation to generation. However, the level of intelligence and linguistic capabilities are acquired by a person and they are not inherited. Later on, social scientists believed that the external environment shaped the behavior of a person. They were also of the opinion that given the proper environment and with training, an individual's behavior could be modified. Of late, researchers have been emphasizing that behavior is an interactive process between individual and environment. Environment is seen to play a vital role in molding the behavior of a person.

$$\text{Behavior} = \text{Personality} \times \text{Environment}$$

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Personality vs. Environment

Human behavior is influenced by an individual's personality and the situations in his environment. Personality is not a result of genetic factors alone. To some extent, a person learns or adopts a desired personality based upon impressions from the past. According to some personality theorists, the personality of a person is shaped at a very young age and it remains the same throughout his/her lifetime. Therefore, it strongly influences the person's behavior. However, some behavioral theorists believe that an individual's behavior is largely dependent upon the current external events. Recent studies conducted to measure the effect of personality traits and situational variables on behavior have shown that both personality traits and situational factors influence human behavior equally.

Personality Traits Influence Behavior

Michael Diamond and Seth Alcorn attempted to explain the influence of personality traits on behavior with the help of an organizational example. They believed that individuals differed in their responses even to the same situation. This was because of the differences in personality traits. They explained this concept by taking the example of a situation where the manager found flaws in the report prepared by a subordinate and the way his subordinate reacted to the situation.

- Perfectionist personality: The employee refuses to accept any mistakes in the report he/she had prepared. Further he/she even refuses to make changes or improvements to the document. Such people seldom accept their mistakes.
- Narcissistic personality: The employee accepts his/her mistakes and also proposes to make the required changes. Such people prefer to work alone and detest sharing recognition or rewards.
- Arrogant, vindictive personality: The employee argues with the manager and if unsuccessful, passes the blame on to the co-workers.
- Self-effacing personality: The employee attempts to defend himself/herself by implicating colleagues for mistakes.
- Resigned personality: The employee feels insulted, but does not explicitly show his/her displeasure. In future, however, he/she may leave the organization and join another company.
- Self-realized personality: The employee accepts his/her mistakes and may take it as an opportunity to improve himself/herself.

Cognition vs. Environment

Behaviorists believe that an individual's behavior could be understood by observing the way he/she had responded to a certain stimulus in the past

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and also the consequences of the response. They argued that if the consequence is positive, the person is likely to respond in a similar way in nature to a similar stimulus. A response with an unfavorable consequence is unlikely to be repeated. However, cognitive theorists believed that the cognitive interpretations like a person's evaluations, memories, expectations, etc, also influence his/her behavior. According to them, the interaction between stimulus (environment) and organism (individual) cause a certain kind of behavior. The interaction involves cognitive processing and evaluation of the environment by the individual. Both the behaviorists and cognitive theorists agree that learning and environment (stimulus) has an impact on behavior. The views of behaviorists may be represented by the Stimulus-Response (S-R) model, whereas cognitive theorists' views may be represented by the Stimulus-Organism-Response (S-O-R) model.

Researchers concluded that behavior could not be explained purely on the basis of environment. Along with environment and individual's instincts, personality traits and cognition also play a vital role in deciding the behavior of a person.

Limitations of S-R and S-O-R Models

S-R Model: The behaviorists overlooked the influence of internal cognitive events such as beliefs, attitudes, or values on an individual's behavior.

S-O-R Model: The cognition of an individual may suffer from the following drawbacks: self-serving motives, limited information and processing skills, and fallibility in memory

6.10. Understanding Human Behavior

Learning is one aspect which is common to all human beings. Every individual is constantly learning all through his/her lifetime. Hence, understanding human behavior is associated with learning. In organizations too, people adopt a learned behavior. They acquire various technical and interpersonal skills that lead them to behave in a particular manner in the workplace. Individuals tend to align their behavior with that of their workgroup.

Learning

Learning can be referred to as a relatively permanent change in an individual's beliefs and attitudes as a result of experience gained by him/her over a period of time. A change in the attitudes and beliefs of a person may result in a corresponding change in the behavior. Change also differs from person to person as it is a result of individual experiences.

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Experience may be a result of acquiring new skills or knowledge, interaction with the environment, etc. Though people are equipped with some skills before they enter an organization, they are still required to learn other skills such as people skills, etc. Therefore, organizations should conduct formal programs that offer to train employees in the desired skills, work culture, values and norms of the organization. The organizations must also provide feedback to employees so that they can recognize and overcome their shortcomings.

Learning may also occur in an informal and haphazard manner. Informal learning may be of two types — Associative learning and Instrumental learning.

Example: Different Ways of Enhancing Learning in Organizations

Human beings are social animals. They learn something new every day from their interaction with others. Employees of organizations too undergo this process. In fact, the organization itself is a learning ground as people interact with others belonging to diverse cultures, personalities, etc., and learn something new in the process. Therefore, to ensure that the employees take interest in organizational learning programs, the management should adopt innovative learning techniques such as situated action, or incidental learning.

- **Situated Learning** - In this type, learning takes place in the context of a particular situation. However, the learner can apply the knowledge so gained to different new situations and in a variety of new ways. For example, an employee may be shown a video tape on communication skills on how to communicate with the Japanese community.
- **Action Learning** — According to this approach, individuals learn in the process of solving a problem situation. The objective behind action learning is not finding a solution to the problem but to learn about the way/s with which the problem can be solved. For example, the management can organize role play for a group of employees, wherein they are required to solve a given problem.
- **Incidental Learning** - Learning in this form is not intentional but accidental. The individual unintentionally learns during the process of accomplishing a task. Learning of this kind can take place while interacting with others, by learning from mistakes, etc. However, the validity of this type of learning in the workplace is debatable as one cannot anticipate or even assess incidental learning in employees.

Source: Icfa Research Centre

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Associative learning: According to the behaviorists, an individual establishes an association between stimulus and response. When a neutral stimulus is combined with another stimulus that produces a strong reaction, it results in associative learning. The stimulus that brings about the strong reaction is referred to as the *unconditional stimulus* and the strong response is known as the *conditioned response*. The neutral stimulus is known as the *conditioned stimulus*. Initially, the individual shows weak or probably no response to a neutral stimulus. However, the individual exhibits noticeable unconditioned response to the unconditioned stimulus. On constantly being shown the neutral stimulus along with the unconditioned stimulus, the individual builds an association between the neutral stimulus and the unconditioned stimulus. As a result, the individual exhibits an unconditioned response to the neutral stimulus.

Ivan Pavlov's Experiment

Pavlov observed that when he gave a piece of meat (unconditioned stimulus) to the dog, he noticed a lot of salivation (unconditioned response). When Pavlov merely rang the bell (neutral stimulus) the dog showed no sign of salivation. Hence, he concluded that ringing of the bell had no effect on the salivation of the dog. Later, Pavlov accompanied the meat with ringing the bell and he noticed that the dog salivated. He did this several times and later rang the bell without presenting the meat. He noticed that the dog now salivated (unconditioned response) even if only the bell was rung (neutral Stimulus).

This concept was developed by the Russian behaviorist Ivan Pavlov and is also known as classical conditioning.

Instrumental Learning: According to the behaviorists, instrumental learning results from behavioral consequences. In this type of learning, people associate certain responses with certain consequences and try to manipulate their behavior in future to get the desired consequence. Behaviorists hold that when an individual observes that responding in a particular way to a particular stimulus is rewarding, then he/she tends to behave in a similar way in the future to a similar stimulus. Similarly, an individual tries to modify his/her behavior in future if the consequence to a particular stimulus is not rewarding.

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Example: Instrumental Learning

Rahul Sharma (Sharma), a fresh commerce graduate, joined Jyothi Agrofoods Pvt. Ltd., as an assistant to the company's accounts officer. Sharma's job was to enter the daily transactions of the company into the computer. He entered all the daily transactions along with complete details accurately. However, he ignored the nature of the transactions, i.e. sales, purchases, cash, bank, etc., and maintained one file for all the transactions. Later, he asked the accounts officer to maintain a separate file for each of those accounts. As a result, he had to redo all the work. This caused a delay in the preparation of the final accounts of the company. In the next financial year, Sharma started maintaining different files, one each for transactions related to sales, purchases, cash, bank, etc

6.11. Why do Organizations exist?

Organizations are formed to facilitate the achievement of some specific goals.

What is an Organization?

An organization consists of a group of individuals working together to achieve one or more shared goals. Organizations are characterized by rules and regulations, standard operating procedures, superior-subordinate relationships, etc., which direct the efforts of the individuals working in organizations towards the achievement of organizational and personal goals. Further, individuals are required to co-ordinate with each other in order to attain the common goals of the organization. Therefore, they need to modify their behavior to adapt themselves to the work environment.

Example: Personal Goals and Organizational Goals

Ram, who had been working in Care Systems Pvt. Ltd. for five years, had been named 'Employee of the Month' several times. He was happy with his job. Recently, Ram thought of continuing with his higher studies but found he was unable to coordinate his course timings with work schedules. Ram requested the management to permit him to take two hours off every day in the morning so that he could attend classes. But the management refused to do that, saying it would overburden the other team members and ultimately have a negative impact on the organizational performance. Ram is now planning to quit the organization as his personal goals do not match the organizational goals.

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Goals and Goal Setting

Organizations should assign priority to the personal goals of the employees along with the organizational goals. In the absence of giving priority, the employee might become de-motivated and feel forced to quit the organization. With the help of goals, an organization can guide the behavior of the employees and set standards for evaluation.

For instance, employees are said to be effective if they succeed in achieving their targets. If the employees are appropriately rewarded for their performance they are bound to repeat their behavior in future (guiding the behavior).

Management

The effective management of an organization requires proper management of the activities and people in the organization. For this, managers need to control and co-ordinate the various activities performed by the employees. To facilitate this objective, managers are required to possess both technical and behavioral knowledge. While technical knowledge helps managers to assist employees in the better performance of their job, behavioral knowledge helps in understanding and dealing effectively with the human resources.

Challenges Confronting Managers

Organizations today are large in size, highly complex, and technologically advanced. As a result, managers face the following challenges:

Size: As organizations grow larger there is decreasing interaction between the employees. Employees become unaware of the activities in the other departments. Hence, it is the duty of the management to update the employees about the latest happenings in the organization to facilitate co-ordination among the various departments.

Complexity: Features like division of labor and specializations in various functional areas within an organization have given rise to heterogeneous complexity in organizations. Co-ordination, integration, and control of various activities across different departments have also become difficult, giving rise to a conflict of goals within the organization.

Technology: Today, the impact of science and technology on organizations is not restricted to the department of R&D alone. In fact, technology is prevalent in all departments of an organization. For instance, computers are used by employees in all departments. Also with the advances in technology, employing technical advisors in the workplace

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has become a necessity, further increasing the complexity in the organization.

In addition, the ever-changing technology requires the management to revamp its work processes as and when required. More often than not, employees resist change. Therefore, the management must carefully implement the change. If the employees are unwilling to assimilate changes in the organization, it could lead to a huge loss for management in terms of the investment in the new technology.

Activity: Hindustan Lever Limited (HLL) is an FMCG company with its operations in several countries in the world. Explain the problems faced by the company's country managers with regard to size and complexity of HLL.

Answer:

Check Your Progress-3

Indicate your choice of the answer from the options given by putting a ✓ mark.

9. Identify the statement that does not hold true as per the theory of evolution propounded by Charles Darwin.
 - a. Human beings evolved just like other animals.
 - b. There are no fundamental differences in the mental processes of human beings and animals.
 - c. Only human beings have intelligence and memory which enable them to learn and solve problems.
 - d. All of the above

10. _____ refers to the involuntary actions performed by a person without considering the consequences.
 - a. Instinct
 - b. Thought
 - c. Trait
 - d. Belief

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11. _____ is an internal factor that causes individuals to display certain types of behavior like anger, frustration, love or hatred.
 - a. Cognition
 - b. Instinct
 - c. Personality
 - d. Thought process
12. According to cognitive theorists, cognitive interpretations of the environment by the individual also influence behavior. This view can be explained by using
 - a. Stimulus-Organism-Response (S-O-R) model
 - b. Stimulus-Response (S-R) model
 - c. SOBC model
 - d. Both (b) and (c)
13. Which of the following models represent the views of behaviorists?
 - a. S-R Model
 - b. R-S Model
 - c. S-O-R Model
 - d. A-B-C Model
14. can be termed as a relatively permanent change that occurs in a person's beliefs and attitudes with time and experience.
 - a. Behavior
 - b. Perception
 - c. Personality
 - d. Learning
15. Associative learning and instrumental learning are the two processes involved in
 - a. Formal learning
 - b. Informal learning
 - c. Cultural learning
 - d. Social learning
16. The learning that happens when a neutral stimulus is combined with another stimulus that produces a strong reaction is called _____.
 - a. Associative learning
 - b. Instrumental learning
 - c. Social learning
 - d. Operant conditioned learning

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17. Ivan Pavlov, a Russian behaviorist, conducted experiments to teach dogs to salivate in response to the ringing of the bell. Which type of learning is associated with these experiments?
- Classical conditioning
 - Instrumental learning
 - Operant conditioning
 - Social learning

6.12. Organizational Tasks

The nature of tasks assigned to employees influences their behavior in the organization. Organizational tasks play a vital role in the efficiency of an organization. A properly designed task aids the management in inculcating a positive attitude in employees toward the work and work environment and also motivates them to perform better. Therefore, the nature of tasks assigned and the structure of the organization are crucial aspects in an organizational environment.

Task Design and Efficiency

Organizational tasks should be designed in such a way that they bring efficiency in the performance of the employees. Frederick W Taylor, the father of scientific management, believed that there was always one best way of doing a job. Taylor conducted a study in 1898 at Bethlehem Steel on pig-iron workers whose productivity was considered the best in the industry. These workers did not have any fixed work schedule. Taylor suggested that the organization could improve productivity if it prepared work schedules and instructions to workers. The company's workers followed Taylor's suggestion and found that they were able to complete their work four times faster.

Over time, researchers have formulated a number of principles for designing tasks in industrial engineering. The principles have laid emphasis on job specialization, division of tasks, and performance of identical tasks at the same time. The scientific approach to task design assumes that -

- there is only one best way of doing a job
- the best way can be determined only by a scientific study of the job and by providing financial incentives to the employees.

Task Design and Motivation

The scientific approach was criticized on the following grounds:

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- the specialized jobs were monotonous, narrow, and unexciting
- as the employee was made to work only on a specific part of the entire work, he/she did not feel a sense of achievement or pride in the work.

Studies conducted by researchers in recent years have shown that employees were more satisfied when given a chance to exhibit a variety of skills and allowed to work on a complete job. The researchers believed that a properly designed task motivated workers to perform better. Also, it was found that though the best method may increase efficiency, it may not bring about employee motivation. Moreover, financial incentives were not the only means of motivating employees. Job design too was an important element in motivating employees to perform better.

However, efficiency and motivation alone cannot improve the productivity of an organization. A successful organization needs to have both motivated as well as a highly efficient workforce.

6.13. The Social Aspect of Organization

The major elements of organizational environment that are responsible for shaping attitudes and work behavior of the members are the structural characteristics of an organization and the nature of the tasks performed by organizational members. The social aspect of an organization is also a vital element in its environment. It has been observed that when people work together they tend to influence each other's behavior. For instance, superiors influence their subordinates' style of working, etc. Earlier, the influence of the social aspect on organizations was not given much emphasis. However, of late, organization theorists are realizing the impact of informal work groups on the attitude and behavior of the employees in the organization.

Check Your Progress-4

Indicate your choice of the answer from the options given by putting a ✓ mark.

18. During the era of industrial engineering, the design of work systems improved the efficiency of organizations. Specialized jobs became
- i. Monotonous
 - ii. Gave a sense of achievement
 - iii. Narrow
 - iv. Unexciting

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- a. Only i, ii, and iv
 - b. Only i, iii, and iv
 - c. Only ii, iii, and iv
 - d. i, ii, iii, and iv
19. The research works that attempted to study the motivational implications of task design disproved the notion that
- a. Financial incentives are not the only means of motivating employees.
 - b. Ample opportunities to perform all the learned tasks may enhance employee motivation.
 - c. Employees can be efficient only when they work in a way defined by scientific study.
 - d. The best way to do a job may increase efficiency but not employee motivation.

6.14. Summary

- People's needs differ from individual to individual. People can fulfill their needs easily through group efforts by forming organizations. Human relations are defined as the interaction of people in organizations to work as a team.
- The concept of human relations and OB developed through the years. Many disciplines such as psychology, sociology, anthropology, economics, and political science have contributed to human relations and OB.
- Human relations and OB play a significant role in developing the skills of employees and in improving organizational performance.
- Research studies laid the foundation for human relations and OB. Researchers conducted various experiments to find the reasons that lay behind individual behavior at work. Various experiments such as the one conducted at the Hawthorne plant of Western Electric Company contributed to the human relations movement.
- Douglas McGregor propounded Theory X and Theory Y with different assumptions. Theory X mainly assumed that people were not interested in working and that their performance could be improved only through coercion. Theory Y assumed that people wanted to work and sought responsibility.

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- William Ouchi suggested Theory Z as a model to integrate and implement Japanese management techniques into American organizations.
- Human beings are unique. An individual's behavior is influenced partly by his genetic make-up and partly by the environment surrounding him.
- Human beings acquire new behavior through learning. Learning can be associative or instrumental.
- Organizations consist of a group of people working towards achievement of common and personal goals. Organizations are places where individuals acquire their work behavior.
- The structure of the organization and the nature of the tasks assigned to the employees influence the behavior of individuals in an organization.
- The social aspect of organizations also has an impact on the work behavior of individuals

6.15. Glossary

- **Anthropology** - The study of societies to learn about human beings and their activities.
- **Attitude** - A persistent tendency to feel and behave in a particular way towards some object.
- **Career** - The sequence of positions occupied by a person during a course of a life time.
- **Cohesiveness** - Degree to which group members are attracted to each other and are motivated to stay in the group.
- **Decision making** – Choosing from among two or more alternatives.
- **Effectiveness** – Achievement of goals.
- **Efficiency** – The ratio of effective output to the input required to achieve it.
- **Human relations** - Motivating people in organizational settings to develop teamwork that accomplishes individual as well as organizational goals effectively.
- **Informal group** - A group that is neither formally structured nor organizationally determined; appears in response if the need for social contact.
- **Job satisfaction** - The general attitude towards one's job; the difference between the amount of rewards workers receive and the amount they believe they should receive.

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- **Motivation** - The relationship between the means, drives and incentives.
- **Organizational culture** - The common assumptions people share about an organization's values, beliefs, norms, rituals and myths that give meaning to organizational membership and are accepted as guides to behavior.
- **Psychology** - The science that seeks to measure, explain and sometimes change the behavior of humans and other animals.
- **Punishment** - Unfavorable consequence that accompanies behavior and discourages repetition of behavior.
- **Self-esteem** - Individual's degree of liking or disliking for themselves.
- **Social psychology** - An area within psychology that blends concepts from psychology and sociology and that focuses on the influence of people on one another.
- **Stress** - A dynamic condition in which an individual is confronted with an opportunity, constraint, or demand related to what he or she desires and for which the outcome is perceived to be both uncertain and important.
- **Theory X** - The assumption that employees dislike work, are lazy, dislike responsibility, and must be coerced to perform.
- **Theory Y** — The assumption that employees like work, are creative, seek responsibility, and can exercise self-direction.
- **Norms** - Acceptable standards of behavior within a group that are shared by the group's members.
- **Personality traits** - Enduring characteristics that describe an individual's behavior.
- **Work group** - A group that interacts primarily to share information and to make decisions to help each other perform within his or her area of responsibility.

6.16. Self-Assessment Test

1. Why were the Hawthorne studies conducted? Discuss the findings of these studies.
2. Explain the historical development and significance of human relations and OB.
3. Briefly comment on Theory X, Y and Z. Compare and contrast Theory X and Theory Y.

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4. How do internal and external factors influence the behavior of human beings? Explain how associative learning can take place in organizations with the help of an example.
5. Describe the impact of organizational tasks on an employee's work attitude.
6. How do internal and external factors influence the behavior of human beings? Explain how associative learning can take place in organizations with the help of an example.
7. Describe the impact of organizational tasks on an employee's work attitude.

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6.18. Answers to check your progress questions

1. (c) Human relation

Keith Davis defined human relations as, "Motivating people in organizational settings to develop teamwork which accomplishes individual as well as organizational goals effectively."

2. (b) Frederick W. Taylor

According to Frederick W. Taylor, specific scientific methods could help people perform their jobs effectively and efficiently. He is known as the father of scientific management.

3. (d) i, ii, and iii

The emphasis of scientific management is mostly on division of labor and scientific selection, placement and training of workers, and differential piece rate system.

4. (c) Social psychology

Social psychology is a combination of psychology and sociology that focuses on the influence that people have on one another. On the other hand, industrial psychology applies the principles and theories of psychology in an industrial context. Anthropology deals with the study of mankind particularly, its origin, development, customs, and beliefs. Finally, political science studies individual and group behavior within a particular political environment.

5. (b) Only i, iii, and iv

Illumination experiments, the bank wiring observation room experiment, and the relay assembly room experiment formed part of the Hawthorne studies.

6. (b) When the intensity of illumination was reduced for the experimental group, the productivity of the group did not decrease.

During the Illumination experiment, it was observed that when the intensity of illumination was reduced for the experimental group,

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the productivity of the group did not decrease. The productivity still shot up.

7. (a) Theory X

The assumptions of Theory Y are: people can solve their work-related problems by using creativity and imagination; people can put physical and mental efforts in work as naturally as they do while playing, and the intellectual capabilities of an average person are not properly utilized in the modern industrial condition. On the other hand, Theory X assumes that the average employee prefers to be given directions about his work and shies away from taking greater responsibility

8. (c) Theory Z organizations

This style of management is a combination of American and Japanese management. Hence, ABC Corporation Limited can be called a Theory Z organization.

9. (d) All of the above

According to Charles Darwin's theory of evolution, human beings evolved just like other animals. Darwin believed that there are no fundamental differences in the mental processes of human beings and animals. Both of them have intelligence and memory, which enable them to learn and solve problems. Thus, all the statements given are true.

10. (a) Instinct

Human behavior in society is the manifestation of instinct. Instincts refer to involuntary actions performed by a person without considering consequences.

11. (b) Instinct

Instinct, when internally generated, causes individuals to display certain types of behavior like anger, frustration, love, or hatred. These have their roots in genes and pass from generation to generation. These types of behavior can also be prompted by external factors or conditions.

12. (a) Stimulus-Organism-Response (S-O-R) model

The view of cognitive theorists can be explained by using the stimulus-organism-response (S-O-R) model, while the view of behaviorists can be represented by a stimulus-response (S-R)

Block-2: Fundamentals of Organizational Behavior

model. The organizational behavior model based on social learning is known as the SOBC model.

13. (a) S-R Model

S-R Model represents the views of behaviorists, whereas the S-O-R model represents the views of cognitive theorists.

14. (d) Learning

Learning can be referred to as a relatively permanent change that occurs in a person's beliefs and attitudes with time and experience. This change may result in a corresponding change in the individual's behavior.

15. (b) Informal learning

Associative learning and instrumental learning are the two processes involved in informal learning.

16. (a) Associative learning

The learning of attitudes occurs through associative learning or classical conditioning. When a neutral stimulus is combined with another stimulus that produces a strong reaction, it results in associative learning.

17. (a) Classical conditioning

When a neutral stimulus is combined with a conditioned stimulus that produces a strong reaction, it results in associative learning or classical conditioning. Through Pavlov's experiments, dogs learned to associate the neutral stimulus of a bell with the conditioned stimulus of food. Thus, it led to the emergence of the theory of classical conditioning.

18. (b) Only i, iii, and iv

During the era of industrial engineering, despite the fact that design of work systems largely improved the efficiency of organizations, improved efficiency had its drawbacks. Specialized jobs were monotonous, unexciting, and narrow, and required only a part of an employee's skill sets. The work performed by the employee was also only a part of the total product. This failed to give a sense of achievement to the employee.

Unit 6: Foundations of Human Behavior, Human.....

19. (c) Employees can be efficient only when they work in a way defined by scientific study

Research works that attempted to study the motivational implications of task design disproved the notion that employees can be efficient only when they work in a way defined by scientific study. The implications of the research findings were: the best way to do a job may increase efficiency but not employee motivation; financial incentives are not the only means of motivating employees; and finally, ample opportunities to perform all the learned tasks may enhance employee motivation.

Unit 7

Diversity and Ethics

Structure

- 7.1. Introduction
- 7.2. Objectives
- 7.3. Concept and nature of diversity
- 7.4. Managing diversity in organizations
- 7.5. Individual and organizational approaches to managing diversity
- 7.6. Developing the multicultural organization
- 7.7. Ethics and ethical behavior in organizations
- 7.8. Summary
- 7.9. Glossary
- 7.10. Self-Assessment Test
- 7.11. Suggested Reading / Reference Material
- 7.12. Answers to check your progress questions

7.1. Introduction

The previous unit discussed human behavior and the influence of internal and external factors on human behavior. This unit is about diversity and ethics.

Diversity in organizations is increasing in the 21st century and managing people coming from diverse cultures in an organization is posing a challenge to managers. The people being appointed in the managerial positions are also selected from diverse backgrounds. When managers know the reasons for the emergence of diversity in their organization and its nature, they are able to better manage such diversity.

Ethics are the rules and standards which govern a person's behavior. Various factors in the cultural, organizational, and external environment along with individual and group behavior have an influence on the ethical behavior of an individual

This unit will describe the concept and nature of diversity, reasons for emergence of diversity and will discuss managing diversity in organizations. It will also explain ethics and ethical behavior in organizations.

7.2. Objectives

By the end of this unit, students should be able to:

- Define Diversity
- Analyze the reasons for emergence of Diversity
- Describe Diversity Management in organizations
- Identify traits that describe a multicultural organization
- Define Ethics
- Explain Ethical Behavior in organizations

7.3. Concept and Nature of Diversity

According to Fred Luthans, diversity is ‘the presence of members of different ages, genders, ethnic groups and/or educational backgrounds in an organization’. Diversity in organizations is increasing in the 21st century and managing people coming from diverse cultures in an organization is posing a challenge to managers. The people being appointed in the managerial positions are also selected from diverse backgrounds. When managers know the reasons for the emergence of diversity in their organization and its nature, they are able to better manage such diversity.

All individuals are different. They differ in performance level and working style. They differ in ethnicity, age, gender, culture, social class, abilities and home language. Some individuals have disabilities, and some are talented. These and other differences can have important implications for employee performance, satisfaction, organizational policies & practices. As all individuals are different from one another in many ways, diversity exists in many different forms and it is important for managers to understand and manage this diversity effectively.

Thus, diversity refers to the ways in which people are similar and different from each other in terms of demographics such as age, sex, physical ability, generation, social class etc. Workforce diversity refers to a workforce who belongs to different cultural groups and thus has different qualities. When managers know the reasons for the emergence of diversity in their organization and its nature, they are able to better manage such diversity. This requires a set of skills for working effectively with a mix of people from different backgrounds, social classes, communities, of different ages and gender, and of different national and international cultures. Interpersonal sensitivity and respect for other cultures are essential if diversity is to be valued. Proper diversity management can lead to competitive advantage for organizations. Exhibit 7.1 illustrates how Ikea maintains gender equality.

Exhibit 7.1: Ikea Focuses on Gender Equality

Ikea India aims to become truly gender equal by 2022. This means that they will ensure equal opportunities for both women and men, and reach 50-50 gender balance in every unit, function, and level. It shows that they aim to build an organization that values gender diversity.

IKEA India said in a recent release, “This isn't just about numbers, it's about breaking down the walls that keep women and men underrepresented in certain roles and building an organisation that recognises the importance of diversity of thought and experience.”

Women are employed at every level and function in IKEA India, ranging from operating fork lifts at the storage place, to top management and to retailing. Initially the company started creating gender balance through numbers. Achieving this was a challenge in India, considering that 80% of the applicant pool was male. To overcome this shortage, IKEA India started working on a training program for underprivileged women on marketable skills which will help them become economically independent and have better opportunities. This program called Disha is in partnership with the UNDP and the India Development Foundation, and is supported by the IKEA Foundation. IKEA has hired around 70 women from this program.

IKEA focuses on getting the best candidate for each role, but they want to make sure that there is equal representation from both men and women in the recruitee pool.

Work life balance is encouraged for both men and women and some policies towards this include child day care programs (which ensure that the employees are supported in their roles as parents), and a six month paid parental leave policy for both men and women.

IKEA India Breaking stereotypes! Aims to be truly gender equal by 2022 accessed from <https://www.ikea.com/in/en/newsroom/ikea-india-breaking-stereotypes-aims-to-be-truly-gender-equal-by-2022-puba70a2be0> on 17th April, 2020,

Source: <https://www.devdiscourse.com/article/business/925211-business-briefs-3> on 19th April, 2020 and https://www.in.undp.org/content/India/en/home/operations/projects/poverty_reduction/creating-employment-and-entrepreneurship-opportunities-for-women/ikea-foundation--committed-to-women-s-rights.html on 20th April, 2020

Reasons for the emergence of diversity

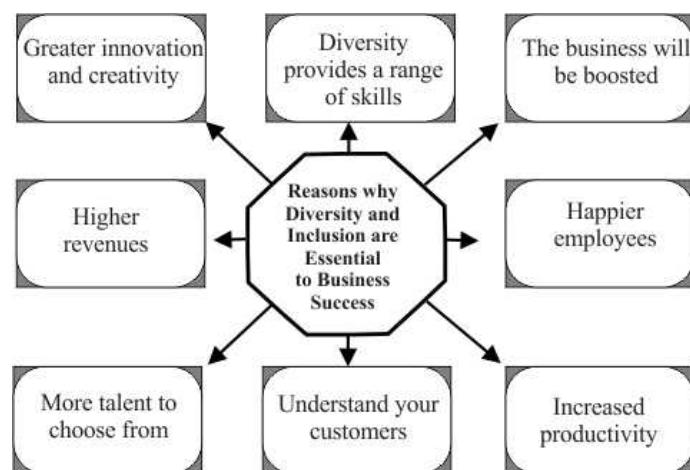
There are different reasons for the emergence of diversity in organizations (Refer Figure 4.1). Globalization has contributed significantly to the increase of diversity in organizations. With companies expanding their operations to different countries in the world, workforce diversity in organizations has also increased. Organizations too have realized that to improve competitiveness, diversity needs to be encouraged. Other reasons for the emergence of diversity are:

Changing demographic structure of the workforce: The people working in modern organizations have varying backgrounds of knowledge. The increase in the number of women workers, people belonging to minority communities, people of different ages, and people with different educational qualifications has altered the demographic structure of the workforce and contributed to increasing diversity in organizations.

Changing demographic structure of the workforce: The people working in modern organizations have varying backgrounds of knowledge. The increase in the number of women workers, people belonging to minority communities, people of different ages, and people with different educational qualifications has altered the demographic structure of the workforce and contributed to increasing diversity in organizations.

Figure 7.1 provides the reasons for need for diversity and inclusion for business success.

Figure 7.1: 8 Reasons Why Diversity and Inclusion Are Essential to Business Success



Source: <https://www.forbes.com> › [biancamillercole](#) › 2020/09/15

In India, several developments have taken place in the recent past, which affect diversity and inclusion policies at the workplace, some of which include:

- Enhanced maternity leave benefit act:** In 2017, the Central Government amended the Maternity Benefit Act of 1961 to increase the period of maternity leave from 12 to 26 weeks for women with fewer than two surviving children. In situations where a woman has more than two children, the leave is limited to 12 weeks only.
- Crèche or day care facility for employees' children** has been made obligatory for an establishment having more than 50 employees. Women workers are allowed to visit the crèche 4 times amid the day.

Block-2: Fundamentals of Organizational Behavior

- c. **The Rights of Persons with Disabilities Act, 2016** along with the Rules (for implementation) is endorsed by the federal government. The law protects disabled persons from various forms of discrimination and ensures their access to equal employment opportunities, which would enhance their societal participation.
- d. **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act** of 2013 (“POSH Act”) was enacted to ensure safe working spaces for women and to build enabling work environments that respect women’s right to equality of status and opportunity. The law aims to prevent gender based discrimination at the workplace.
- e. **The Transgender Persons (Protection of Rights) Act, 2019 (Act)** has been made effective from January 10, 2020. The Act protects rights of transgender persons and promotes their welfare.

Decriminalization of Consensual Same-Sex Acts: In 2018, the Supreme Court of India declared unconstitutional Section 377 of the Indian Penal Code, 1860 (IPC), insofar as that law punished private, consensual sexual relationships between two adults of the same sex. As a result, if employees are discriminated against on the basis of their sexual orientation, those employees can now claim for a violation of their fundamental rights of freedom of expression.

Government Legislation and lawsuits alleging discrimination: The legislations of different countries have made a provision for equal opportunity for all employees. There are also many laws against discrimination in organizations. For example, the US government has come up with different laws periodically to ensure that there is no discrimination.

Recruiting Best Talent: Global organizations have realized that diversity, if encouraged, helps organizations to remain competitive. By recruiting a diversified workforce, an organization can get the best talent from different backgrounds to work for it. This helps in generating different kinds of ideas for better functioning of the organization.

Increasing Globalization: When organizations began operations in countries other than their country of origin, there was a need to employ local people (people from the host nation) so as to ensure that the organization functioned with thorough knowledge about the values and culture of the people in the country in which it was operating. This was essential to serve the host country in accordance with the customs and social norms of the people of that country. With globalization, companies employed various people from different countries in the world to ensure the smooth functioning of global operations. Thus, globalization was an important reason for the emergence of diversity in organizations.

Specific Characteristics of Diversity

Managers can better understand the nature of diversity in organizations by understanding some specific characteristics of diversity. Demographic differences such as age, gender, education, and ethnicity are some of the specific characteristics of diversity.

Dimensions of Diversity

There are two sets of dimensions that contribute to the way people differ from one another – primary and secondary dimensions. Primary dimensions, such as gender, culture, ethnicity, age, and mental or physical abilities, establish the fundamental viewpoints of the world and the way individuals perceive themselves. These usually cannot be changed. They significantly influence both the individual and the group in workplaces. Secondary dimensions are less visible than the primary dimensions and include educational background, religion, first language, social class, geographic location, marital status, work experience, income and communication style. They have a major impact on the self-esteem and self-image of an individual. Secondary dimensions can usually be changed. Secondary and primary dimensions interact to form the individual's perception, values and experiences.

The important diversity dimensions dealt with here are:

Age: The workforce in an organization will be balanced when it consists of a blend of young and old people. Managers of organizations can be effective if they accommodate the different needs of the older and younger employees in the framework of organizational activities. For effective handling of the workforce, older employees should be given respect and appreciation for their work and the younger employees should be ensured of career advancement.

Gender: More number of women in the workforce has added to the diversity in organizations. Organizations are guided by laws to provide equal opportunity to all employees irrespective of gender differences. The 'glass-ceiling'¹ for women should be broken so as to eliminate gender bias.

Ethnicity: When people belonging to different ethnic groups work for an organization, the policies of the organization should ensure that all are given equal opportunities as far as career growth is concerned.

Disability: Employees with varied physical and mental disabilities are often part of the workforce. Organizations should explore what can be done to create a better work environment for employees with disabilities.

¹ Glass-ceiling refers to the invisible barrier in organizations which prevents women from being promoted to top management positions and which encourages their being paid less than men for the same work.

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Exhibit 7.2 illustrates unethical behavior in workplace.

Exhibit 7.2: Unethical behavior in workplaces

Unethical behavior in the workplace can harm a company's image and reputation resulting in loss of business, customers, employees, and even closure of the company. Unethical behavior is prevalent in all types of organizations and industries. One example of unethical behavior in the workplace which resulted in billions of dollars in fines and penalties is that of Wells Fargo Bank which had to settle a civil lawsuit for \$3 billion following a scandal because their employees opened millions of fake accounts under the names of actual customers without their consent or knowledge in order to meet sales goals.

The Harvard Business Review article, "How Common Is Unethical Behavior in U.S. Organizations?" based on a national survey conducted by the Yale Center for Emotional Intelligence with the collaboration with the Faas Foundation, found that:

- 29% of U.S. employees have witnessed or experienced unethical behavior.
- 27% of U.S. employees experienced an unhealthy work environment.
- 1 in 4 employees in the U.S. feel pressured to act unethically and are afraid to speak up.

Source: <https://www.ganintegrity.com/blog/unethical-behavior-in-the-workplace/> March 2021

Education: The education level of employees in an organization affects the practices and technological advancement of organizations. Organizations might employ people with varied educational backgrounds for different jobs. Hence, regular training and measures to enhance knowledge levels of employees helps an organization to stay ahead in competition.

Other demographic characteristics like tenure, religion, social class, sexual orientation also lead to individuals and groups facing different challenges in the workplace and it is important for managers to recognize and implement diversity management policies and processes in organizations

Check Your Progress-1

1. Which of the following are among the various reasons for the emergence of diversity in organizations?
 - a. Changing demographic structure of the workforce
 - b. Increasing globalization of firms
 - c. Government legislations and lawsuits alleging discrimination
 - d. All of the above

2. An increase in the percentage of older people among employees in the United States is due to
 - a. Increasing globalization of firms
 - b. Improved health and medical facilities
 - c. Abolition of certain compulsory retirement rules
 - d. Both (b) and (c)

7.4. Managing Diversity in Organizations

Managing diversity in organizations is a challenging task for managers. In fact, companies adopt different methods to manage diversity. However, measures like creation of family-friendly workplaces, providing diversity training to employees, and developing mentoring programs for employees can be adopted by organizations in general to manage diversity efficiently.

Creation of Family-friendly Workplaces

To manage a diverse workforce efficiently, companies have tried to create family-friendly workplaces. These are intended to take care of the interests of working mothers, single parents, and men and women of families where both spouses work. The aim of creating a family-friendly workplace is to improve employee morale, enhance productivity, and reduce absenteeism. By creating family-friendly workplaces, companies want to help employees in balancing their family life with their careers. Programs like flexible work hours, paid holidays, care centers for children and the aged, relocation assistance, etc., have been taken up by organizations with the intention of enhancing employee morale and ensuring that they retain the talented employees working for the organization.

Providing Diversity Training to Employees

Organizations can cope well with diversity if they can train employees to work in an environment consisting of a diversified workforce. Training programs that improve the knowledge of employees with regard to various cultures, practices, and beliefs of people will help them to work in co-operation with each other, thus benefiting the organization. These training programs can be provided in the form of lectures, role-play, and discussions.

Developing Mentoring Programs for Employees

An employee who is less experienced can be guided by the senior employee acting as mentor. The employee being developed (protégé) can get help from the mentor with regard to learning the finer aspects of the work. To make the mentoring process easier, protégés can be chosen from the same background, gender, religion or ethnicity as the mentor.

Check Your Progress-2

3. There are a number of approaches to manage diversity in organizations. From the following, identify the approaches to diversity management.
 - i. Developing family-friendly workplaces
 - ii. Developing mentoring programs for employees
 - iii. Providing diversity training to employees
 - a. Only i and ii
 - b. Only i and iii
 - c. Only ii and iii
 - d. i, ii, and iii
4. The needs of a modern workforce differ from that of employees hailing from traditional 'stereotypical' families. The modern workforce comprises
 - i. Single parents
 - ii. Members belonging to two-career households
 - iii. Housewives
 - iv. Women
 - a. Only i, ii, and iv
 - b. Only ii
 - c. Only ii and iii
 - d. Only ii, iii, and iv
5. One of the steps in managing diversity in organizations is to develop a family-friendly workplace. What are the objectives of creating such a workplace?
 - i. Improve employee morale
 - ii. Enhance productivity
 - iii. Reduce absenteeism
 - iv. Increase cross-cultural understanding
 - a. Only i
 - b. Only i, ii, and iii
 - c. Only i, ii, and iv
 - d. Only ii and iii
6. Diversity training involves the training of diverse groups or training of managers and other employees who work with diverse employees. One of the widely used diversity training approaches is

- a. Diversity board games
- b. Thematic Apperception tests
- c. Psychometric tests
- d. Both (a) and (c)

7.5. Individual and Organizational Approaches to Managing Diversity

There are different approaches to managing diversity in an organization. Individual approach is through learning and empathy. The organizational approaches through programs for testing, training, and provision of alternative work schedules help in managing diversity. Individual or organizational approaches can be adopted to manage diversity for the better prospects of the organization on the whole.

Individual Approaches

Individual approaches to managing diversity can be through learning, that is, by improving the knowledge of an individual about other people, or with empathy, i.e., understanding others by putting oneself in other person's shoes.

Learning: Learning through interaction with employees at all levels can help managers in understanding them better. When they interact with employees, the managers get to know about the employees' personal values and attitudes. This gives the managers the opportunity to get to know how the employees expect to be treated. Feedback from employees about the manner in which they are being treated will also help managers in learning about diversity and improving their behavior.

Empathy: Empathy is thinking how the other person thinks. If managers empathize with their employees, they can understand their problems. By empathizing, they will be able to manage diversity in the workforce. For example, when a manager talks with a physically challenged employee, he should take care that the employee does not feel he/she is being discriminated against. This is possible only when the manager empathizes with the employee and understands that the employee likes to be treated on par with other employees.

Organizational Approaches

Organizational approaches to manage diversity are testing, training, mentoring, and devising alternative work schedules. All these approaches help in increasing employee morale while enabling them to bring in a balance between family and work.

Block-2: Fundamentals of Organizational Behavior

Testing: Tests conducted to select people for an organization should be free from bias based on religion, caste, gender, and ethnic background. The tests for selecting a diverse workforce should concentrate on the skills required for the job. They should be designed in such a way that they are of the same difficulty level for all those taking them. The candidates should be tested based on the skills required for the job and the test should make the authorities choose the person fitted for it. Methods such as role play and group discussions can help in appropriate assessment of the candidates.

Training: Training is an effective organizational approach to manage diversity. Employees can be trained in dealing with different groups in an organization. Training can be provided through interactive games where each group questions other groups about their practices and they answer the questions to gain points. By this, all the groups gain knowledge about the other groups in the organization and the perceptions of different groups about each other. This helps in better interaction at the workplace and the effective management of diversity. Diversity board games are widely used as a training approach. As part of the game, the participants answer questions related to gender, race, cultural differences, age, sexual orientation, and disabilities. Depending on the responses, the players in the game proceed on the board or retreat. The main purpose of these games is to give the players insights into the important issues concerning the management of diverse groups.

Mentoring: Mentoring can be explained as the guidance provided by a senior employee to a less experienced employee to ensure that the latter is developing and adapting himself/herself to the requirements of the organization. Mentors help protégés in the following ways:

- To acquire specific skills required in performing a job efficiently.
- Guiding them about things that can be done or avoided in the organization.
- Clarifying their doubts on various issues and providing emotional support.
- Correcting the mistakes they make and helping them to learn.

A formal mentoring program involves the five steps:

1. The top management has to assure its support to the program.
2. The mentor is paired with an individual who can learn from the mentor's experience.
3. Both the mentor and the protégé are given an orientation.
4. During the entire mentoring period, which lasts for a year or less, the mentor and protégé meet the support staff of the program to discuss their progress.

5. Finally, overall opinions and recommendations are obtained from both the mentor and the protégé to learn how the process can be improved in the future.

Alternative work schedules: Alternative work schedules enable employees to work at the time they find most convenient in the day. There are various ways of providing alternative work schedules. Some of them are flextime, compressed workweek, job sharing, and telecommuting. With flextime, an employee is free to choose the timings in a day that fall within the working hours of the organization. The total number of work hours in a day should be eight hours. Employees can plan their time of arrival according to their convenience by ensuring that they coordinate with the timings of other employees. A compressed workweek is an arrangement in which employees can work for a fewer number of days per week by extending the working hours on other days. Job sharing allows two or more people to share a traditional forty-hour-a-week job. This arrangement enables workers to work part-time. The organization too benefits as it pays for one person and uses the talents of different persons for the same job. Telecommuting is a growing approach to manage diversity. In this arrangement, employees need not travel to office and can work from home. Work is done on the telephone. Telecommuting saves time, space, and other costs for the organization.

These alternative work schedules allow both men and women time for their personal work along with official work.

Check Your Progress-3

7. A formal mentoring program in an organization involves five steps. Identify the **correct** sequence.
 - i. The mentor is paired with a protégé who can learn from the mentor's experience
 - ii. Both the mentor and the protégé are given an orientation
 - iii. The mentor and the protégé meet the support staff of the program to discuss their progress
 - iv. The top management has to assure its support to the program
 - v. Overall opinions and recommendations are obtained from both the mentor and the protégé to learn how the process can be improved in the future.
 - a. ii-i-iii-v-iv
 - b. i-ii-iii-iv-v
 - c. iv-i-ii-iii-v

Block-2: Fundamentals of Organizational Behavior

- d. iv-ii-iii-i-v
8. _____ refers to the ability of individuals to see things from the other person's point of view.
- Empathy
 - Mentoring
 - Sympathy
 - Learning
9. What are the different organizational approaches used for managing diversity in organizations?
- Testing
 - Learning
 - Mentoring
 - Designing alternative work schedules
- Only i, ii, and iii
 - Only i, iii, and iv
 - Only i and iv
 - Only iii
10. 3/36 schedule in which the employees work three twelve-hour days per week is an alternative work schedule arrangement. Under this arrangement, employees are divided into five groups and each group is assigned different days off in a week. What is this arrangement known as?
- Job sharing
 - Flextime
 - Compressed work week
 - Telecommuting
11. _____ is a type of alternative work schedule arrangement that allows two or more people to share a traditional forty-hour-a-week job.
- Job sharing
 - Compressed work week
 - Flextime
 - Both (a) and (c)
12. Ravi and Harish work in a small manufacturing company producing stationery goods. They have to work eight hours per day, regardless of starting and ending times. Ravi chose to work from 7 am to 3 pm. However, Harish has to take his child to school in the morning and do some household work. Therefore he decided to work from 11 am to 7 pm. What is this type of alternative work schedule arrangement provided by the company known as?

- a. Flextime
- b. Job sharing
- c. Compressed work week
- d. None of the above

7.6. Developing the Multicultural Organization

There are some traits that describe a multicultural organization.

- Contributions from different social and cultural groups are valued and the interests of all groups are given importance.
- Social oppression in any form is discouraged.
- Decision-making involves members from various social and cultural groups.
- Operations are carried out in a socially responsible way

These are the features of a multicultural organization which develops in six stages:

Exclusionary organization

The workforce in this kind of an organization is allowed to be dominated by a group on the basis of certain criteria like age, education, race, or gender. Exclusionary hiring and other forms of discrimination are practiced while recruiting people in these organizations.

Club organization

In this type of organization, persons who have traditionally held power continue to do so. Other groups of people even if hired in compliance with laws, have a limited role to play in organizational activities.

Compliance organization

In this kind of organization, an attempt is made to eliminate discrimination but this is not done in the true spirit to build a multicultural organization.

Affirmative action organization

Such an organization supports the development of women, minorities, older workers, physically disabled persons, and those groups which have been denied equal opportunities in organizations. In this type of organization, steps are taken to provide equal opportunities for all groups of people by supporting the development of minorities. But these steps are not sufficient to build a multicultural organization.

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Redefining organization

This type of organization realizes the benefits of diversity. Evaluation of the mission, structure, psychological dynamics, technology, products, and services is done and they are redefined so as to facilitate diversity. Policies and practices are altered to distribute power among diverse groups.

Multicultural organization

A multicultural organization is committed to bringing social equality in the entire organization. People from diverse social and cultural groups are involved in decision making for the growth of the organization. Many organizations aspire to reach this stage but most of them are still in a stage of transition

Activity: Accord has been set up by a board comprising all white Americans. The company has plans to expand operations and capture a global market share. In accordance with its expansion plans, the company wants to transform itself into a multicultural organization. Explain the detailed process through which Accord can be transformed into a multicultural organization.

Answer:

Check Your Progress-4

13. _____ is a type of organization that is committed to bringing social equality in the entire organization. It includes members of diverse social and cultural groups in the decision-making process.
 - a. Club organization
 - b. Multicultural organization
 - c. Exclusionary organization
 - d. None of the above
14. A multicultural organization is a socially responsible entity that supports other institutional efforts to do away with all forms of social oppression. There are six stages in the development of a multicultural organization. Identify the **correct** sequence.
 - i. Compliance organization

- ii. Redefining organization
 - iii. Affirmative action organization
 - iv. Club organization
 - v. Exclusionary organization
 - vi. Multicultural organization
 - a. ii-vi-v-iv-iii-i
 - b. i-iv-iii-vi-ii-v
 - c. i-iv-v-vi-iii-ii
 - d. v-iv-i-iii-ii-vi
15. In _____ type of organization, people who have traditionally held power continue to do so.
- a. Compliance organization
 - b. Club organization
 - c. Affirmative action organization
 - d. Exclusionary organization
16. _____ is a type of organization that supports the development of women, minorities, older workers, physically disabled persons, and groups which have been denied equal opportunities.
- a. Compliance organization
 - b. Club organization
 - c. Affirmative action organization
 - d. Exclusionary organization
-

7.7. Ethics and Ethical Behavior in Organizations

Ethics are the rules and standards which govern a person's behavior. Various factors in the cultural, organizational, and external environment along with individual and group behavior have an influence on the ethical behavior of an individual. Cultural factors include family, friends, education, religion, neighbors, and the media. The organizational environment includes ethical codes, policies and practices, role models, and reward and punishment systems. External factors which influence ethical behavior can be in the form of developments in international politics, economics, etc. The nature of ethical behavior is a controversial issue. What is ethical for one person may be regarded as unethical by another. The ethics in an organization has an impact on the performance of employees and their well-being. Hence, modern organizations are giving attention to ethical problems like sexual harassment, discrimination in pay and promotion, violation of privacy, etc., to ensure that all employees are treated well.

Block-2: Fundamentals of Organizational Behavior

Sexual Harassment

With an increase in the number of working women, the problem of sexual harassment has come into focus. At the workplace any unwelcome advances, requests for sexual favors or verbal or physical behavior of a sexual nature are considered sexual harassment.

The employee can file a lawsuit against the organization and the persons involved in case of such sexual harassment. Courts are taking measures to protect the right of an employee to work in an environment free of sexual harassment. There are several steps which organizations can take up to create a work environment free from such instances.

- A program to address the personal biases of employees that may lead to sexual harassment should be implemented by the organization.
- Top management should extend its support to such programs.
- Programs to bring about a basic attitudinal change in employees can help to address the problem of sexual harassment in a permanent way.
- Policies should be formulated to address sexual harassment when it happens in the organization.

Activity: Ruby's superior Rehnas has held out a threat to her that she would lose her job if she did not go out with him. Do you think that is an act of sexual harassment? If so, discuss the steps that need to be taken by the management to avoid such kind of incidents in future.

Answer:

Organizations should be on constant vigil to arrest any incidence of sexual harassment and correct the situation

Pay and Promotion Discrimination

Discrimination of women or any other group in the payment of salaries or in promoting employees to higher positions in organizations is treated as unethical behavior. Many survey reports reveal that the wages for women are lower than those of men in many industries for the same amount of work. Even among the women, the salaries of those belonging to different races vary for the same work done.

The glass ceiling effect prevents women from reaching the top level management. In a study conducted by AT&T, it was found that there is no difference in leadership skills between men and women. Moreover, women in general were found to have stronger work involvement, flexibility in behavior, and good interpersonal skills. Exhibit 7.3 explains how women are affected by glass ceiling.

Exhibit 7.3: Glass Ceiling critical for Gender Differences

A study taken up by two professors from the University of Minnesota and Danielle Li of MIT, on a large North American retail chain found that the percentage of women workers in a leadership role are very few. Women as entry-level workers are more with 56% and starts reducing as we go along the hierarchy ladder, with 48% as department managers, with only 35% at the level of store managers and just 14% as district managers.

At the retail chain, though women score decently on past performance, they are given low scores in growth potential ratings, leading to 50% gaps in promotions. The study observed that women are deliberately underestimated for future performance, though scored high on performance, leading to stronger glass ceiling. This also forms basis for gender pay gap to stay at 70% with gender differences in job levels. The research study suggests to curb the difference by eliminating glass ceiling.

Source: <https://insights.som.yale.edu/insights/women-arent-promoted-because-managers-underestimate-their-potential,2021>

Affirmative action is a commonly used strategy for dealing with discrimination against women and minorities in the workplace. It refers to a set of policies and initiatives designed to eliminate past and present discrimination based on race, color, religion, sex or national origin. However, there is a lack of total commitment on the part of the organizations. Another approach to tackle discrimination against women is through gender training. This is done by exposing participants to new ideas, beliefs, and possibilities in an attempt to change the prevailing notions about women. Seeding strategy is another approach to stop discrimination. In this, women are directly placed in the top management positions of the organization. But this strategy is often ineffective as the women are placed only in staff positions and not in line positions.

Systematic research can help in eliminating discrimination in pay and promotion by arriving at an optimal approach.

Employee Privacy Issues

Privacy of employees in the workplace is of concern in relation to ethical behavior in organizations. Advanced computer technology is giving employers access to the personal information of employees. Reading e-mails, taping voice-mails, mandatory drug testing, and influencing the lifestyles of employees are considered to be an encroachment on employees' privacy. Some organizations monitor their employees electronically as part of performance review. Employees are generally opposed to such policies as they intrude on their

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privacy. Organizations can address these concerns by informing employees before imposing a restriction on their behavior, giving satisfactory reasons for such policies and taking care of the interests of both the employees and the organization.

Activity: Imagine you are working for Xcel Inc., a software company. The company allows its employees to access the Internet for personal use during non-working hours. But the personal mails sent from the office are tapped by special software installed in the server. Do you think the company is ignoring the privacy aspect of employees by doing this? Justify your answer.

Answer:

Check Your Progress-5

17. What refers to the rules and standards governing a person's conduct?
 - a. Compliance
 - b. Ethics
 - c. Traditions
 - d. Behavior
18. Ethical behavior is influenced not only by individual or group behavior, but also by the cultural, organizational, and external environment. Identify which among the following is **not** a cultural factor.
 - a. Education
 - b. Religion
 - c. Development in the political, legal, and economic arena
 - d. Media
19. Some of the ethical problems which have attracted considerable attention in modern organizations are
 - i. Sexual harassment
 - ii. Discrimination in pay and promotion

- iii. Violation of privacy
 - iv. Child molestation
 - a. Only i, ii, and iii
 - b. Only i, ii, and iv
 - c. Only ii, iii, and iv
 - d. i, ii, iii, and iv
20. Which among the following steps should be taken by organizations to create a conducive work environment free from sexual harassment?
- a. It should obtain the support of top management for such an initiative
 - b. It should develop and implement programs that would bring about a change in the behavior and attitude of the individual
 - c. It should implement a program which addresses the personal biases of individuals that may lead to sexual harassment
 - d. All of the above
21. The artificial barriers, based on attitudinal or organizational biases, that prevent qualified women from moving up to senior management positions is referred to as
- a. Sexual harassment
 - b. Glass ceiling effect
 - c. Mentoring
 - d. Both (a) and (c)
22. _____ is a strategy used to tackle discrimination against women by exposing participants to new ideas, beliefs, and possibilities in an attempt to change the prevailing notions about women.
- a. Gender training
 - b. Affirmative action
 - c. Seeding strategy
 - d. None of the above

7.8. Summary

- Diversity in an organization is defined as the presence of employees who belong to different age groups, gender, ethnicity, or education. Diversity in the workforce is beneficial to organizations as it provides access to varied talents of people from various backgrounds.
- Managing diversity is essential for the efficient functioning of the organization. The individual approaches to manage diversity are learning

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and empathy. The organizational approaches to managing diversity include testing, training, mentoring, and alternative work schedules.

- An organization can develop into a multicultural organization by following six steps. These are exclusionary organization, club organization, compliance organization, affirmative action organization, redefining organization, and multicultural organization.
- The ethical behavior in organizations is influenced by various cultural, organizational, and external factors such as family, friends, policies, politics, economics, etc.
- Concerns for ethical behavior in organizations are against sexual harassment, discrimination in pay and promotion, and employee privacy issues. Organizations should address these concerns in a way that protects the interests of both employees and the organization so as to achieve organizational goals.

7.9. Glossary

Compressed workweek – Typically a four day week with employees working ten hours a day.

Ethics – Moral issues and choices that deal with right and wrong behavior.

Family-friendly workplace – Companies that offer an umbrella of work/family programs such as on-site daycare, childcare, and elder care referrals, flexible hours, compressed work weeks, job sharing, telecommuting, temporary part-time employment, and relocation assistance for employees' family members.

Job sharing – The practice of having two or more people split a forty hour a week job.

Mentor – A senior employee who sponsors and supports a less experienced employee (a protégé).

Sexual harassment – Unwelcome advances, requests for sexual favors and other verbal or physical conduct of a sexual nature.

Telecommuting – Employees do their work at home on a computer that is linked to their office.

7.10. Self-Assessment Test

1. What is diversity? Explain the various approaches to manage diversity in organizations.
2. Discuss the significance of ethical behavior in organizations.

7.11. Suggested Reading / Reference Material

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4. <https://www.fastcompany.com/90582809/a-practical-guide-to-working-remotely-with-all-16-personality-types>.

7.12. Answers to check your progress questions

1. (d) All of the above

The various reasons for the emergence of diversity in organizations are the changing demographic structure of the workforce, increasing globalization of firms, and government legislations and lawsuits alleging discrimination.

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2. (d) Both (b) and (c)

An increase in the percentage of older people among employees in the United States is due to improved health and medical facilities and the abolition of certain compulsory retirement rules.

3. (d) i, ii, and iii

Companies manage diversity in their organizations through many approaches like: developing family-friendly workplaces, providing employees with training on handling diversity, and by developing mentoring programs.

4. (a) Only i, ii, and iv

The modern workforce consists of women, single parents, and members belonging to two-career households. On the other hand, traditional 'stereotypical' families comprise a working father, a housewife, and children.

5. (b) Only i, ii, and iii

The aim of creating a family-friendly workplace is to improve employee morale, enhance productivity, and reduce absenteeism.

6. (a) Diversity board games

Diversity board games are one of the widely used diversity training approaches. Thematic Apperception tests are meant to test the perception of a candidate and understand his/her attitude. Psychometric tests help measure the mind in various ways. However, neither is related to diversity training.

7. (c) iv-i-ii-iii-v

In a formal mentoring program, the first step involves ensuring top management's support to the program; the second step involves pairing of the mentor with a protégé who can learn from the mentor's experience. In the third step, both the mentor and the protégé are given an orientation; and in the fourth step, the mentor and the protégé meet the support staff of the program to discuss their progress. The final step involves obtaining suggestions and opinions from both the mentor and the protégé to learn how the process can be improved in the future.

8. (a) Empathy

Empathy refers to the ability to see things from the other person's point of view. To manage diverse groups at the workplace, managers must be able to empathize with others.

9. (b) Only i, iii, and iv

Organizational approaches such as testing, training, mentoring, and designing alternative work schedules help organizations manage diversity. Learning is an individual level approach used to manage diversity.

10. (c) Compressed work week

In the case of compressed work week, the work week is compressed into fewer days. Job sharing allows two or more people to share a traditional forty-hour-a-week job. Under flextime, employees have to work for a specific number of hours each day, regardless of starting and ending times. Finally, telecommuting enables employees to work from home by using a computer.

11. (a) Job sharing

Job sharing is an alternative work schedule arrangement which allows two or more people to share a traditional forty-hour-a-week job. In the case of compressed work week, the work week is compressed into fewer days. On the other hand, in the case of flextime, employees work for a specific number of hours each day, regardless of starting and ending times.

12. (a) Flextime

Under flextime, employees have to work for a specific number of hours each day, regardless of starting and ending times. Job sharing allows two or more people to share a traditional forty-hour-a-week job. Finally, in the case of compressed work week, the work week is compressed into fewer days.

13. (b) Multicultural organization

A multicultural organization is committed to bringing social equality in the entire organization. People from diverse social and cultural groups are involved in decision making for the growth of the organization. Many organizations aspire to reach this stage but most of them are still in a stage of transition. On the other hand, exclusionary organizations allow the domination of one group over others in the workforce based on certain criteria like age, gender, education, or race. In club organizations, persons who have traditionally held power continue to do so.

14. (d) v-iv-i-iii-ii-vi

The six stages in the development of a multicultural organization in sequence are: exclusionary organization, club organization, compliance

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organization, affirmative action organization, redefining organization, and multicultural organization.

15. (b) Club organization

In club organizations, persons who have traditionally held power continue to do so. These organizations may seem to comply with the law by hiring and promoting women and minorities; however, they manage to maintain the club organization by selecting only those who possess the 'right' credentials and perspectives.

16. (c) Affirmative action organization

Affirmative action organizations support the development of women, minorities, older workers, physically disabled persons, and those groups which have been denied equal opportunities. Compliance organizations attempt to eliminate discriminatory practices prevalent in exclusionary and club organizations, but do not do so in the true spirit. On the other hand, in club organizations, persons who have traditionally held power continue to do so. Exclusionary organizations allow the domination of one group over the others in the workforce based on certain criteria like age, gender, education, or race.

17. (b) Ethics

Ethics refer to the rules and standards governing a person's conduct.

18. (c) Development in the political, legal, and economic arena

Development in the political, legal, and economic arena is an external factor. On the other hand, education, religion, and media are cultural factors.

19. (a) Only i, ii, and iii

Some of the ethical problems which have attracted considerable attention in modern organizations are sexual harassment, discrimination in pay and promotion, and violation of privacy.

20. (d) All of the above

The steps to be taken by organizations to create a conducive work environment free from sexual harassment include obtaining the support of top management for such an initiative, developing and implementing programs that would bring about a change in the behavior and attitude of individuals, and implementing a program which addresses the personal biases of individuals that may lead to sexual harassment.

21. (b) Glass ceiling effect

Glass ceiling effect refers to the artificial barriers based on attitudinal or organizational biases that prevent qualified women from moving up to senior management positions. Sexual harassment, in legal terms, is defined as unwelcome advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature at the workplace. Finally, a mentor is a senior and experienced employee in an organization who provides advice and guidance to younger employees with limited experience.

22. (a) Gender training

As an approach to tackle discrimination against women, gender training is done by exposing participants to new ideas, beliefs, and possibilities in an attempt to change the prevailing notions about women. Affirmative action is a commonly used strategy for dealing with discrimination against women and minorities in the workplace. It refers to a set of policies and initiatives designed to eliminate past and present discrimination based on race, color, religion, sex or national origin. Seeding strategy is another approach to stop discrimination. In this, women are directly placed in the top management positions of the organization.

Unit 8

Managing Communication

Structure

- 8.1. Introduction
- 8.2. Objectives
- 8.3. Definition of Communication
- 8.4. Historical Background of the Role of Communication
- 8.5. Importance of Communication
- 8.6. The Two-way Communication Process
- 8.7. Problems Associated with the Two-way Communication Process
- 8.8. Nonverbal Communication
- 8.9. Downward Communication
- 8.10. Upward Communication
- 8.11. Lateral Communication
- 8.12. Interactive Communication
- 8.13. Barriers to Effective Communication
- 8.14. Communication Technology
- 8.15. Summary
- 8.16. Glossary
- 8.17. Self-Assessment Test
- 8.18. Suggested Readings / Reference Material
- 8.19. Answers to check your progress questions

8.1. Introduction

The previous unit was about Diversity and Ethics and dealt with issues like reasons for emergence of diversity, diversity management and ethical behavior in organizations. This unit is about managing communication in an organization.

Communication involves the exchange of ideas, thoughts, feelings, experiences, events, etc. It is an integral part of an individual's life. It is therefore inevitable that individuals in organizations communicate with each other. Hence, communication is a necessary component in the effective management of organizations. A proper channel of communication ensures an effective flow of

information to all departments, co-ordination among the employees, identification of goals and the means to achieve those goals, etc. Therefore every organization strives to implement a communication channel that facilitates smooth functioning of the organization

This unit will explain the historical background of the role of communication in organizations, importance of communication. It discusses different types of communication, barriers to communication and communication technology.

8.2. Objectives

By the end of this unit, students should be able to:

- Assess the role of communication in organisations
- Analyze the importance of communication in organisations
- Describe the different types of communications
- Explain Barriers to effective communication
- Describe Communication Technologies

8.3. Definition of Communication

From the organizational point of view, communication is a process whereby two or more individuals exchange ideas and thoughts among themselves. Communication between members of an organization is a never ending process. It helps an individual to understand the people and environment of the organization in which he/she is working.

Figure 8.1 depicts a continuum showing the increase in sophistication of communication.

Figure 8.1: The Continuum of Communication in OB



8.4. Historical Background of the Role of Communication

Classical management theorists emphasized only the one-to-one communication between superior and subordinate. This type of communication is based on the principle of 'chain of command.' However, organizations that follow this method of communication may not be able to communicate

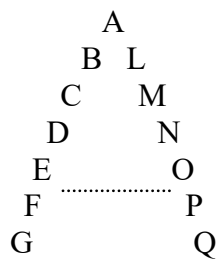
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effectively. This is because communication between the top management and the employees is hindered by the multiple layers present in the chain of communication. The delay in communication between the top management and the employees is one of the main drawbacks in this kind of communication.

Henry Fayol's Contribution to Communication

The communication model of the classical theorists was criticized on the grounds that the process delayed the transmission of information from one department to another. In other words, the channel did not allow horizontal

Figure 8.2: Fayol's Gangplank Concept



communication. Henry Fayol introduced the concept of 'gangplank' mechanism (see the line joining F and P in Figure 8.2). The 'gangplank mechanism' propounded by Fayol facilitate horizontal communication to bridge the communication gap between individuals belonging to different departments.

Chester Barnard's Contribution to Communication

According to Chester Barnard, communication is one of the crucial elements in the success of an organization. Communication helps the employees of various departments to connect with the common goals of the organization. Barnard said that if communication is not effective, it will result in long-term losses to the organization.

Barnard further explained communication with the help of authority. He said a subordinate should clearly understand the message being conveyed by his superior. Only then the authority could be properly delegated. The message that the superior is communicating must also be clear if the communication process is to be effective.

The Modern Perspective

Fred Luthans, Richard M Hodgetts, and Stuart A Rosenkrantz conducted the 'Real Managers Study' in which they proposed the managerial communication model. The managerial communication model explained the different communication styles of the managers. Their study was based on research conducted on managers working in different organizational settings.

The first dimension of the model is a continuum that extends from a humanistic interactor to the mechanistic isolate. The humanistic interactor actively communicates with both superiors and subordinates. The interactor also helps employees in solving work-related problems. Mechanistic isolates, on the other hand, are reserved and communicate only with those whom they are required to interact with.

Yet another dimension of the model is a continuum extending from the informal developer to the formal controller. Informal developers interact with everyone in an organization. They also take on the role of a guide to their subordinates and help them to improve their skills. On the contrary, formal controllers do not communicate with everybody. They also adhere to rules and avoid communicating freely with subordinates.

Check Your Progress-1

1. The increasing degree of sophistication in the communication process makes it possible to study communication under three categories. Identify the **incorrect** category in this regard.
 - a. Non-verbal communication
 - b. Interpersonal communication
 - c. Written communication
 - d. Communication technology
2. The horizontal communication system proposed by Henri Fayol is known as the
 - a. Gangplank mechanism
 - b. SOBC model
 - c. Economic man model
 - d. None of the above
3. Managers who frequently communicate with supervisors and subordinates are referred to as
 - a. Humanistic interactors
 - b. Mechanistic isolates
 - c. Formal controllers
 - d. Informal developers

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4. Which of the following statements refer to humanistic interactors?
 - i. Managers who act as a coach or mentor to their subordinates and try to develop their skills
 - ii. Managers who frequently communicate with superiors as well as subordinates
 - iii. Managers who restrict themselves to monitoring and controlling activities or other activities that form a part of their job duties and responsibilities
 - iv. Managers who involve themselves in people-oriented activities and help employees solve work related problems
 - a. Only i and ii
 - b. Only i and iii
 - c. Only ii and iv
 - d. Only ii, iii, and iv
5. Managers who communicate only when need arises, and limit their communication only to people whom they need to interact with are referred to as
 - a. Humanistic interactors
 - b. Mechanistic isolates
 - c. Formal controllers
 - d. Informal developers
6. Informal developers are managers who
 - a. Communicate with everyone in the organization
 - b. Adhere strictly to their official schedules and restrict themselves to monitoring and controlling activities
 - c. Frequently communicate with superiors and subordinates
 - d. Communicate with people whom they need to interact with only when need arises

8.5. Importance of Communication

Proper communication channel are of significant importance. The benefits include:

- With the help of the communication channel, superiors can give work-related instructions to subordinates. Employees too will be in a position to deliver results according to the needs of the organization.

- Managers should communicate the key goals, values, and strategies of an organization. The management should also openly communicate to employees the problems and difficulties it is facing. Open communication with the employees helps the management gain the confidence and cooperation of the employees of the organization. This in turn enables the company to easily overcome difficult situations.
- Managers of organizations are very often required to make crucial decisions that have an impact on the organization as well as its employees. An effective communication channel ensures timely and accurate flow of information in the organization. This in turn assists managers in taking the right decisions at the right time.

Activity: Assume that you have recently been appointed as sales manager of a particular territory in a leading carbonated beverages company. You undertake supply and distribution of a popular soft drink product all over India. Your team members are sometimes required to travel with truck drivers (who distribute the soft drink all over the territory assigned to you), deal with unruly shop owners, etc., as a part of their sales job. As a team leader, you are required to motivate your sales force to deal with unexpected and unpleasant situations and achieve the set sales targets. Would you like to be a 'humanistic interactor' or a 'mechanistic isolate' to successfully accomplish your common goals? Justify your answer giving reasons.

Answer:

Managerial Communication

It is the process by which a manager in an organization shares ideas or information with other managers or members of their team. Depending on how managers communicate with their employees, the morale, performance and achievement of company goals are affected. Managerial communication can be done in two ways depending on the medium of communication, the target audience and the method of communication involved. Firstly, it could be top-down or downward communication where information is passed down from the top management to the subordinates. It is used to communicate strategies, policies and other related information to the employees. Secondly it could be bottom-up or upward communication which employees use to share information related to complaints, grievance, feedback etc.

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Types of Managerial Communication

Managerial communication can be divided into two categories:

- **Interpersonal Communication-** Communication or information sharing between two or more members of the organization is called interpersonal communication. For example, communication between a manager and a team member to review the employee performance review or a meeting with all team members to brainstorm ideas for solving problem. This form of communication is likely to be verbal in nature.
- **Organizational Communication-** It is the sharing of information between the various levels of an organization. For example, when a CEO communicates with his functional heads or VP level managers to communicate strategic objectives and plans. This is a highly formal mode of communication and is more likely to be in documented form through emails, memos etc.

8.6. The Two-way Communication Process

In a two-way communication process, the message is transmitted back and forth from sender to receiver. The two-way communication process involves the following steps:

Developing an idea: The sender develops a clear idea of the message he/she desires to communicate to the receiver.

Encoding the message: The sender codifies the message. He/she selects appropriate words, charts or other symbols in this step, to convey his idea as clearly as possible. He/she also decides on the medium of transmission so that the words and symbols constituting the message can be arranged in a suitable manner.

Transmitting the message: This step involves the mode by which the message is delivered. For example, the message can be conveyed on the telephone, by e-mail, through personal interaction, etc.

Reception of message: The receiver receives the message.

Decoding the message: In this step, the receiver tries to understand the message delivered by the sender. The receiver does this by decoding the message sent by the sender.

Acceptance or rejection of message: The receiver has the choice of accepting or rejecting the message either in full or in part.

Using the information: The receiver may use the information, discard it, or store it for future use.

Giving feedback: Feedback occurs when the receiver responds to the message received by him. This response can be in the form of acknowledgement of receipt of the message, making corrections in the message received, adding more information to the data received, disapproval of the message received, etc.

Example: Yes! or Yes?

The use of 'yes' in the Japanese language conveys multiple meanings. As a result of this, people communicating with the Japanese in standard English are often confused about the context in which the Japanese say 'yes' to something. The Japanese may use 'yes' in the same context as they use 'hai,' a Japanese word, which has several implications. It can be used

- as an expression to let the speaker know that you are listening to him/her carefully
- to say "You are welcome"
- to show the speaker that you agree with his/her opinion
- to indicate to the speaker that you understood the message that he/she intend to communicate
- as an expression to show your willingness to help or obey.

Based on: <http://www.notam02.no/motherboard/atexts/hai.html>.

Table:8.1 presents the importance of feedback.

Table 8.1: The Importance of Feedback

S No	Purpose	Method	Examples
1	Seeking clarification - When the purpose is to clarify and collect facts, to explore further	Ask questions such as how, what, when etc.	Focus specifically- What specifically do you mean by---?
2	Checking the feeling - To show you are listening, to let the person know you understand how he or she feels	Reflect the person's feeling and put it in your own words matching with the receiver's feelings.	Express your emotion - You feel that you were not treated properly. For e.g. you got angry with your boss
3	Checking the accuracy -Check your own listening accuracy. Let the receiver know that you have understood it clearly	Restate the receiver's ideas by emphasizing them.	Show understanding - As I understand the problem is---- Do I understand you correctly?

Source: ICFAI Research Centre

8.7. Problems Associated with Two-way Communication

- The two-way communication process may cause a conflict between two individuals if they hold different opinions on the same topic.
- Two-way communication may lead to cognitive dissonance.
- Generally, people tend to preserve their self-image while communicating with others. The self-image of a person is threatened when he receives communication that may be verbally abusive. As a result, the receiver might develop a bad opinion about the sender.

Objectives of different types of communication

The main purpose of any communication is to share information or give instructions, to get things done by managers. Similarly, the employees can share information related to their work, problems, complaints etc with the manager. The goals of organization or business need to be achieved through effective communication. There are various objectives of communication.

Information: information related to work, business and all related areas is important for performance and survival. Any person who is very well informed can perform effectively. For example, in sanctioning a loan, a field officer should have full information about his client.

Persuasion: In workplace, persuasion means convincing people to your point of view and gets things done. An organization persuades its workers and the employees persuade the customers.

Objectives of downward communication

It flows from top level to bottom level employees or senior to junior or supervisors to subordinates. The main objectives are control and motivation.

Control: Communication to regulate and control the behaviour of the members of an organization. This includes various rules, regulations, norms of behaviour, duties and responsibilities. Employees need to finish the tasks assigned, which are communicated to them.

Motivation: Managers use various means of communication to appraise, reward their employees which act as motivation

Instruction and order: Downward communication. How tone of the major application of downward communication is to provide instruction to subordinates to do the work effectively and profitably.

Advice and counseling: sometimes managers need to counsel their employees and sometimes advice them regarding work related and other aspects. Informal, oral and well intentioned downward communication is very effective in this context.

Limitations of downward communication

Delay: If the organization is huge, it takes a long time for communication to reach the last employee. Delay, sometimes could lead to more harm and loss of efficiency.

Loss of information: Unless the communication is fully written and very clear, transmission is not complete. When there are more levels in the hierarchy of organization, communication might lose its relevance as sometimes some important information might be lost by the time it reaches the lowest levels.

Objectives of upward Communication

Upward communication is equally important in organizations. It has a bottom-up approach. Employees need to communicate with management regarding various aspects of their employment such as providing feedback, complaints and grievances. The upward communication also indicates the participatory role of workers.

Feedback: Upward communication provides feedback to the management not only about the progress of the work but also about the various workplace aspects of the organization..

Problems in upward communication

Upward movement is mostly difficult in most firms. The workers may feel difficult to approach the higher management. Due to strict protocols, the worker might find it difficult to approach the higher management by surpassing the immediate boss, it might lead to problems.

Check Your Progress-2

7. The importance of communication in the functioning of organizations is due to various reasons. Identify them.
 - a. Employees would otherwise not understand what the management expects of them
 - b. Supervisors would otherwise not be able to give instructions to employees
 - c. Management would not be able to carry out the basic functions of planning, organizing, directing, and controlling
 - d. All of the above

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8. The process of transferring an idea into words, symbols, or charts for transmission is known as _____.
 - a. Bridge of meaning
 - b. Decoding
 - c. Encoding
 - d. Feedback
9. In a two-way communication process, this particular step involves deciding upon the medium of transmission so that the words and symbols constituting the message can be arranged in a suitable manner.
 - a. Developing an idea
 - b. Transmitting the message
 - c. Encoding the message
 - d. Acceptance or rejection of the message
10. Which of the following represents the last stage of the communication process?
 - a. Decoding
 - b. Encoding
 - c. Feedback
 - d. Filtering

8.8. Nonverbal Communication

Nonverbal communication is the process of communicating without the use of words. It is also known as ‘silent language.’ According to Don Hellriegel, John Slocum Jr., and Richard W Woodman, nonverbal communication is the “non word human responses like facial expressions and gestures and the perceived characteristics of the environment through which the human verbal and nonverbal messages are transmitted.”

Nonverbal communication can be in the form of gestures, facial expressions, cues, vocal characteristics, etc. Some examples of Non-verbal communications in workplace is given in Exhibit 8.1.

Body Language and Paralanguage

Body movements such as gestures, eye-contact, facial expressions, and others convey a lot of meaning to the receiver. For instance, a stare and a glance convey different meanings to the receiver.

Apart from body movements, the physical appearance of a person is also an important element of nonverbal communication. For instance, clothing is a powerful indicator of an individual's personality, lifestyle, values, etc.

Examples of Nonverbal Communication in the Workplace

To help you become more aware of nonverbal communication in the workplace, here are a few examples:

- Maintaining proper eye contact
- Using a positive tone of voice
- Being mindful of personal appearance
- Standing or sitting with a good posture
- Expressing kindness or professionalism through appropriate touch
- Displaying courteous facial expressions
- Respecting personal space
- Using hand gestures to express a feeling
- Paying attention to body language

Source: <https://www.indeed.com/career-advice/career-development/nonverbal-communication-examples> April 8, 2021

Cultural norms, attitude toward time, and interpersonal relationships also affect nonverbal communication.

Body Language is technically a subject called 'Kinesics'. It includes all nonverbal symbols. Body language sometimes is more meaningful than words. While interpreting body language we must consider cultural and social differences too.

Gestures: Gestures may be part of spoken language or may be totally independent. For example, nodding the head for 'yes' or shaking the head for 'no'.

Paralanguage: This refers to the tone, pitch, accent, and other voice characteristics with which the speaker tries to convey his message. When there is a contradiction between the speech and actions of a person, then in such cases, the person's actions depict a truer picture of his feelings or ideas.

Voice and other verbal sounds during communication belong to non-verbal communication. Oral language accompanied by voice modulation and paralanguage are also equally important. Volume, rate, voice, articulation, pitch, tone and other sounds like grunt, groan, throat clearing, coughing, sighing etc are important part of non-verbal communication.

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Understanding Nonverbal Communication

Nonverbal communication can be better understood with the help of the following guidelines:

Observe keenly what is happening – Nonverbal communication can be better understood by keenly observing the actions of the speaker.

Consider differences between verbal statements and nonverbal behavior.

Look for subtleties in nonverbal behavior – One can easily find out the difference between a fake and genuine action by keenly observing the speaker's behavior.

Check Your Progress-4

11. Expressing a message without using words is referred to as
 - i. Nonverbal communication
 - ii. Written communication
 - iii. Oral communication
 - iv. Silent language
 - a. Only i and iii
 - b. Only i and iv
 - c. Only ii and iv
 - d. Only iii and iv
12. Nonverbal communication involves the use of
 - a. Gestures
 - b. Body language
 - c. Facial expressions
 - d. All of the above
13. _____ refers to the voice quality, volume, pitch, speed, and non fluencies like ah, um, and uh, which are used to convey a message.
 - a. Kinesics
 - b. Paralanguage
 - c. Empathy
 - d. Body language
14. Methods that help individuals better understand nonverbal communication is/are
 - a. Keen observation of what is happening
 - b. Considering the differences between verbal statements and nonverbal behavior
 - c. Looking for subtleties in nonverbal behavior
 - d. All of the above

8.9. Downward Communication

In downward communication, information flows from superior to subordinates either belonging to the same department or to other departments. Downward communication serves the following purposes:

- giving instructions to employees regarding the tasks assigned to them
- instructing new recruits about the policies and procedures of the organization
- making employees understand the job and also the interrelationship between all the jobs in the organization
- giving feedback to employees with regard to the performance of jobs
- providing information related to other departments, in case such information is required for the performance of the current job.

Organizations must give equal importance to all the objectives mentioned above, because it is necessary that employees receive the required information to perform their jobs efficiently. Downward communication helps the management in aligning the goals of the employees with those of the organization.

Downward communication may have the following drawbacks:

- Employees might not be in a position to assimilate the message qualitatively, if the sender tries to convey a large amount of data at a time.
- It has been observed that in downward communication, employees are given least importance.

8.10. Upward Communication

In upward communication, information flows from subordinates to superiors. It may serve the following purposes:

- To convey work-related problems to the authorities
- To obtain clarifications regarding work procedures, organizational policies, instructions, orders, etc.
- To offer new ideas and solutions
- To give feedback on the information received
- To express opinions, feelings, etc.

Methods of Making Upward Communication More Effective

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The following are some of the techniques that help in making upward communication more effective:

The grievance procedure: Under this method, employees convey their work-related problems to the management. In turn, they expect the management to offer a remedy to their problems. However, the grievance procedure differs from company to company.

Open door policy: The open door policy allows the employees to approach their superiors at any time to discuss their problems.

Counseling, attitude questionnaires, and exit interviews: Counseling may be conducted with a view to helping employees with their work-related as well as personal problems.

Attitude questionnaires, as the name suggests, can help the management in finding out the employees' attitude toward the organization and also their work.

Exit interviews may be held for the employees quitting the organization to find out their reasons for leaving and their suggestions for improving the workplace. They help the management in collecting information such as pitfalls in the organizational structure of the company, suggestions to improve workplace, etc.

Participative techniques: Union management committees, suggestion boxes, informal relationships with employees, etc., help the management in gathering valuable information that can be utilized to improve the management of the organization.

The ombudsperson: An ombudsperson acts as a mediator between the employees and management. He/she conveys the grievances and queries of the employees to the authorities and also seeks solutions or explanations.

Managers are also required to be more attentive to the employees to make upward communication more effective. They can do this by:

- being more attentive to the speaker
- repeating the speaker's words or statement to ensure that they have understood the statement correctly
- empathizing with the speaker
- encouraging the speaker to freely express his/her opinions
- not interfering and disturbing the speaker unnecessarily.

Activity: Observe whether the management of your college follows upward communication or downward communication and discuss its implications.

Answer:

Check Your Progress-3

15. All of the following are the purposes of downward communication **except**:
- To give instructions to the employees regarding their jobs and specific tasks
 - To provide feedback to superiors about their performance on the job
 - To explain the rationale for a job to a new employee
 - To give information required by different teams and departments for the achievement of goals
16. _____ is used for the employees quitting the organization to find out their reasons for leaving and their suggestions for improving the workplace.
- Grievance procedures
 - Exit interviews
 - Counseling
 - Open-door policy
17. Open-door policy is a tool used to promote
- Upward communication
 - Downward communication
 - Horizontal communication
 - Vertical communication
18. The manufacturer of a wide range of consumer goods, follows a policy that allows employees to approach managers at any time and discuss their problems with them. What type of policy is the company following?
- Open-door policy
 - Participative decision-making techniques
 - Exit interviews
 - Attitude questionnaire

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19. Managers can improve upward communication by developing good listening skills. The ways in which a manager can improve his listening skills are
- i. Maintaining attention
 - ii. Empathizing
 - iii. Avoiding restatement
 - iv. Probing
- a. Only i, ii, and iii
 - b. Only i, ii, and iv
 - c. Only i, iii, and iv
 - d. Only ii, iii, and iv

8.11. Lateral Communication

In lateral communication, managers of one department interact with the personnel in departments outside their chain of command. Lateral communication is also called cross-communication. Lateral communication may facilitate coordination of work among various departments. For instance, the manager of the R&D department can get valuable inputs by communicating with managers in the production department. Managers who actively engage in lateral communication are called boundary spanners. As the boundary spanners interact with people across various departments they tend to develop strong communication skills.

8.12. Interactive Communication

Vertical communication limits the effectiveness of the communication process in organizations, because it does not facilitate communication between various departments. Horizontal communication thus is necessary to coordinate the activities of all the departments in the organization. Therefore, the formal communication channel of organizations must incorporate both vertical and horizontal communications.

Even with its advantages, the formal communication channel limits the flow of information in organizations. Therefore, organizations must adopt the interactive communication process. In this process, the organizations do not restrict the flow of information between individuals. Employees are free to interact with people irrespective of their designations, departments, etc. In other words, the communication does not follow a specified path.

It has been observed that employees are more comfortable sharing information with colleagues than with their bosses. Interactive communication adopts an

informal way of communication. Therefore, it makes it easier for the employees to communicate more freely. However, if communication between peers belonging to various departments is not productive then it might have adverse effects on the achievement of organizational goals.

Interactive communication strives to achieve the following purposes:

- coordinating the tasks of various departments
- helping in solving a common problem of the organization
- sharing information between various departments of the organization
- resolving conflicts within one particular department or between two departments

Interactive communication can further be enhanced by building teams consisting of members from certain departments. Modern technologies like the intranet, e-mail, etc., help in incorporating an interactive communication channel between the branches of an organization located in various geographical areas.

Role of Interactive Communication

In interactive communication, employees across various departments tend to share a substantial amount of organizational information. As a result of this interaction, information passes quickly from one employee to another in the organization. Organizations can therefore make use of this channel to complement the formal channel of communication. For instance, the management can observe the reaction of employees to a proposed change in increments, work schedules, etc., using this channel.

However, interactive communication has certain drawbacks. Employees are prone to transmit only that information from which they may have personal gains. Also, in interactive communication, rumors and negative information regarding the organization might tarnish the company's image and have an adverse effect on employees' attitude toward the organization.

- **Differing personal perception:** This arises from differences in personal beliefs, values, prejudice and attitudes. Linguistic differences can be another obstacle. Simple, direct and natural language will overcome this barrier. Whenever jargons and technical terms are used, they must be explained.
- **Overcoming emotions:** one must be emotionally intelligent to manage own as well as other's emotions.

Types of Interactive Communication

1. **Networks:** A network consists of a group of individuals who enhance their interpersonal relationships with a view to exchanging information of

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common interest in an informal manner. An employee who engages in such an activity is said to be 'networking.' Networking can be internal or external. When interaction takes place between individuals of the same organization then it is known as internal network. Networking with people outside the organization such as customers, business partners, or even competitors is known as external networking.

2. **Grapevine Communication:** In general, informal communication is referred to as the 'grapevine.' The grapevine is the result of social forces existing in the organization. It provides information regarding employees' attitude toward the rules and management decisions, which are yet to be implemented. Managers attempt to gather this information with the help of their loyal subordinates. By keeping a record of the employees' reactions, managers will be able to eliminate rumors and negative information about the organization.

The following are important characteristics of the grapevine:

- management cannot control the grapevine
- employees tend to believe in the grapevine more than the formal communication channel
- employees generally use the grapevine for their personal motives.

Check Your Progress-4

20. In _____, managers of one department interact with the personnel in departments outside their chain of command.
 - a. Cross-communication
 - b. Downward communication
 - c. Nonverbal communication
 - d. Interactive communication
21. Which of the following processes of communication in an organization is also referred to as cross-communication?
 - a. Upward communication
 - b. Horizontal communication
 - c. Lateral communication
 - d. Vertical communication
22. Employees of an organization who are actively involved in lateral communication are referred to as
 - a. Boundary spanners
 - b. Ombudsperson
 - c. Receivers

- d. Senders
23. Interactive communication is advantageous when communication is necessary between peers involved in tasks that require coordination. Identify the two main types of interactive communication.
- i. Networks
 - ii. Grapevine communication
 - iii. Lateral communication
 - iv. Upward communication
- a. Only i and ii
 - b. Only ii and iii
 - c. Only ii and iv
 - d. Only iii and iv
24. In interactive communication, a _____ is a group of people who develop and maintain contact with each other to exchange information of common interest in an informal manner.
- a. Grapevine
 - b. Network
 - c. Gangplank
 - d. Club organization
25. Grapevine communication supplements formal channels of communication and provides information which is not communicated through the latter. It has some important features. Identify the **incorrect** feature.
- a. It is beyond the control of management
 - b. It is mostly used by employees to serve their personal and social interests
 - c. It is considered more reliable by the employees than the formal communication channels
 - d. It provides information on the written rules of the organization

8.13. Barriers to Effective Communication

Some of the barriers to effective communication are:

Filtering

Filtering is said to have occurred in the communication process when the sender manipulates the message so as to attain a favorable opinion from the receiver.

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More often than not, subordinates tend to pass on only pleasant information to their superiors. The management might face long-term difficulties in case the employees fail to report incidents which might have serious repercussions in future. Filtering in the communication process takes place at different levels of the organization's structure. This in turn affects the quantity and quality of information that finally reaches the top authorities.

Selective Perception

Every individual tends to view information based upon his/her personal beliefs, values, needs, experience, and background. For instance, in 2005, during the wedding ceremony of Prince Charles and Camilla Parker Bowles (Bowles), many people staged protests, as they believed that Bowles was responsible for the break-up of the marriage of Prince Charles and Princess Diana.

Defensiveness

Individuals resort to defensive behavior when they feel that the other person's behavior is threatening their self-image and prestige. In such cases, to protect their self-image, people may pass judgments on others, make sarcastic comments, etc. Defensive behavior in the communication process makes communication less effective.

Language

In organizations, each department might develop a specific jargon of its own. Although this might facilitate communication among employees within that particular department, these employees might not be able to communicate the message clearly to personnel in other departments. For example, technical personnel might adopt a technical language of their own. Therefore, these personnel might face difficulties while communicating with employees of other departments.

Internal communication

It is all about promoting effective communications among people within an organization. It involves delivering messages and campaigns by the management among employees at all levels. Many factors impact the state of internal communication in today's workplace. Technology is one such factor (Refer Exhibit 8.1 for effective Internal Communication).

Exhibit 8.1: Internal communication

The British telecommunications company embeds internal communications into all of its practices, considering it to be two-way rather than "an afterthought of PR". This has helped the company to increase employee engagement too..

Source: www.livetiles.nyc/internal-communication-in-business-the-best-examples-case-studies

Exhibit 8.2 shows how modern communications are emerging in companies.

Exhibit 8.2: Company with Great Internal Communications

PepsiCo

- **The Challenge:** PepsiCo is a huge organization with over 300,000 employees globally. They saw the difficulty in connecting their different business units from around the world.

The Solution: PepsiCo built a customizable and mobile-friendly intranet. Using 'LiveTiles' 'drag-and-drop' function, they were able to communicate what matters to their people — industry news, and company discussions, among other messaging. The platform readily integrated with existing business applications such as Salesforce, DropBox, Google Drive, and social media channels.

Source: www.alert-software.com/blog/3-examples-of-good-workplace-communication-from-real-companies

8.14. Communication Technology

The application of information technology to the communication process has increased the effectiveness of communication in organizations. Some of the advances in technology and their impact on organizational communication are:

Management Information System

MIS is a data collection and analysis system that provides customized solutions to managers. MIS collects, organizes, summarizes, and analyzes data. MIS uses this data to offer solutions that suit a particular situation.

Electronic Mail

Electronic mail, more commonly referred to as e-mail, is a computer-based communication system, by which the sender sends his messages over the computer networks. The receiver can only view the message when he logs on to his computer and opens his message box.

Electronic conference is another feature of e-mail that has proved quite useful to business organizations. In this type of conferencing, one party initiates a topic and invites other parties to comment on it. For example, a company planning to launch a new product can invite its customers to express their views on the features of the product.

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Telecommuting

Telecommuting involves the execution of an individual's work either in part or in full at home with the help of computer links to office. Exhibit 8.3 discusses the shift to WFH in Microsoft.

Exhibit 8.3: Telecommuting

What is telecommuting?

Telecommuting involves the execution of an individual's work either in part or in full from home with the help of computer links to office.

Does telecommuting/Work From Home influence communication and collaboration networks?

The coronavirus pandemic forced many organizations to shift from traditional full time office work to Work From Home (WFH) full-time. While only 5% of Americans were observed to be working from home before the COVID-19 pandemic, as many as 37% of Americans i.e., almost one-third of US workers shifted to WFH during Pandemic. In March 2020, Microsoft instructed all its non-essential employees at Puget Sound and Bay Area campuses to convert to full-time WFH. While analysing the impact of WFH on the communication networks, it was found that access to new information, which generally happens in the organizational boundaries through informal interactions were very minimal as cross-group interactions were reduced. Thus, remote work resulted in collaboration network becoming more siloed. The second observation was that the use of communication media also was affected. The unscheduled video/audio call hours increased among employees at Microsoft compared to scheduled meeting hours, causing increase in asynchronous communication and decrease in synchronous communication. As WFH terminated in-person contacts and contacts through Microsoft Teams, employees started communicating through more emails and instant messages, especially at the managers and engineers' level, for generating and sending reports.

Some of the theoretical researches believed that maintaining a rapport, for knowledge transfer, is hampered by email use. They were of the opinion that in-person contacts or phone/video communication gave positive team performance compared to communicating through email and instant message (IM) communication. However, the communication patterns and collaboration networks adopted by employees at Microsoft, during COVID pandemic, demonstrated that asynchronous communication helped employees to maintain the networks and receive the required information for smooth flow of work.

Source: <https://www.nature.com/articles/s41562-021-01196-4>. 9th Sept 2021

Telecommuting has the following advantages and disadvantages:

Advantages:

- Employees are relieved of workplace distractions
- Organizations can reduce their office space
- Employees' morale is boosted as they are trusted by the employers to work at home.

Disadvantages:

- Due to the lack of interaction between employees and managers, the employees might not be considered for promotion
- Employees may feel isolated as they do not interact with other employees of the organization.

Check Your Progress-5

26. All the following are barriers to effective communication **except**
- a. Selective perception
 - b. Defensiveness
 - c. Language
 - d. Traditions
27. As a barrier to effective communication, _____ refers to the manipulation of information by the sender so as to obtain a favorable opinion from the receiver.
- a. Cross-communication
 - b. Filtering
 - c. Defensiveness
 - d. Selective perception
28. In _____, which is a type of computer-based communication system, one party initiates a discussion on some topic and requests comments from customers or the general public.
- a. Kinesics
 - b. Telecommuting
 - c. Electronic cottage
 - d. Electronic conferencing

8.15. Summary

- Communication is the process of exchanging ideas, thoughts, feelings, expressions, opinions, etc., among the members of an organization. The

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communication process is vital for the effective functioning of organizations.

- Two-way communication is a process where the message is transmitted back and forth between the sender and receiver.
- Apart from verbal communication, people also make use of cues, gestures, facial expressions, etc., to communicate with each other. This type of communication is known as nonverbal communication.
- Downward communication flows from the top to the bottom. This is used by organizations to convey messages like work-related instructions and orders, organizational policies and procedures, etc. Upward communication flows from the bottom to the top and is used by employees to express their grievances, suggestions, and opinions on management to the authorities.
- In lateral communication, managers interact with individuals outside their chain of command.
- Interactive communication encourages the free flow of information among all the employees in the organization. This type of communication channel does not follow any specified path.
- The two types of interactive communication are networks and the grapevine.
- The effectiveness and smooth flow of communication in organizations can be marred by the filtering of information at various levels, selective perception of individuals, defensive behavior, and language discrepancies.
- Technology tools such as MIS, e-mail, and telecommuting have enhanced the performance of the communication channel in organizations.

8.16. Glossary

Channel – The medium through which the communication message travels.

Defensive behavior – Reactive and protective behaviors to avoid action, blame or change.

Encoding – Converting a communication message into a symbolic form.

Nonverbal communication – Messages conveyed through body movements, the intonations or emphasis we give to words, facial expressions, and the physical distance between the sender and receiver.

8.17. Self-Assessment Test

1. Define communication. Explain the role of communication in organizations.

2. Discuss the importance of nonverbal communication in the communication process.
3. What is the interactive communication process? How can interactive communication improve the performance of an organization?
4. Define upward and downward communication. Identify the factors that hinder the effectiveness of the communication process.

8.18. Suggested Readings /Reference Material

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4. <https://www.fastcompany.com/90582809/a-practical-guide-to-working-remotely-with-all-16-personality-types>

8.19. Answers to check your progress questions

1. (c) Written communication

The increasing degree of sophistication in the communication process makes it possible to study communication under three categories, non-verbal communication, interpersonal communication, and communication technology.

2. (a) Gangplank mechanism

The horizontal communication system proposed by Henri Fayol is known as the gangplank mechanism. According to the economic man model, employees are predominantly motivated by money. The organizational behavior model based on social learning is called the SOBC model.

3. (a) Humanistic interactors

Managers who frequently communicate with supervisors and subordinates are referred to as humanistic interactors. On the other hand, mechanistic isolates are managers who communicate only when the need arises, and limit their communication only those whom they need to interact with. Formal controllers adhere strictly to their official schedules, do not communicate or interact freely with subordinates, and restrict themselves to monitoring and controlling activities that are part of their job duties and responsibilities. Informal developers are managers who communicate with everyone in the organization.

4. (c) Only ii and iv

Humanistic interactors are managers who frequently communicate with superiors as well as subordinates. These managers communicate both upwards and downwards in the organizational hierarchy. They involve themselves in people-oriented activities and help employees solve work related problems.

5. (b) Mechanistic isolates

Mechanistic isolates represent managers who communicate only when needed, and limit their communication only to people whom they need to interact with.

6. (a) Communicate with everyone in the organization

Informal developers are managers who communicate with everyone in the organization. In contrast, formal controllers are managers who adhere strictly to their official schedules and restrict themselves to monitoring and controlling activities. Humanistic interactors are

managers who frequently communicate with superiors and subordinates. Mechanistic isolates are managers who communicate only when the need arises, and limit their communication only those whom they need to interact with.

7. (d) All of the above

Communication is vital to the functioning of organizations. This is due to the fact that employees would otherwise not understand what the management expects of them, supervisors would otherwise not be able to give instructions to the employees, and finally, management would not be able to carry out the basic functions of planning, organizing, directing, and controlling.

8. (c) Encoding

The process of transferring an idea into words, symbols, or charts for transmission is known as encoding. On the other hand, decoding refers to understanding the message. Feedback occurs when the receiver sends back some response to the sender or acknowledges receipt of the message.

9. (c) Encoding the message

Encoding involves choosing a medium of transmission so that the words and symbols constituting the message can be arranged in a suitable manner. In the idea development stage, the sender of the message must perceive that he/she has some important message to convey to the receiver. Conversely, transmitting stage involves transmission of the message using an appropriate medium of communication. Finally, in the acceptance or rejection stage, the receiver is at liberty to accept or reject a decoded message.

10. (c) Feedback

Feedback is the last stage in the communication process. Encoding and decoding are the second and fifth stages respectively. Filtering refers to the manipulation of information by the sender so as to obtain a favorable opinion from the receiver.

11. (b) Only i and iv

Expressing a message without using words is referred to as nonverbal communication or silent language.

12. (d) All of the above

Nonverbal communication involves the use of cues, gestures, body language, vocal characteristics, and facial expressions.

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13. (b) Paralanguage

Paralanguage refers to the voice quality, volume, pitch, speed, and nonfluencies (like 'ah', 'um', and 'uh') which are used to convey a message. It helps to convey information about the attitude of the speaker.

14. (d) All of the above

The guidelines that help individuals understand nonverbal communication in a better way are observing keenly what is happening, considering the differences between verbal statements and nonverbal behavior, and finally, looking for subtleties in nonverbal behavior.

15. (b) To provide feedback to superiors about their performance on the job

The correct form of the incorrect purpose is 'To provide feedback to subordinates about their performance on the job.'

16. (b) Exit interviews

Techniques like exit interviews, grievance procedures, open-door policy, attitude questionnaires, counselling, ombudsperson, participative techniques, etc., are used for promoting upward communication in organizations. Exit interviews is a technique used to promote upward communication in organizations. These may be held for the employees quitting the organization to find out their reasons for leaving and their suggestions for improving the workplace.

17. (a) Upward communication

Open-door policy is a tool used to promote upward communication.

18. (a) Open-door policy

Open-door is an organizational policy that allows employees to approach managers at any time and discuss their problems with them. Participative decision-making techniques enable employers to obtain inputs from employees through formal participation programs. Exit interviews are held for the employees leaving the organization to detect their reasons for leaving and their suggestions for improving the workplace. Finally, attitude questionnaires may be administered periodically to gauge the attitude of employees towards the workplace and the workload.

19. (b) Only i, ii, and iv

The ways in which a manager can improve his listening skills are by maintaining attention, empathizing, using restatement, and probing.

20. (a) Cross-communication

In lateral communication, managers of one department interact with the personnel in departments outside their chain of command. Lateral communication is also called cross-communication. Lateral communication may facilitate coordination of work among various departments.

21. (c) Lateral communication

Lateral communication is also known as cross-communication. In lateral communication, managers communicate with people in other departments outside their own chain of command (across the chain of command). This form of communication is often practiced by managers in organizations, perhaps because they prefer the informality of lateral communication to the formality of the vertical communication process.

22. (a) Boundary spanners

Employees of an organization who are actively involved in lateral communication are referred to as boundary spanners. On the other hand, in upward communication, the position of an ombudsperson is created in order to receive and respond to inquiries, complaints, requests for policy clarification, or allegations of injustice by employees. A two-way communication process involves the transmission of a message from a sender to the receiver.

23. (a) Only i and ii

The two main types of interactive communication are networks and grapevine communication.

24. (b) Network

A network is a group of people who develop and maintain contact with each other to exchange information of common interest in an informal manner. A person who is actively involved in information exchange is said to be networking. Members from one or more organizations may belong to a network.

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25. (d) It provides information on the written rules of the organization

The above statement is wrong, its correct version being; 'It provides information on the unwritten rules of the organization.'

26. (d) Traditions

The barriers impeding effective communication are selective perception, defensiveness, and language.

27. (b) Filtering

Filtering refers to the manipulation of information by the sender so as to obtain a favorable opinion from the receiver. The process of filtering information takes place at each level in the organization and may sometimes affect the quantity as well as the quality of information that reaches the top management. The amount of information that gets filtered increases with the number of vertical levels in the organizational hierarchy. Defensiveness, selective perception, and language are other barriers to effective communication. In cross-communication (lateral communication), managers communicate with people in other departments outside their own chain of command (across the chain of command).

28. (d) Electronic conferencing

Electronic conferencing is very popular with business organizations and governments. In this type of conferencing, one initiates a discussion on some topic and requests comments from customers or the general public. People located at various places can send their comments to the initiator and share their views with other participants.

Management and Organizational Behavior

Course Components

BLOCK I		Fundamentals of Management
Unit 1		Management: An Overview
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Unit 3		Managerial Functions
Unit 4		Social and Ethical Responsibilities of Management
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Unit 8		Managing Communication
BLOCK III		Individual Behavior in Organizations
Unit 9		Personality and Attitudes
Unit 10		Motivation
Unit 11		Perception
Unit 12		Learning
BLOCK IV		Dynamics of Organizational Behavior
Unit 13		Leadership
Unit 14		Empowerment and Participation
Unit 15		Conflict, Negotiations and Inter Group Behavior
Unit 16		Foundations of Group Behavior
Unit 17		Understanding Work Teams
Unit 18		Informal Organizations
BLOCKV		The Organization System and Development
Unit 19		Foundations of Organizational Structure
Unit 20		Decision Making
Unit 21		Power and Politics
Unit 22		Organizational Culture
Unit 23		Organizational Change and Development
Unit 24		Future of Organizational Development

