Organizational Behaviour

Defining Organizational Behaviour

• Organizational Behaviour is an academic discipline concerned with predicting, understanding, describing, and controlling human behaviour in an organizational environment.
• OB has evolved from early classical management theories into a complex school of thought—and it continues to change in response to the dynamic environment and proliferating corporate cultures in which today's businesses operate.
• The task of getting organizations to function effectively is a difficult one.
• Understanding one individual's behaviour is a challenging problem in and of itself. A group, made up of different individuals and multiple relationships among those individuals, is even more complex... In the fact of this overwhelming complexity, Organizational Behaviour must be managed.
• Ultimately the work of organizations gets done through the behaviour of people, individually or collectively, on their own or in collaboration with technology. Thus, central to the management task is the management of Organizational Behaviour.
• To do this, there must be the capacity to understand the patterns of behaviour at individual, group, and organization levels, to predict what behaviour responses will be elicited by different managerial actions, and finally to use understanding and prediction to achieve control."
• Organizational Behaviour is a field of study that investigates the impact that individuals, groups, and structure have on behaviour within the organizations and its effective use for the purpose of such knowledge towards improving its performance. Similar to the evolution of man and its environment there has been a substantial change in the approach for better productivity within an organization through the brainstorming efforts applied by a good manager. Understanding organizational behaviour within a corporation and particularly the factors influencing the organizational behaviour of a single entity has become the key to the success of any manager. There is no one single approach to organizational behaviour which is best for all organizations;
• Organization is a social arrangement which pursues collective goals, which controls its own performance, and which has a boundary separating it from its environment. • Behaviour refers to the actions or reactions of an object or organism, usually in relation to the environment.

Historical Background for Modern Organizational Behaviour

Frederick Winslow Taylor (1856-1915)
• Taylor was the first person who attempted to study human behaviour at work using a systematic approach.
• Taylor studied human characteristics, social environment, task, physical environment, capacity, speed, durability, cost and their interaction with each other.
• Overall objective was to reduce and/or remove human variability.

Frederick Winslow Taylor
• Taylor worked to achieve his goal of making work behaviours stable and predictable so that maximum output could be achieved.
• Relied strongly upon monetary incentive systems, believing that humans are primarily motivated by money.
• Faced some strong criticism, including being accused of telling managers to treat workers as machines without minds, but his work was very productive and laid many foundation principles for modern management study.

Elton Mayo
Elton Mayo, an Australian national, headed the Hawthorne Studies at Harvard. In his classic writing in 1931, Human Problems of an Industrial Civilization, he advised managers to deal with emotional needs of employees at work.

Mary Parker Follett:
Mary Parker Follett was a pioneer management consultant in the industrial world. As a writer, she provided analyses on workers as having complex combinations of attitude, beliefs, and needs. She told managers to motivate employees on their job performance, a "pull" rather than a "push" strategy.

Douglas McGregor
• Douglas McGregor proposed two theories/assumptions, which are very nearly the opposite of each other, about human nature based on his experience as a management consultant.
  – Theory X
  – Theory Y
  • First theory was “Theory X”, which is pessimistic and negative; and according to McGregor it is how managers traditionally perceive their workers.
  • Then, in order to help managers replace that theory/assumption, he gave “Theory Y” which takes a more modern and positive approach. He believed that managers could achieve more if managers start perceiving their employees as self-energized, committed, responsible and creative beings. By means of his Theory Y, he in fact challenged the traditional theorists to adopt a developmental approach to their employees.
Also wrote a book The Human Side of Enterprise in 1960; this book has become a foundation for the modern view of employees at work.

**Theory Z**

- Theory Z is the name applied to the so-called "Japanese Management" style popularized during the Asian economic boom of the 1980s. In contrast Theory X, which stated that workers inherently dislike and avoid work and must be driven to it, and Theory Y, which stated that work is natural and can be a source of satisfaction when aimed at higher order human psychological needs, Theory Z focused on increasing employee loyalty to the company by providing a job for life with a strong focus on the *well-being of the employee*, both on and off the job.

**Current state of the Organizational Behaviour**

- Organizational behaviour is becoming more important in the *global economy* as people with diverse backgrounds and *cultural values* have to work together *effectively* and *efficiently*. During last 20 years organizational behaviour study and practice has developed and expanded through creating integrations with other domains:
  - **Anthropology** became an interesting prism to understanding firms as communities, by introducing concepts like Organizational culture, 'organizational rituals' and 'symbolic acts' enabling new ways to understand organizations as communities.
  - **Leadership** Understanding the crucial role of leadership at various level of an organization in the process of change management.
  - **Ethics** and their importance as pillars of any vision and one of the most important driving forces in an organization.

**Challenges Faced by Management**

1. Changing Social/ Cultural Environment
2. Evolving Global Environment
3. Advancing Information Technology
4. Shifting Work/ Employment Relationships

**Changing Social / Cultural Environment**

- National culture
- Organizational ethics and well-being
- Diversity Challenges
  - Fairness and Justice

**Evolving Global Environment**

- Understanding Global Differences
- Global learning

**Advancing Information Technology**

- Information
- Knowledge
- Information Technology
- Organizational Learning
- Intranets
- Innovation
- Creativity

**Shifting Work/Employment Relationships**

- Downsizing
- Empowerment and Self-Managed Teams
- Contingent Workers
- Outsourcing

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**Emerging trends in organisational behaviour**

Organizations have witnessed a great development from the olden times particularly in respect of structure, operations and people. There is a considerable change in the cross culture environment, influence of MNCs, growth in the technical know-how and quality management which has provided different environment in the modern organizations. Some of the important trends observed are mentioned below:

- **Globalisation**
- **Emerging employment relationships**
- **changing workforce**
- **Knowledge Management**
- **Information technology and OB**

**Globalization** Organisation in recent days has changed the style of working and tries to spread worldwide. Trapping new market place, new technology or reducing cost through specialization or cheap labour are few of the different reasons that motivates organizations to become global. Moreover the way companies integrate their business practices with other countries has also changed. Instead of controlling the whole supply chain countries outsource some part of it to gain advantage of specialization. Thomas Friedman highlights this phenomenon in his book “The world is flat” There are several types of organizational changes that has occurred to help business adopt to globalisation, as the old principles no longer work in the age of globalisation Strategic changes, technological change, change in organizational cultural including organizational structural change and a redesign of work tasks are some of the important one. In line with these changes, there is strong expectation of employee to improve their knowledge and become an integral part of successful business formula in order to respond to the challenges brought by the global economy. In other words it leads to formation of a learning organisation, which is characterized by creating, gaining and transferring the knowledge, and thus constantly modifying the organizational behaviour.
Emerging employment relationship: Changing trends in organisations in recent years have made it utmost important to consider some of the emerging employee relations issues which can affect employers in the coming decade. Understanding these issues will help management to better plan and respond to changes in the workplace. Employer employee relationship is also showing change in the modern era. Employers are no more autocrats and participative style of leadership is welcomed. Flexible working hours and increased authority motivates employees to perform to their best. Management now welcomes upward communication and participation of lower level employees in the decision making process.

Changing workforce: The demographic of the workforce has changed in the recent years. This is due to a number of factors such as an aging population, labour shortages and immigration. Another significant factor that has changed the workforce is the changes in the attitudes of workers. Employers need to adapt their recruitment, training and management processes to adapt to changing workforce. An example of this is where employers may have previously looked to younger people as a source of recruits, they may now have to broaden their view as there are currently a large number of older people either currently employed or seeking employment. These people may need extra training to bring their skills up to date. New parents now want to work closer to home or from home, employers may find that they need to make this a possible option in order to retain or find new staff. Allowing people to work from home will also make the employer and job more attractive to a wider range of people. Recent days is also witnessing a shortage of skilled labour in many sectors. Hence employers may have to take on less skilled workers initially and develop them, rather than simply hiring experienced people. Hiring employees from overseas also serves the purpose.

Knowledge Management: Knowledge management is a structured activity that improves an organization’s capacity to acquire, share, and utilize knowledge for its survival and success. Knowledge management is around us from a very long period of time in one form or the other. The decisions we make and the action we take both are enabled by knowledge of some type. Hence to improve quality of these actions and decisions it is important to understand the process of knowledge management. Studies in knowledge management has proved an inseparable relationship between knowledge management and organizational culture (Davenport and Prusak, 2000; Von Krogh, 2000; Nonaka and Takeuchi, 1995) Research has also proved that organizational culture is a major barrier to leveraging intellectual assets. They focus on four ways in which culture influences organizational behaviours central to knowledge creation, sharing, and use. The first is the shared assumptions about what knowledge is and which knowledge is worth managing. Second is the relationship between individual and organizational knowledge. Third is the context for social interaction that determines how knowledge will be used in particular situations. Fourth is the process by which knowledge is created, legitimated, and distributed in organizations. There are three basic elements of knowledge management

1. Knowledge acquisition: It is method of learning through experiences, sensation or perception.
2. Knowledge sharing: Knowledge sharing is a process through which knowledge is shared among family, friends or any community.
3. Knowledge dissemination: It is conceptual and instrumental use of new knowledge. Increased awareness and ability to make informed choice among available alternatives are the outcomes of knowledge dissemination.

Knowledge maps: Knowledge maps guide employees to understand what knowledge is needed to increase their efficiency and productivity and where these knowledge are located.

Information Technology and OB: Technological change and advancement is one of the most salient factors impacting organizations and employees today. In particular, the prominence of information technology (IT) has grown many folds in recent years. This innovation in IT has opened new ways for conducting business that are different from the past. Technology has changed the nature of work as well as the roles of employees. Managerial decision making, stress handling, and attitude towards work have changed as an impact of technology. It is also seen from decades that there is a normal tendency of human being to resist to changes, making adoption of new technologies a little difficult. It has become important for the business and management to understand and take these issues into consideration while introducing or implementing any new technology. Frequent sessions on change management can help employees understand, use and adopt new technologies easily.

INDIVIDUAL BEHAVIOUR

Behaviour is the pattern of how a person responds to a stimulus. Responses can be influenced by

Culture: the shared patterns of behaviours and interactions, cognitive constructs, and affective understanding that are learned through a process of socialization. These shared patterns identify the members of a culture group while also distinguishing those of another group.

Attitude: a hypothetical construct that represents an individual's like or dislike for an item; mental position relative to a way of thinking or being. The current popular usage of attitude implies a negative mindset, a "chip on the shoulder" behavior, and an inner anger toward the prevailing majority of thought. Emotion: a feeling that is private and subjective; a state of psychological arousal an expression or display of distinctive somatic and autonomic responses.

Values: beliefs of a person or social group in which they have an emotional investment (either for or against something) Ethics: response based on what is right; the process of determining how one should hold the interests of various stakeholders, taking into account moral values/principles.
Authority: the power or right to give orders or make decisions. Coercion: obtaining a response by use of force; compelling a person to behave in an involuntary way (whether through action or inaction) by use of threats/intimidation. Persuasion: obtaining a response by convincing a person; the process of guiding people toward the adoption of an idea, attitude, or action by rational and symbolic (though not always logical) means. It is a strategy of problem-solving relying on "appeals" rather than force.

Genetics: inherited from parents; pertaining to genes or any of their effects.

**Why to study Individual Behaviour? (IMPORTANCE)**
- Learn one’s own behaviour pattern
- Interpret one’s own behaviour pattern
- Take corrective measures to develop appropriate behaviour pattern for personal effectiveness
- Develop Self Competency

**A Management Student should cultivate 6 basic competencies**

**Intellectual:**
- Information Collection
- Problem Analysis
- Creativity
- Technical expertise
- Judgment
- Planning

**Personal:**
- Adaptability
- Independence
- Integrity
- Stress Tolerance

**Communication:**
- Reading
- Written Communication
- Listening
- Oral Expression

**Interpersonal:**
- Impact
- Persuasiveness
- Sensitivity
- Flexibility

**Leadership:**
- Organizing
- Empowering
- Appraising
- Motivating others

**Perspective**
- General Awareness
- Learning Orientation
- Numerical Interpretation

**Personal Competency**
- Self-Competency
- Understanding one’s own personality
- Taking responsibility for managing oneself
- Assessing and establishing one’s own developmental, personal and work related goals

**Personality**

Personal characteristics that lead to consistent patterns of behaviour. Observable patterns of behaviour that last over time (Trait theory) How the unconscious of an individual reacts to stimuli (Psychoanalytic theory) Self-actualization and the drive to realize one’s potential (Humanistic theory)

According to Slocum and Hellriegal, 'Personality represents the overall profile or combination of stable psychological attributes that capture the unique nature of a person. It combines a set of mental and physical characteristics that reflects how a person looks, thinks, acts and feels.' Fred Luthans has defined personality as people’s external appearance and traits, their inner awareness of self, and the person-situation interaction make up their personalities. S P Robbins observes that personality is ‘sum total of ways in which an individual reacts to and interacts with others’.

**Four Personality Attributes**

**Internal Locus of Control:** People who believe that they can control their own destinies are said to have internal locus of control.

**External Locus of Control:** People who believe that things happen just by accident or chance are said to have external locus of control.

**Authoritarianism:** Following are the traits of an authoritarian person –
- Intellectually rigid
- Suspicious
- Respects highly placed people
- Exploits subordinates
- Judgmental
- Resistant to change

**Machiavellianism:** Following are the traits of Machiavellian person –
- Pragmatic
- Keeps an emotional distance
- Believes that ends justify means
- Takes greater risks
- Takes decision quickly

**Personality types based on temperament**

The sanguine type is cheerful and optimistic, pleasant to be with, comfortable with his or her work. According to the Greeks, the sanguine type has a particularly abundant supply of blood (hence the name sanguine, from sanguis, Latin for blood) and so also is characterized by a healthful look, including rosy cheeks.
The choleric type is characterized by a quick, hot temper, often an aggressive nature. The name refers to bile (a chemical that is excreted by the gall bladder to aid in digestion). Physical features of the choleric person include a yellowish complexion and tense muscles.

Phlegmatic temperament. These people are characterized by their slowness, laziness, and dullness. The name obviously comes from the word phlegm, which is the mucus we bring up from our lungs when we have a cold or lung infection. Physically, these people are thought to be kind of cold, and shaking hands with one is like shaking hands with a fish.

Melancholy temperament. These people tend to be sad, even depressed, and take a pessimistic view of the world. The name has, of course, been adopted as a synonym for sadness, but comes from the Greek words for black bile. Now, since there is no such thing, we don’t quite know what the ancient Greeks were referring to. But the melancholy person was thought to have too much of it!

What shapes personality?

Heredity: We inherit 60-70% abilities and intelligence About 50% of our overall personality 30-40% of our religious and political beliefs (Minnesota Studies); 30-50% shyness and tendency to get upset easily (Bouchard and others). Physical stature, facial attractiveness, gender, temperament, muscle composition and reflexes, energy levels etc are broadly attributed to biological factors. Parents’ biological, physiological and inherent psychological make-up contribute to an individual’s personality to a great extent. According to ‘Heredity’ approach, the ultimate explanation of an individual’s personality is the molecular structure of the genes, located in the chromosomes. However, the critics observe that if personality characteristics were completely dictated by heredity, they would be fixed at birth and no amount of experience/learning could alter them. There are evidences to prove that experience and learning can shape one’s personality to a fairly great extent although changing physical features and personal disposition is not possible.

Socialization: Socialization involves learning the following:

Social customs Values Norms Attitudes Relationships Hierarchies Structures

Environment plays an important role in shaping one’s personality. People are greatly influenced by culture, values, traditions, formal and informal groups etc. More importantly, an individual learns to react to situations in a particular way as a result of socialization process one is exposed to.

Person-situation interaction: An individual’s personality, although generally stable and consistent, does change in different situations. Individuals react to different situations differently. Moreover, individuals may also react differently to an identical situation. Thus, person-situation interactions keep adding to overall development of one’s personality.

Personality Traits

The Big Five Personality Traits:

There are five core personality traits that best predict performance at the workplace. Although, the five traits are largely independent factors of personality, they operate alongside other traits to provide a unique mix of personality.

Following are the five core traits of personality:

Emotional stability: degree to which a person is relaxed, secure and unworried

High emotional stability: Stable, Confident, Effective
Low emotional stability: Nervous, self-doubting moody

Agreeableness: person’s ability to get along with others

High agreeableness: Warm, tactful, considerate
Low agreeableness: independent, cold, rude

Extraversion: person’s comfort level with relationships

High on extraversion: Gregarious, energetic, self-dramatizing
Low on extraversion: Shy, unassertive, withdrawn

Conscientiousness: the number of goals on which a person focuses

High Conscientiousness: Careful, neat, dependable
Low Conscientiousness: Impulsive, careless, irresponsible

Openness: person’s curiosity and range of interests

High on openness: Imaginative, curious, original
Low on openness: Dull, unimaginative

Attitude

Attitude is a persistent tendency to feel and behave in a particular way towards some object. Broadly speaking, attitudes are general evaluations that people make about themselves, others, objects or issues that develop from past experience, guide our current behaviour and direct our development in future. These are relatively lasting feelings, beliefs, and behavior tendencies directed toward specific people, groups, ideas, issues, or objects. Attitude can also be defined as a multiplicative function of beliefs and values.

Attitudes consist of three components

Affective = feelings
Cognitive = beliefs
Behavioural = predispositions to act

Attitudes are a complex cognitive process that has three basic features:

- they persist unless changed in some way,
- they range along a continuum,
Does attitude influence human behaviour?

Attitudes do not normally predict or cause behaviour in a simple and direct way. Three principles relate attitudes to behaviour:

- General attitudes best predict general behaviours
- Specific attitudes best predict specific behaviours
- The less time that elapses between attitude measurement and behaviour, the more consistent will be the relationship between them

According to D Katz, there are four functions of attitude:

**Adjustment Function** Attitudes often help individuals adjust to their work environment. When employees are well treated, they are likely to develop a positive attitude towards management and organization. When they are berated and given minimal salary increase, they develop negative attitude towards their management/organization. These attitudes help employees adjust to their environment and are basis for their future behaviour.

**Ego-defensive Function** Attitudes help people in defending their own image. For instance, an older manager whose decisions are continuously challenged by a younger subordinate may feel that the latter is brash, cocky, immature, and inexperienced. In reality, the younger subordinate may be right in challenging the decisions. The older manager may not be an effective leader and may constantly make poor decisions. However, the older manager may not admit this. Rather he will protect his ego by putting the blame squarely on the younger subordinate. He will develop a negative attitude towards the younger subordinate. On the other hand, even the younger subordinate will develop a negative attitude towards the older manager. He will think that the boss is not doing his job properly. Thus he will protect his own ego.

**Value-Expressive Function** Attitudes provide people with a basis for expressing their values. For instance, a manager who believes strongly in the work ethic will tend to voice attitudes towards specific individuals or work practices as a means of reflecting this value. A supervisor who wants a subordinate to work harder may put it this way: ‘You have got to work harder. That has been a tradition of the company since its inception. It helped us get where we are today.’

**Knowledge Function** Attitudes also provide standards and frames of references that allow people to organize their worldview and express them emphatically. For instance, a trade union leader may have a negative attitude toward management. This attitude may not be based on fact but it does help the individual relate to the management.

How attitudes are formed?

- Social Learning: acquiring attitudes by way of social interactions and value system
- Direct Experience
- Modelling: acquiring attitudes by observing others.

What are job related attitudes?

**Job Satisfaction** Job satisfaction describes how content an individual is with his or her job. H M Weiss has been defined Job satisfaction as a pleasurable emotional state resulting from the appraisal of one’s job an affective reaction to one’s job and an attitude towards one’s job. Job satisfaction can be influenced by a variety of factors, e.g. the quality of one's relationship with their supervisor, the quality of the physical environment in which they work, degree of fulfilment in their work, etc.

Mechanism of changing attitudes (Richard M Steers has suggested following methods of engineering attitude change)

1. Providing new information
2. Fear arousal or reduction
3. Dissonance arousal (dissonance leads to inconsistencies in attitude and behaviour causing unpleasant feeling which results in change in attitude)
4. Position discrepancy
5. Participation in decision-making

(Kelman has suggested the following processes to alter attitude:)

**Compliance**: applying subtle pressure on the individual to comply with a particular norm either by threat of punishment or by promise of reward

**Identification**: Change agent influences the individual with his own attributes that is so powerful that people start identifying with him and following his way of looking at things.

**Internalization**: new attitude is integrated with other attitude and becomes a part of individual’s personality.

Perception

Perception is the process of acquiring, interpreting, selecting, and organizing sensory information. The word perception comes from the Latin perception-, percepio, , meaning "receiving, collecting, action of taking possession, apprehension with the mind or senses."
According to Stephen P Robbins, Perception is a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment. The term originated from a Latin word ‘percepio’ meaning receiving, collecting, action of taking possession, apprehension with the mind or senses.

Fred Luthans has defined Perception as a complicated interactions of selection, organization and interpretation of stimuli. According to Luthans, the perceptual process comprises of External environment—Confrontation—Registration—Interpretation—Feedback—Behaviour—Consequence. Perceptual Process

Objects in the environment—Observation—Perceptual Selection—Perceptual Organization—Interpretation—Response

Perceptual Selection is the process by which people filter out irrelevant or less significant information so that they can deal with the most important matters. Perceptual Selection is determined by External Factors & Internal Factors

**External Factors affecting perceptual selection:**

- **Size:** The larger the size, the more likely it is to be perceived. The tallest person in the office will invariably be noticed.
- **Intensity:** The more intense an external factor (bright light, loud noise, high pitch sound etc.) the more likely it is to be perceived. One may notice that the TV commercials always have high pitch as compared to normal telecast.
- **Contrast:** External factors that stand out against the background or things that are not which people expect are more likely to be perceived.
- **Motion:** A moving factor is more likely to be perceived than stationary factor. Films (motion pictures) attract people more than a static picture.
- **Repetition:** A repeated factor is more likely to be noticed. Marketing managers use this principle in trying to get attention of the prospective customers.
- **Novelty and familiarity:** Either novelty or familiarity will can attract attention. People would quickly notice a person riding an elephant on a busy street in Delhi. On the other hand, one is likely to spot a familiar face in a crowd or a familiar voice even if there is a lot of noise and confusion.

A combination of these or similar factor may be operating at any time to affect perception. Along with the internal factors, they determine whether any particular stimulus is more or less likely to be noticed.

**Internal factors affecting perceptual selection:**

- **Personality:** Personality has an interesting influence on what and how people perceive. For example, conscientious people tend to pay more attention to external environmental cues than does a less conscientious person. Less conscientious persons are impulsive, careless, and irresponsible. They see their environment as hectic and unstable which affects the way they make perceptual selections. On the other hand, more conscientious people organize their perceptions into neat categories, allowing themselves to retrieve data quickly and in an organized manner. In other words, they are careful, methodical, and disciplined in making perceptual selections.

- **Learning:** Learning determines the development of perceptual sets. A perceptual set is an expectation of a particular interpretation based on past experiences with the same or an identical object. In organizational settings, past experiences of the managers and employees influence their perceptions to a great extent.

- **Motivation:** A person’s most urgent needs and desires at any particular time can influence perception. People perceive things that promise to help satisfy their needs and that they have found rewarding in the past. Also, according to Pollyanna principle, people process pleasant event more efficiently and accurately than they do unpleasant events. For example, an employee who receives both positive and negative feedback during the appraisal meeting may more easily and clearly remember the positive statements than the negative ones.

**Perceptual Organization**

- **Figure-ground:** Perceived objects stand out as separable from their general background. In the context of organizations, a company may import a new technology in order to compete in the globalized economy. Here import of a new technology is a figure and global competitive environment is the background. The employees will immediately notice the installation of new technology whereas the global competitive environment is not visible by naked eyes.

- **Perceptual grouping:** There is a general tendency among individuals to group several stimuli together into a recognizable pattern. There are certain underlying uniformities in grouping. When simple constellations of stimuli are presented to people, they tend to group them together by closure, continuity, proximity, and similarity.

- **Closure:** An individual may perceive a whole while one actually does not exists. The person’s perceptual process closes the gaps that are unfilled by from sensory inputs. In a formal organization, employees may either see a ‘whole’ that does not exits or not be able to put the pieces together into a ‘whole’ that does exists. For example, head of a project team may take the view that the entire team agrees to his plan of action whereas there are differing views among the team members, which remains unarticulated in a formal manner. On the other hand, a functional team might view/perceive that their objectives are the objectives of the whole company. Continuity: An individual tend to perceive continuous lines/patterns. This leads to inflexible thinking on the part of organizational members (both managers and employees). Thus, only the obvious, continuous patterns or relationships are perceived. For example, a new design for some production process or product may be limited to obvious flows or continuous lines/patterns. New innovative ideas or designs may not be perceived.
**Proximity:** A group of stimuli that are close together will be perceived as a whole pattern of parts belonging together. For example, several employees in an organization may be identified as a single group because of physical proximity. Several workers who work on a particular process may be viewed as a single whole. If the output is low and the supervisor reports a number of grievances from the group, the management may perceive that all the workers working on that particular process are trouble makers whereas in some of them might be loyal and dedicated employees.

**Similarity:** The greater the similarity of stimuli, the greater is the tendency to perceive them as a common group. Similarity is conceptually related to proximity but in most cases stronger than proximity. In an organization, all employees who wear blue collars may be perceived as a common group, when in reality, each employee is a unique individual. This might also lead to perceptual error termed as stereotyping.

**Perceptual Constancy:** There are two issues. While objective reality of stimuli remains unchanged, people’s subjective reality also remains constant. That is, the individual is likely to give meaning to stimuli in the same way whenever exposed to them unless and until objective reality has been revealed more broadly by way of undoing the perceptual errors. For example, a manager in the company who believes that female employees are poor performers would continue to have the same perception until and unless the latter prove that they are better than their male colleagues.

**Perceptual Context:** It gives meaning and value to simple stimuli in the environment. The organizational culture and structure provide the primary context in which workers and managers perceive things. Thus, a verbal order, an e-mail message, a new policy, a suggestion, a raised eyebrow, a pat on the back takes on special meaning and value when placed in the context of work organization.

**Perceptual Errors:**

- **Accuracy of judgment:** Similarity error: People are predisposed towards those having similar traits, socio-economic-cultural background.
- **Contrast error:** People tend to compare among the available resources and thus arrive at a conclusion that might be far from the objective reality.
- **Race/gender/age bias:** People’s perception may be tempered by their prejudices vis-à-vis race, gender, and age. First impression error: People may hold a long-term view about a person or thing based on first impression.
- **Perceptual defence:** People tend to defend the way they perceive things. Once established, a person’s way of viewing the world may become highly resistant to change. Sometimes, perceptual defense may have negative consequences. This perceptual error can result in manager’s inability to perceive the need to be creative in solving problems. As a result, the individual simply precedes as in the past even in the face of evidence that business as usual is not accomplishing anything worthwhile. Stereotyping: It is the belief that all members of a specific groups share similar traits and behaviour. Most often, a person is put into a stereotype because the perceiver knows only the overall category to which the person belongs. However, because each individual is unique, the real traits of the person are generally quite different from those that stereotype would suggest.
- **Halo effect:** Under halo effect, a person is perceived on the basis of a single trait. It generally occurs during performance appraisal where the supervisor rates an employee on the basis of only one trait e.g. intelligence, punctuality, cooperativeness appearance etc.
- **Projection:** It is the tendency of seeing one’s own traits in others. Thus, individuals project their own feelings, personality characteristics attitudes, or motives onto others. Projection may be especially strong for undesirable traits that the perceivers possess but fail to recognize in themselves. People whose personality traits include stinginess, obstinacy, and disorderliness tend to rate others higher on these traits than do people who do not have these traits.

**Behaviour as Input-Output System**

People are considered as the “spinal cord” of every organization. Managers of every organization must be familiar about behaviour of people. Understanding an individual behaviour is a very difficult task. Therefore behaviour can be observed as input-output system.

- **The Inputs:** Stimuli form the inputs for the system and the information getting process or function is the sensation. The event data from the environment are received and transformed to sensations by sense organs of vision, audition, smell, taste, those on the inner ear and muscles.
- **The processing:** Something happens to the inputs as soon as they are sent to central processing unit i.e. nervous system by the receptors. Perception of the situation, thinking, reasoning or problem-solving occurs. A choice between alternatives is made and decision is taken.
- **The Outputs:** Outputs are the behavioural response of individual. It is caused by inputs and processing components of the individual behaviour. The situations in which outputs occur largely influence the working of the system as a whole. These situations may include environmental factors which affect, the psycho-motor process.

**Biological Foundation of Behaviour**
The general biological characteristics of human system, especially as laid down in heredity and revealed during the subsequent period of development of the individual, influence the ways in which he or she tends to sense external event data, interpret them, respond to them and learn from his/her own past experiences.

The individual inherits a similarity to other individuals as well as uniqueness in the form of genes and chromosomes. In addition, he or she inherits and physical traits and the ability to learn and behave intellectually, which a wide impact on his/her behavioral patterns.

The childhood sensory and perceptual experience contributes a lot towards the maturity of the sensory and perceptual abilities. The growth of the individual is markedly influenced by the functioning of the ductless glands including the pituitary, the thyroid, the adrenals and the gonads.

The structure of the nervous system plays a significant role in bringing together the human behavior and personality. Integration of human behavior takes place because of the constraint functioning of receptors, effectors and connectors. The human behavior ranges from the simple reflex action to the complex problem-solving activity involving various levels of integration.

**Theories of Motivation**

**Overview**

At a simple level, it seems obvious that people do things, such as go to work, in order to get stuff they want and to avoid stuff they don't want. Why exactly they want what they do and don't want what they don't is still something a mystery. It's a black box and it hasn't been fully penetrated.

**Need hierarchy**

Overall, the basic perspective on motivation looks something like this:

```
Needs → Behavior → Satisfaction
```

In other words, you have certain needs or wants (these terms will be used interchangeably), and this causes you to do certain things (behavior), which satisfy those needs (satisfaction), and this can then change which needs/wants are primary (either intensifying certain ones, or allowing you to move on to other ones).

A variation on this model, particularly appropriate from an experimenter's or manager's point of view, would be to add a box labeled "reward" between "behavior" and "satisfaction". So that subjects (or employees), who have certain needs do certain things (behavior), which then get them rewards set up by the experimenter or manager (such as raises or bonuses), which satisfy the needs, and so on.

**Classifying Needs**

People seem to have different wants. This is fortunate, because in markets this creates the very desirable situation where, because you value stuff that I have but you don't, and I value stuff that you have that I don't, we can trade in such a way that we are both happier as a result.

But it also means we need to try to get a handle on the whole variety of needs and who has them in order to begin to understand how to design organizations that maximize productivity.

Part of what a theory of motivation tries to do is explain and predict who has which wants. This turns out to be exceedingly difficult.

Many theories posit a hierarchy of needs, in which the needs at the bottom are the most urgent and need to be satisfied before attention can be paid to the others.

**Maslow**

Maslow's hierarchy of need categories is the most famous example:

- self-actualization
- esteem
- belongingness
- safety
- physiological

Specific examples of these types are given below, in both the work and home context.

<table>
<thead>
<tr>
<th>Need</th>
<th>Home</th>
<th>Job</th>
</tr>
</thead>
<tbody>
<tr>
<td>self-actualization</td>
<td>education, religion, hobbies, personal growth</td>
<td>training, advancement, growth, creativity</td>
</tr>
<tr>
<td>esteem</td>
<td>approval of family, friends, community</td>
<td>recognition, high status, responsibilities</td>
</tr>
<tr>
<td>belongingness</td>
<td>family, friends, clubs</td>
<td>teams, depts, coworkers, clients, supervisors, subordinates</td>
</tr>
<tr>
<td>safety</td>
<td>freedom from war, poison, violence</td>
<td>work safety, job security, health insurance</td>
</tr>
<tr>
<td>physiological</td>
<td>food water sex</td>
<td>Heat, air, base salary</td>
</tr>
</tbody>
</table>
According to Maslow, lower needs take priority. They must be fulfilled before the others are activated. There is some basic common sense here -- it's pointless to worry about whether a given colour looks good on you when you are dying of starvation, or being threatened with your life. There are some basic things that take precedence over all else.

Or at least logically should, if people were rational. But is that a safe assumption? According to the theory, if you are hungry and have inadequate shelter, you won't go to church. Can't do the higher things until you have the lower things. But the poor tend to be more religious than the rich. Both within a given culture, and across nations. So the theory makes the wrong prediction here.

Or take education: how often do you hear "I can't go to class today, I haven't had sex in three days!"? Do all physiological needs including sex have to be satisfied before "higher" needs? (Besides, wouldn't the authors of the Kama Sutra argue that sex was a kind of self-expression more like art than a physiological need? That would put it in the self-actualization box). Again, the theory doesn't seem to predict correctly.

Cultural critique: Does Maslow's classification really reflect the order in which needs are satisfied, or is it more about classifying needs from a kind of "tastefulness" perspective, with lofty goals like personal growth and creativity at the top, and "base" instincts like sex and hunger at the bottom? And is self-actualization actually a fundamental need? Or just something that can be done if you have the leisure time?

Alderfer's ERG theory

**Existence Needs**
- This group of needs is concerned with providing the basic requirements for material existence, such as physiological and safety needs.
- In a work context this need is satisfied by money earned in a job for the purchase of food, shelter, clothing, etc.

**Relatedness Needs**
- This group of needs focuses on the desire to establish and maintain interpersonal relationships with family, friends, co-workers and employers.
- Interact with other people, receive public recognition, and feel secure around people.
- The amount of time most people spend at work this need is normally satisfied to some extent by their relationships with colleagues and managers.
ADVANTAGES OF ERG THEORY

1. Alderfer’s ERG theory is more consistent with our knowledge of individual differences among people. Every individual will have different importance for different group of needs depending upon his education, family, background and cultural environment. A very qualified person will value the growth needs more than the social needs or even the existence needs. On the other hand, a person who belongs to a very poor family will rate the existence needs more important. In this context, ERG theory is more relevant as compared to the Maslow’s theory.

2. ERG theory takes the strong points of the earlier content theories but it is less restrictive and limiting as compared to the others.

LIMITATIONS OF ERG THEORY

1. The ERG theory does not offer clear cut guidelines. This theory says that an individual can satisfy any of the three needs first. But how will we determine which of the three needs is more important to that person.

2. This theory is a new concept as compared to the Maslow’s theory. Alderfer’s research has indicated some degree of support for the theories but yet it is too early to pass judgement on the overall validity of the theory.

Alderfer classifies needs into three categories, also ordered hierarchically:

- Growth needs (development of competence and realization of potential)
- Relatedness needs (satisfactory relations with others)
- Existence needs (physical well-being)

This is very similar to Maslow -- can be seen as just collapsing into three tiers. But may be a bit more rational. For example, in Alderfer's model, sex does not need to be in the bottom category as it is in Maslow's model, since it is not crucial to (the individual's) existence. (Remember, this about individual motivation, not species' survival.) So by moving sex, this theory does not predict that people have to have sex before they can think about going to school, like Maslow's theory does.

Alderfer believed that as you start satisfying higher needs, they become more intense (e.g., the power you get the more you want power), like an addiction.

Do any of these theories have anything useful to say for managing businesses? Well, if true, they suggest that

- Not everyone is motivated by the same things. It depends where you are in the hierarchy (think of it as a kind of personal development scale)
- The needs hierarchy probably mirrors the organizational hierarchy to a certain extent: top managers are more likely to motivate by self-actualization/growth needs than existence needs. (But try telling Bill Clinton that top executives are not motivated by sex and cheeseburgers...)

Acquired Three Needs Theory (McClellan)

Some needs are acquired as a result of life experiences

- Need for achievement, accomplish something difficult. as kids encouraged to do things for themselves.
- Need for affiliation, form close personal relationships. as kids rewarded for making friends.
- Need for power, control others. as kids, able to get what they want through controlling others.

Again similar to maslow and alderfer.

These needs can be measured using the TAT (thematic apperception test), which is a projection-style test based on interpreting stories that people tell about a set of pictures.

Cognitive Evaluation Theory

This theory suggests that there are actually two motivation systems: intrinsic and extrinsic that correspond to two kinds of motivators:

- Intrinsic motivators: Achievement, responsibility and competence. motivators that come from the actual performance of the task or job -- the intrinsic interest of the work.
- Extrinsic: pay, promotion, feedback, working conditions -- things that come from a person's environment, controlled by others.

One or the other of these may be a more powerful motivator for a given individual.

Intrinsically motivated individuals perform for their own achievement and satisfaction. If they come to believe that they are doing some job because of the pay or the working conditions or some other extrinsic reason, they begin to lose motivation. The belief is that the presence of powerful extrinsic motivators can actually reduce a person's intrinsic motivation, particularly if the extrinsic motivators are perceived by the person to be controlled by people. In other words, a boss who is always dangling this reward or that stick will turn off the intrinsically motivated people.

Note that the intrinsic motivators tend to be higher on the Maslow hierarchy.
Equity theory has several implications for business managers:

1. Assumptions of equity theory applied to business
2. Equitable return
3. Inequitable return

Of course, in terms of how people compare their own inputs and outcomes with those of others, people become dissatisfied and act to get them back. A very good example is heroin to a heroin addict. Long-term addicts do not shoot up to get high; they shoot up to stop being sick -- to get normal. Other examples include decent working conditions, security, pay, benefits (like health insurance), company policies, interpersonal relationships. In general, these are extrinsic items low in the Maslow/Alderfer hierarchy.

Motivators. These are factors whose presence motivates. Their absence does not cause any particular dissatisfaction, it just fails to motivate. Examples are all the things at the top of the Maslow hierarchy, and the intrinsic motivators. So hygiene factors determine dissatisfaction, and motivators determine satisfaction. The two scales are independent, and you can be high on both.

If you think back to the class discussion on power, we talked about a baseline point on the well-being scale. Power involved a threat to reduce your well-being, causing dissatisfaction. Hence, power basically works by threatening to withhold hygiene factors. Influence was said to fundamentally be about promising improvements in well-being -- when you are influenced to do something, it is because you want to, not because you were threatened. Influence basically works by offering to provide motivators (in Herzberg's terms).

**HYGIENE FACTORS**
- If these factors are absent then they lead to dissatisfaction.
- These factors are extrinsic to work. Hygiene factors are also called as dissatisfiers or maintenance factors. Eg. Job security, salary, work conditions, fringe benefits

**Motivational factors**
- These factors are inherent to work. These factors motivate the employees for a superior performance. These factors are called satisfiers. These are factors involved in performing the job.
- Their absence does not create strong dissatisfaction among employees.
- Eg: recognition, responsibility, achievement etc.

**Equity Theory**

Suppose employee A gets a 20% raise and employee B gets a 10% raise. Will both be motivated as a result? Will A be twice as motivated? Will B be negatively motivated?

Equity theory says that it is not the actual reward that motivates, but the perception, and the perception is based not on the reward in isolation, but in comparison with the efforts that went into getting it, and the rewards and efforts of others. If everyone got a 5% raise, B is likely to feel quite pleased with her raise, even if she worked harder than everyone else. But if A got an even higher raise, B perceives that she worked just as hard as A, she will be unhappy.

In other words, people's motivation results from a ratio of ratios: a person compares the ratio of reward to effort with the comparable ratio of reward to effort that they think others are getting.

Of course, in terms of actually predicting how a person will react to a given motivator, this will get pretty complicated:
1. People do not have complete information about how others are rewarded. So they are going on perceptions, rumours, and inferences.
2. Some people are more sensitive to equity issues than others
3. Some people are willing to ignore short-term inequities as long as they expect things to work out in the long-term.

**Assumptions of equity theory applied to business**

The three primary assumptions applied to most business applications of equity theory can be summarized as follows:
1. Employees expect a fair return for what they contribute to their jobs, a concept referred to as the "equity norm".
2. Employees determine what their equitable return should be after comparing their inputs and outcomes with those of their coworkers. This concept is referred to as "social comparison".
3. Employees who perceive themselves as being in an inequitable situation will seek to reduce the inequity either by distorting inputs and/or outcomes in their own minds ("cognitive distortion"), by directly altering inputs and/or outputs, or by leaving the organization. (Carrell and Dittrich, 1978)

**Implications for managers**

Equity theory has several implications for business managers:
- People measure the totals of their inputs and outcomes. This means a working mother may accept lower monetary compensation in return for more flexible working hours.
- Different employees ascribe personal values to inputs and outcomes. Thus, two employees of equal experience and qualification performing the same work for the same pay may have quite different perceptions of the fairness of the deal.
- Employees are able to adjust for purchasing power and local market conditions. Thus a teacher from Alberta may accept lower compensation than his colleague in Toronto if his cost of living is different, while a teacher in a remote African village may accept a totally different pay structure.
Although it may be acceptable for more senior staff to receive higher compensation, there are limits to the balance of the scales of equity and employees can find excessive executive pay demotivating.

Staff perceptions of inputs and outcomes of themselves and others may be incorrect, and perceptions need to be managed effectively.

An employee who believes he is overcompensated may increase his effort. However, he may also adjust the values that he ascribes to his own personal inputs. It may be that he or she internalizes a sense of superiority and actually decrease his efforts.

As per the equity theory of J. Stacey Adams, people are motivated by their beliefs about the reward structure as being fair or unfair, relative to the inputs. People have a tendency to use subjective judgment to balance the outcomes and inputs in the relationship for comparisons between different individuals. Accordingly:

If people feel that they are not equally rewarded, they either reduce the quantity or quality of work or migrate to some other organization. However, if people perceive that they are rewarded higher, they may be motivated to work harder.

Reinforcement Theory

Operant Conditioning is the term used by B.F. Skinner to describe the effects of the consequences of a particular behaviour on the future occurrence of that behaviour. There are four types of Operant Conditioning: Positive Reinforcement, Negative Reinforcement, Punishment, and Extinction. Both Positive and Negative Reinforcement strengthen behaviour while both Punishment and Extinction weaken behaviour.

- Reinforcement theory of motivation was proposed by BF SKINNER. It states that individual’s behaviour is a function of its consequences. It is based on “law of effect”, i.e., individual’s behaviour with positive consequences tends to be repeated, but individual’s behaviour with negative consequences tends not to be repeated.
- Reinforcement theory of motivation overlooks the internal state of individual, i.e., the inner feelings. This theory focuses totally on what happens to an individual when he takes some action.
- Thus, according to Skinner, the external environment of the organization must be designed effectively and positively so as to motivate the employee. This theory is a strong tool for analyzing controlling mechanism for individual’s behaviour.

**Positive reinforcement.** Strengthening behaviour. This is the process of getting goodies as a consequence of a behavior. You make a sale, you get a commission. You do a good job, you get a bonus & a promotion.

**Negative reinforcement.** Strengthening behaviour. This is the process of having a stressor taken away as a consequence of a behaviour. Long-term sanctions are removed from countries when their human rights records improve. (you see how successful that is!). Low status as geek at Salomon Brothers is removed when you make first big sale.

**Extinction.** Weakening behaviour. This is the process of getting no goodies when do a behaviour. So if person does extra effort, but gets no thanks for it, they stop doing it.

**Punishment.** Weakening behaviour. This is the process of getting a punishment as a consequence of behaviour. Example: having your pay docked for lateness. It implies removing positive consequences so as to lower the probability of repeating undesirable behaviour in future.

In other words, punishment means applying undesirable consequence for showing undesirable behaviour. For eg: Suspending an employee for breaking the organizational rules. Punishment can be equalized by positive reinforcement from alternative source.

Reinforcement theory explains in detail how an individual learns to behave.
Managers who are making an attempt to motivate the employees must ensure that they do not reward all employees simultaneously. They must tell the employees what they are not doing correct and how to correct it. They must tell the employees how they can achieve positive reinforcement.

<table>
<thead>
<tr>
<th>Apply</th>
<th>Withhold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reward</td>
<td></td>
</tr>
<tr>
<td>positive reinforcement</td>
<td>negative reinforcement</td>
</tr>
<tr>
<td>(raise above baseline)</td>
<td>(raise up to baseline)</td>
</tr>
<tr>
<td>Stressor</td>
<td></td>
</tr>
<tr>
<td>punishment (bring down below baseline)</td>
<td>extinction (stay at baseline)</td>
</tr>
</tbody>
</table>

**Reinforcement schedules.**

The traditional reinforcement schedule is called a continuous reinforcement schedule. Each time the correct behavior is performed it gets reinforced.

Then there is what we call an intermittent reinforcement schedule. There are fixed and variable categories.

- **The Fixed Interval Schedule** is where reinforcement is only given after a certain amount of time has elapsed. So, if you decided on a 5 second interval then each reinforcement would occur at the fixed time of every 5 seconds.

- **The Fixed Ratio Schedule** is where the reinforcement is given only after a predetermined number of responses. This is often seen in behavior chains where a number of behaviors have to occur for reinforcement to occur.

- **The Variable Interval Schedule** is where the reinforcement is given after varying amounts of time between each reinforcement.

- **The Variable Ratio Schedule** is where the reinforcement is given after a varying number of correct responses. Fluctuating combinations of primary and secondary reinforces fall under other terms in the variable ratio schedule; For example, Reinforces delivered intermittently in a Randomized Order (RIR) or Variable Ratio with Reinforcement Variety (VRRV).

<table>
<thead>
<tr>
<th>Fixed</th>
<th>Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interval</td>
<td></td>
</tr>
<tr>
<td>give reward after first proper response following a specified time period (yearly raise) [short term]</td>
<td>give reward after a certain amt of time w/ the amt changing before the next reward (unexpected bonus based on merit) [medium term]</td>
</tr>
<tr>
<td>Ratio</td>
<td></td>
</tr>
<tr>
<td>punishment (subtract from baseline) (commissions or piecework pay) [medium term]</td>
<td>give reward after a number of responses, w/ that no. changing before the next reward (team-based bonus) [long term]</td>
</tr>
</tbody>
</table>

**Advantages of positive reinforcement theory**

- The power of praise in the workplace can move employees from resentment to happiness.
- Positive reinforcement makes people feel appreciated and encouraged, which can be motivating and rewarding.
- Positive reinforcement can improve employees’ performance. Employees can tolerate much more stress in the workplace and perform for longer periods if they are guided by positive reinforcement. Positive reinforcement builds confidence and helps employees avoiding the negative side effects associated with negative reinforcement, such as frustration, anger, anxiety and depression.

**Disadvantages**

- Positive reinforcement is not always good, and negative reinforcement is not always bad. The line between positive or negative reinforcement is not always clear, which makes measuring the results difficult.
- Too much positive reinforcement can lead to fatigue or praise overload, which can diminish the results.

**Expectancy Theory (Vroom)**

This theory is meant to bring together many of the elements of previous theories. It combines the perceptual aspects of equity theory with the behavioural aspects of the other theories. Basically, it comes down to this "equation":

\[ M = E \times I \times V \]

or

\[ \text{Motivation} = \text{expectancy} \times \text{instrumentality} \times \text{valence} \]

\( M \) (motivation) is the amount a person will be motivated by the situation they find themselves in. It is a function of the following.

- **E (expectancy)** = the person’s perception that effort will result in performance. In other words, the person’s assessment of the degree to which effort actually correlates with performance.
towards subordinates according to these assumptions. The nature of human beings is based on a certain grouping of assumptions and that he or she tends to mold his or her behavior towards subordinates according to these assumptions.

McGregor, in his book “The Human side of Enterprise” states that people inside the organization can be managed in two ways. The first is basically negative, which falls under the category X and the other is basically positive, which falls under the category Y. After viewing the way in which the manager dealt with employees, McGregor concluded that a manager’s view of the nature of human beings is based on a certain grouping of assumptions and that he or she tends to mold his or her behavior towards subordinates according to these assumptions.

The expectancy theory was proposed by Victor Vroom of Yale School of Management in 1964. Vroom stresses and focuses on outcomes, and not on needs unlike Maslow and Herzberg. The theory states that the intensity of a tendency to perform in a particular manner is dependent on the intensity of an expectation that the performance will be followed by a definite outcome and on the appeal of the outcome to the individual.

The Expectancy theory states that employee’s motivation is an outcome of how much an individual wants a reward (Valence), the assessment that the likelihood that the effort will lead to expected performance (Expectancy) and the belief that the performance will lead to reward (Instrumentality).

In short, Valence is the significance associated by an individual about the expected outcome. It is an expected and not the actual satisfaction that an employee expects to receive after achieving the goals. Expectancy is the faith that better efforts will result in better performance. Expectancy is influenced by factors such as possession of appropriate skills for performing the job, availability of right resources, availability of crucial information and getting the required support for completing the job.

INSTRUMENTALITY

- It is the faith that if you perform well, then a valid outcome will be there. Instrumentality is affected by factors such as believe in the people who decide who receives what outcome, the simplicity of the process deciding who gets what outcome, and clarity of relationship between performance and outcomes. Thus, the expectancy theory concentrates on the following three relationships:
  - Effort-performance relationship: What is the likelihood that the individual’s effort be recognized in his performance appraisal?
  - Performance-reward relationship: It talks about the extent to which the employee believes that getting a good performance appraisal leads to organizational rewards.
  - Rewards-personal goals relationship: It is all about the attractiveness or appeal of the potential reward to the individual.

Vroom was of view that employees consciously decide whether to perform or not at the job. This decision solely depended on the employee’s motivation level which in turn depends on three factors of expectancy, valence and instrumentality.

Advantages of the Expectancy Theory

- It is based on self-interest individual who want to achieve maximum satisfaction and who wants to minimize dissatisfaction.
- This theory stresses upon the expectations and perception; what is real and actual is immaterial.
- It emphasizes on rewards or pay-offs.
- It focuses on psychological extravagant where final objective of individual is to attain maximum pleasure and least pain.

Limitations of the Expectancy Theory

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

Implications of the Expectancy Theory

- The managers can correlate the preferred outcomes to the aimed performance levels.
- The managers must ensure that the employees can achieve the aimed performance levels.
- The deserving employees must be rewarded for their exceptional performance.
- The reward system must be fair and just in an organization.
- Organizations must design interesting, dynamic and challenging jobs.
- The employee’s motivation level should be continually assessed through various techniques such as questionnaire, personal interviews, etc.

“Theory X and Theory Y” of Douglas McGregor:

McGregor, in his book “The Human side of Enterprise” states that people inside the organization can be managed in two ways. The first is basically negative, which falls under the category X and the other is basically positive, which falls under the category Y. After viewing the way in which the manager dealt with employees, McGregor concluded that a manager’s view of the nature of human beings is based on a certain grouping of assumptions and that he or she tends to mold his or her behavior towards subordinates according to these assumptions.
'Theory X' and 'Theory Y' are theories of human motivation and management. They were created and developed by Douglas McGregor at the MIT Sloan School of Management in the 1960s. These theories describe two contrasting models of workforce motivation in human resource management, organizational behavior, organizational communication and organizational development.

According to these theories, there are two types of employees that managers may encounter in the workplace. These models are used by leaders to understand how to motivate their employees in the best possible way.

**Theory X**

According to Dr. Kumi Mark, if organizational goals are to be met, 'Theory X' managers must rely heavily on the threat of punishment to gain employee compliance. When practiced, this theory can lead to mistrust, highly restrictive supervision, and a punitive atmosphere. The 'Theory X' manager believes that all actions can be traced, and the responsible individual needs a direct reward or a reprimand according to the action's outcomes. This managerial style is more effective when used to motivate a workforce that is not inherently motivated to perform. It is usually exercised in professions where promotion is infrequent, unlikely or even impossible and where workers perform repetitive tasks. One secondary flaw of this management style is that it limits the employee potential and discourages creative thinking.

**Under the assumptions of theory X:**
- Employees inherently do not like work and whenever possible, will attempt to avoid it.
- Because employees dislike work, they have to be forced, coerced or threatened with punishment to achieve goals.
- Employees avoid responsibilities and do not work if formal directions are issued.
- Most workers place a greater importance on security over all other factors and display little ambition.

**Theory Y**

Theory Y, in contrast, is characterized by considering the worker as the most important asset of the company. Workers are considered optimistic, dynamic and flexible people. It is believed that workers enjoy their physical and mental work, viewing it as a game or as something to be enjoyed. Workers also have the ability to solve any problem in a creative way, but worker's talent is wasted in many organizations giving them standards, rules and restrictions that leave workers without any freedom at all.

Inside theory Y The manager thinks that, in general:
- The investment of physical and mental effort in work is as natural as rest and play.
- People exercise self-direction and self-serving objectives.
- The degree of commitment to objectives set is proportional to the magnitude of the rewards associated with their achievement.
- Humans learn to accept and seek responsibility.
- Individuals can exercise a high degree of imagination and creativity in solving problems.
- The conditions of modern industrial life allow only a limited fulfillment of human beings' potential.

Theory Y managers also consider that to achieve the objectives of the company, they must:
- Treat each worker as a mature and responsible individual.
- Consider that the worker will have a style of participatory, democratic leadership, based on self-direction and self-control and requiring little external control.

Theory Y is based on the person who is in charge believing that, given appropriate working conditions, most people perform well.

**In contrast under the assumptions of theory Y:**
- Physical and mental effort at work is as natural as rest or play.
- People do exercise self-control and self-direction and if they are committed to those goals.
- Average human beings are willing to take responsibility and exercise imagination, ingenuity and creativity in solving the problems of the organization.
- That the way the things are organized, the average human being’s brainpower is only partly used.

On analysis of the assumptions it can be detected that theory X assumes that lower-order needs dominate individuals and theory Y assumes that higher-order needs dominate individuals. An organization that is run on Theory X lines tends to be authoritarian in nature, the word “authoritarian” suggests such ideas as the “power to enforce obedience” and the “right to command.” In contrast Theory Y organizations can be described as “participative”, where the aims of the organization and of the individuals in it are integrated; individuals can achieve their own goals best by directing their efforts towards the success of the organization.

However, this theory has been criticized widely for generalization of work and human behaviour.

**LEADERSHIP**

1. **Meaning.** Leading is one important function of management only next to planning and organizing. It is the liveliest element in the management process. It initiates actions to translate the decisions into concrete actions. Managers have to lead their
subordinates through guiding and motivating. Leading involves directing, influencing and motivating employees to perform essential tasks.

Leadership is followership. A good leader leads but does not push. Effective leadership can guide a group towards certain ideals without exerting much force. Managers who possess the quality of guiding and directing the subordinates under inspired impulses can be called business leaders. Leadership is concerned with getting results through people and implies the organisation of staff into productive teams, groups and departments. Leadership entails the creation of human structures, their motivation and direction; the resolution of conflicts at the workplace, creating vision for the entire business and providing resources in support of this.

Manager can perform various managerial functions more effectively by providing proper leadership to his subordinates. This makes leadership an inevitable aspect of management process itself. Leadership is essential for the success and stability of a business enterprise. Managers possessing leadership qualities are called business leaders.

2. Definitions.
1. According to Koontz and O'Donnell, "Leadership is the ability of a manager to induce subordinates (followers) to work with confidence and zeal."
2. According to George Terry, "Leadership is the activity of influencing people to strive for mutual objectives."
3. According to Peter Drucker, "Leadership is the shifting of one's vision to higher sights, the raising of man's performance to higher standards, the building of man's personality beyond its normal limitations."

1. Involves guiding and motivating: Leadership is a managerial process of guiding and motivating the subordinates for achieving organizational goals/objectives. For motivating, communicating is necessary. Leadership is described as an art of influencing and inspiring subordinates to perform their duties efficiently.
2. Needs subordinates and common interests: It presupposes the existence of subordinates. There must be common interest for the leader and his followers due to which they cooperate and participate for achieving common objectives.
3. Promotes interest in the work: The purpose of leadership is to influence, motivate and encourage subordinates to take active interest in the work assigned and give the best results.
4. Needs support from all: The leader must recognize the presence of all employees irrespective of their position. The leader cannot become successful unless he obtains support from all.
5. Influences subordinates through personal qualities: A leader understands the problems of his subordinates and influences them by his personal qualities.
6. Dynamic and continuous process: Leadership is a dynamic and continuous process. It is a regular activity of guiding and motivating subordinates for improving their performance and contribution towards organizational objectives.
7. Leadership is situational: An ideal leadership is always situational. A leader has to study the prevailing situation and provide appropriate leadership to his subordinates.
8. Assumes obligation: A leader always inspires followers. In the event of failure, he does not shift the responsibility to his subordinates but accepts his personal weaknesses in performance. A leader leads by setting good example.
9. Needs interaction with followers: The objective of the leader and his subordinates should be the same. If the leader attempts for one purpose and his subordinates for some other purpose, it is no leadership. Their interest must be identical.
10. Achievement of objectives: The success of a leader largely depends on his ability to achieve organizational objectives. When a leader fails to attain the objectives, he is of no utility to the management.

4. Qualities of a Good Leader / Leadership Qualities.
A leader needs sound health and physical capacity to perform his functions or duties assigned in an efficient manner. In addition to physical qualities, an ideal leader needs certain qualities of head and heart. The main qualities include Personal Traits and Managerial Traits which are shown in the following chart:

<table>
<thead>
<tr>
<th>LEADERSHIP QUALITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PERSONAL TRAITS</strong></td>
</tr>
<tr>
<td>1. Self-confidence</td>
</tr>
<tr>
<td>2. Initiative and Innovative</td>
</tr>
<tr>
<td>3. Charisma</td>
</tr>
<tr>
<td>4. Emotional Maturity</td>
</tr>
<tr>
<td>5. Intelligence</td>
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<td><strong>MANAGERIAL TRAITS</strong></td>
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5. **Styles of Leadership.**

There are different styles of leadership. This classification is based on the methods used by the leaders. Edwin Flippo has defined leadership style as "a pattern of behaviour designed to integrate organizational and personal interest in pursuit of some objectives."

Basically, the styles of leadership can be divided into two broad groups. These are: (a) Task-oriented styles, and (b) People-oriented styles.

a. In the task oriented styles of leadership, more importance is given to getting the work done by subordinates. Task-oriented leaders are interested in the completion of work and do not give importance/attention to subordinates or their desires, interests and so on. Dictatorial leader and autocratic leader are the examples of this category.

b. People-oriented style of leadership is basically democratic. Here, the leader gives importance to the interests, thoughts, problems, etc. of subordinates. He tries to achieve objectives with their support and co-operation. Participative or democratic leader comes under this category.

6. **Theories of Leadership.**

1. Trait Approach Theory (The Traits Approach),
2. Behavioural Approach Theory, and

7. **Trait Approach Theory (The Traits Approach).**

The traits approach theory was one of the first attempts to explain the leadership based on personal traits. Traits are inborn or acquired personal qualities of an individual. They include physical qualities and the qualities of head and heart.

Traits theory refers to certain traits/characteristics which separate leaders from non-leaders. Such traits enable some to rise above their followers.

Traits theory indirectly supports the view that leaders are born and not made. Researchers have suggested different traits of leaders. Such traits are similar to physical, psychological, mental, intellectual and other qualities which are normally treated as essential in the case of an ideal leader. It may be noted that some traits are innate while some others can be acquired through special efforts.

The traits theory is based on the personal qualities (inborn/acquired) of an individual. Such qualities play a positive role in building leadership. A person becomes leader due to such traits. The theory is based entirely on personal traits and their contribution in developing leadership.

**INTRODUCTION**

- Bernard and Ordway teed have propounded this theory. According to this theory leadership ability in a particular person depends on his special individual qualities.
- In other words, if that individual possesses these special qualities he will certainly be a successful leader in all the situation.

Theory also believe that leadership ability is inborn and it cannot be achieve by making any efforts.

**Types of traits**

- All the researchers conducted between 1930 to 1950 considered individual qualities as the best. Many researches were conducted later on also and in spite of some differences leadership ability comes to be rested on these qualities.

  Stodgily has divided the forty qualities pointed out by different scholars into five parts. They are

- Trait research is still progressing, but a review of the research work shows that no set of trait has been identified that clearly predicts success or failure. This theory is one of the oldest theories of studying leadership this theory also include two approaches:
  The great man approach
  Personality trait approach
The great man approach

Thomas Carlyle has said, “The history of the world is but the biography of great men.” There have been great man leaders in a business world which emphasizes “who” the person is and what makes the person great.

In simple words, this approach implies that we can learn how to become effective leaders by studying great people and emulating their characteristics. These made it clear that people are not born with traits, other than inherited physical features.

Personality trait approach

This approach is based on the premises that there are certain personality traits that are essential for a person to possess in order to be a leader. It assumes that leadership traits are not completely inborn but can also be acquired through learning and experiences.

Criticism

Now these days when many important researches are being conducted in the field of management, modern scholars criticize the trait theory.

- Lack of uniformity: It has not been possible to identify universal or specific trait common to all leaders.
- Clarity about the degree of trait: It does not make clear as to how much of any trait a person should have.
- Ignorance about situation: It failed to consider the influence of situational factors. Critics also feel that a person with some limited qualities cannot be successful in all the situations.

7.1 Limitations of Traits Approach Theory / Criticism of Traits Theory.

1. Examples of leaders without certain traits are common: According to this theory, leadership is based on certain traits such as personality, intelligence, self-confidence, courage and so on. However, it is very difficult to find out a particular leadership trait in the greatest leaders of the world. Some known world leaders have had quite different traits. People with limited education, limited training and without well developed personality have proved to be great leaders. History is full of such examples of leaders.

2. Traits are not absolutely essential for leadership: As per the theory, many traits are desirable in the case of leaders. However, none seems to be absolutely essential. Many leaders are extremely popular even without certain useful traits.

3. Situational aspect is ignored: The theory fails to take into consideration the situation within which the leaders have to function. There are instances in which a leader is successful in one situation but may not be in another even when traits are same on both the occasions. For example, Winston Churchill was Prime Minister of England and was also war hero during the Second World War but was defeated in the general elections under new situation i.e., after the end of World War II.

4. No reference to essential qualities: The theory fails to give the list of essential qualities (innate and acquired) required for leadership purpose.

5. Superiority is not clearly stated: The theory states that a leader has superior personal traits as compared to his followers. However, the nature or extent of superiority is not given in a clear manner.


The behavioural approach theory is an extension of the traits theory and is superior in certain respects. The traits theory failed to explain what caused effective leadership. The behavioural approach is based on the study of behaviour of a leader. Leadership grows/develops not by traits but by the acts or experience of a person. The behavioural theory is based on the assumption that leaders are not born but they develop gradually by experience and maturity. The attention is given to what leaders do (i.e., their behaviour) rather than to what they are. A leader learns new traits through his experience (behaviour or acts). The focus point, here, is on what the leader does while leading.

This behavioural theory suggests that a leader do not behave in the same manner under all situations. Similarly, his actions are not identical under all situations which he faces. He adjusts his behaviour as per the need of the situation. There is an element of flexibility in his approach and behaviour. He studies the situation and adjust his leadership style accordingly. He adopts different leadership styles to meet the need of different situations.

The most popular behavioural theories are:

a. Douglas McGregor’s Theory ‘X’ and Theory ‘Y’, and

The behavioural approach theory is practical in nature. It gives more attention to acts and behaviour of a person and not to the personal traits. Leadership develops by experience and not by inborn traits. A leader has to acquire certain qualities by experience only.
Like the traits theory, the behavioural approach oversimplifies the complexities of the leadership process. However, the behavioural approach is responsible for the development of a classification of leadership styles which has provided managers suitable opportunities to secure greater insight into their own behaviour.

**WHAT IS BEHAVIOURAL THEORIES**

Behavioral Theory of Leadership is a leadership theory that considers the observable actions and reactions of leaders and followers in a given situation. Behavioral theories focus on how leaders behave and assume that leaders can be made, rather than born and successful leadership is based on definable, learnable behavior. Behavioral theories of leadership are classified as such because they focus on the study of specific behaviors of a leader. For behavioral theorists, a leader behavior is the best predictor of his leadership influences and as a result, is the best determinant of his or her leadership success.

These theories concentrate on what leaders actually do rather than on their qualities. Different patterns of behavior are observed and categorized as 'styles of leadership'. This area has probably attracted most attention from practicing managers.

**There are two important Behavioral studies.......**

1. **Ohio State University (1940s)**
   - As leadership studies that were aimed at identifying the appropriate traits didn't yield any conclusive results, a group of people from Ohio State University developed a list of 150 statements from their generated responses that included 1,800 hundred statements. The list was designed to measure nine different behavioral leadership dimensions. The resulting questionnaire is now well-known as the LBDQ or the Leaders Behavior Description Questionnaire.
   - As part of the study, the LBDQ was administered to various groups of individuals ranging from college students and their administrators, private companies including military personnel. One of the primary purposes of the study was to identify common leadership behaviors. After compiling and analyzing the results, the study led to the conclusion that there were two groups of behaviors that were strongly correlated.
   - These were defined as Consideration (People Oriented behavioral Leaders) and Initiating Structure (Task Oriented Leaders).

   **Task oriented leaders**
   The task concerned leaders are focusing their behaviors on the organizational structure, the operating procedures (S.O.P.) and they like to keep control. Task-oriented leaders are still concern with their staff motivation; however it's not their main concern. They will favor behaviors that are in line with:
   - Initiating
   - Organizing
   - Clarifying Information Gathering

   **People oriented leaders**
   The people oriented leaders are focusing their behaviors on ensuring that the inner needs of the people are satisfied. Thus they will seek to motivate their staff through emphasizing the human relation. People oriented leaders still focus on the task and the results; they just achieve them through different means. Leaders with a people focus will have behaviors that are in line with:
   - Encouraging
   - Observing
   - Coaching and Mentoring

2. **University of Michigan (1950s)**
   Lead by the famous organizational psychologist, Dr. Rensis Likert, the leadership studies at the University of Michigan identified three characteristics of effective leadership; two of which were previously observed in studies that had been conducted at Ohio State University. The study showed that task and relationship-oriented behaviors weren't of major significance within the world of organizational psychology. However it was the third observation that introduced a new concept, one of participative levels.

9. **Contingency / Situational Approach Theory or Blanchard's Situational Leadership Theory.**
   Situational/Contingency Theory is a new addition to the existing theories of leadership. It is a combination of different leadership styles such as autocratic, democratic and so on. An ideal leader studies the overall prevailing situation, draws conclusions about the whole situation and adopts the leadership style which is most appropriate to the prevailing situation. He is not concerned with one specific leadership style but will use any style as per the available situation. He is interested in achieving his objectives and is willing to use suitable means for this purpose. Sometimes he may be democratic but may be autocratic on some other occasions. "Different strokes for different folks" is his leadership approach. He will consider the group of employees (skilled, unskilled, supervisory, etc.) to be handled and adjust his leadership style accordingly. He will not...
use one leadership style for controlling/motivating all categories of employees. On the other hand, he will be democratic with some categories of employees and autocratic with the employees working at the other level. In other words, adjusting the leadership style as per the need of the situation or as per the group of employees/subordinates to be handled is the essence of situational leadership style. In brief, he studies the situation and adjust his leadership style accordingly. He adopts a practical approach in order to get his work done i.e. achievement of organizational objectives. In brief, in the situational leadership style, the leader adopts practical and flexible approach in decision-making. This is the essence of situational/contingency theory or approach.

Contingency approach concludes that there is no "one best style" of leadership under all conditions. Efficient leadership style varies with situations and an efficient leader is one who studies the prevailing situation and finds out the leadership style which would be most suitable for the given situation. This is natural as a simple cookbook approach for selecting the best leadership style does not exist. A good leader has to study the situation and adjust his leadership style accordingly. Here, the focus is on the situation and not on the personal qualities and behaviour of a leader.

Situational leadership style is flexible / adjustable and is normally more effective as compared to other types of leadership. The situational theory of leadership was developed by Hersey and Blanchard at the Centre for Leadership Studies in Ohio State University.

9.1 Important Features of Situational Leadership.
1. Situational leadership is new addition to the existing styles of leadership.
2. An ideal leader (according to this theory) studies the overall situation, draws conclusions and adopts the leadership style which is most appropriate to the prevailing situation. This is the essence of situational leadership theory.
3. The best leadership style according to this theory is situational.
4. An ideal leader is one who can adjust his style of functioning as per the situation within which he has to operate. This means the internal and external environment to the enterprise.
5. A leader may act as a dictator at one time and also as a democratic leader on some other occasion. A good leader is one who studies the situation around him and adopts the most suitable leadership style.
6. A situational leadership is a combination of all types of leadership.
7. A situational leader knows different leadership styles but selects one particular style, which is most, appropriate to a given situation/environment.
8. A situational leader adopts flexible approach in his style of functioning. This makes his leadership effective and result-oriented. A situational leader knows when to use autocratic style and when to use democratic style. He makes corresponding adjustment in his style. This makes him effective/successful as a leader.

The situational theory suggests that a manager’s leadership style should vary with the situation. This leadership model is simple and appealing. However, it ignores several other critical elements that determine leadership style and it does not have a wide accepted research base. Inspire of the limitations, this leadership model achieved considerable popularity and also awakened many managers to the idea of contingency approaches to leadership style.

9.2 Merits of Situational Leadership.
1. The situational leadership theory is a practical one and is based on real facts of life. The best leadership style is situational.
2. The situational theory has universal acceptance.
3. It focuses attention not on the personality of the leader, but on the personality of the Organisation as a whole.
4. The situational leadership theory is flexible and adaptable. It can operate in any style (autocratic, democratic, etc.) as per the need of the situation.

9.3 Limitations of Situational Leadership.
1. In situational leadership, more importance is given to the situation and less to personal traits. Leadership should involve both traits and situations. However, the theory gives importance to situation only.
2. The theory offers an incomplete explanation of the leadership process.

Leadership Styles There are many different models of leadership styles, from those that look at how much ‘control’ you want to others based around ‘potential’. One of the best-known models is Daniel Goleman’s Six Leadership Styles. Goleman is probably best known for his work on Emotional Intelligence, but he also carried out a ground-breaking study on leadership, published in the Harvard Business Review in 2000 as ‘Leadership that Gets Results’.

Six Leadership Styles
Coercive leaders demand immediate obedience. In a single phrase, this style is ‘Do what I tell you’.
These leaders show initiative, self-control, and drive to succeed. There is, of course, a time and a place for such leadership: a battlefield is the classic example, but any crisis will need clear, calm, commanding leadership. This style does not, however, encourage anyone else to take the initiative, and often has a negative effect on how people feel.

Pace-setting leaders expect excellence and self-direction. This style can be summed up as ‘Do as I do, now’.
The Pace-setter very much leads by example, but this type of leadership only works with a highly-competent and well-motivated team. It can only be sustained for a while without team members flagging. Like the Coercive leader, Pace-setters also show drive to succeed and initiative, but instead of self-control, these are coupled with conscientiousness.

Authoritative leaders move people towards a vision this style is probably best summed up as ‘Come with me’.
These leaders are visionary and it’s the most useful style when a new vision or clear direction is needed, and is most strongly positive. Authoritative leaders are high in self-confidence and empathy, acting as a change catalyst by drawing people into the vision and engaging them with the future.

An affinitive leader values and creates emotional bonds and harmony. Affilitative leaders believe that ‘People come first’.
Such leaders demonstrate empathy, and strong communication skills, and are very good at building relationships. This style is most useful when a team has been through a difficult experience, and needs to heal rifts, or develop motivation. It is not a very goal-oriented style, so anyone using it will need to make sure others understand that the goal is team harmony, and not specific tasks. It is probably obvious from this that it cannot be used on its own for any length of time if you need to ‘get the job done’.

The democratic leader builds consensus through participation. Democratic leaders are constantly asking ‘What do you think?’.
Such leaders show high levels of collaboration, team leadership and strong communication skills. This style of leadership works well in developing ownership for a project, but it can make for slow progress towards goals, until a certain amount of momentum has built up. Anyone wishing to use this style will need to make sure that senior managers are signed up to the process, and understand that it may take time to develop the consensus.

A coaching leader will develop people. The phrase that sums up this leadership style is ‘Try it’
Coaching leaders allow people to try different approaches to problem solving and achieving a goal in an open way. The coaching leader shows high levels of empathy, self-awareness and skills in developing others. A coaching style is especially useful when an organisation values long-term staff development.

Leadership Skills
The ability to lead effectively is based on a number of key skills. These skills are highly sought after by employers as they involve dealing with people in such a way as to motivate, enthuse and build respect.

Leadership roles are all around us, not just in a work environment.
They can be applied to any situation where you are required to take the lead, professionally, socially and at home in family settings. Ideally, leaders become leaders because they have credibility, and because people want to follow them.

Two questions which are often asked are:
• What exactly is a leader? and
• How is being a leader different from being a manager?

Take a look at our pages ‘What is a Leader?’ and ‘Leadership is not Management’ to find out more.

Many people also wonder if leadership can really be taught. People with vested interests (academics and those offering leadership training or literature of some sort) are convinced that it can. Many successful leaders, however, have never had any formal training. For them leadership is a state of mind, and it is their personalities and traits that make them successful leaders.

One of the most important aspects of leadership is that not every leader is the same. Of course we have all heard jokes about ‘mushroom’ leadership (keep them in the dark and feed them on manure) and ‘seagulls’ (swoop in, squawk, and drop unpleasant things on people), but joking aside, there are many different styles of leadership.
Different leadership styles are appropriate for different people and different circumstances, and the best leaders learn to use them all.

Skills Good Leaders Need
Perhaps the most important skill a leader needs is to be able to think strategically.
Leadership is all about having a vision of where you want to be and working to achieve that vision.
Alongside strategic thinking go organising and action planning, both essential for delivery of your vision and strategy, and risk management to help you avoid things going wrong, and manage when they do.
Leaders also need to be able to make good decisions in support of their strategy delivery. Along the way to achieving their vision a leader will come upon many problems. Effective problem solving is therefore another key leadership skill. With a positive attitude, problems can become opportunities and learning experiences and a leader can gain much information from a problem addressed.

Leaders also need to be much organised on a personal level, and able to manage themselves and their time, so that they can spend time doing what they need to do, and not on other tasks. As well as organising their time and their teams, leaders need to spend a bit of time on themselves, and particularly on their self-motivation. A leader who lacks self-motivation will struggle to motivate others, as people are quick to detect a lack of sincerity.

Developing People Skills

• Another area which is crucial for leaders is skills in leading people. After all, without followers, there are no leaders.
• Leaders need skills in working with others on a one-to-one and group basis, and a range of tools in their armoury to deal with a wide range of situations.
• One of the first skills that new leaders need to master is how to delegate. This is a difficult skill for many people but, done well, delegation can give team members responsibility and a taste of leadership themselves, and help them to remain motivated.
• Leaders also need to know how to give others their views on personal performance in a way that will be constructive rather than destructive, and also hear others’ opinions of them.
• Leaders then need tools to help them understand the way that others behave, and create positive interactions.
• Finally, leaders have to be able to work well in group situation.
• However, leaders spend much of their time in one particular group situation, meetings, so they need to have particular skill in chairing and managing meetings.

Effective Personal Qualities

• There are a number of personal qualities which leaders tend to display. However, for all that this description implies that these qualities are intrinsic; they can be developed and improved over time.
• These qualities include charisma, that quality of ‘brightness’ which makes people want to follow a leader, assertiveness, which enables that person to make their point without aggression, but firmly, and empathy, understanding of how others feel.
• One way to understand leadership qualities is in terms of Emotional Intelligence, an umbrella term that describes how well we relate to others and to our own feelings.

Excellent Communication

• Leaders also need finely-honed communication skills. These skills are general interpersonal skills, not specific to leadership, but successful leaders tend to show high levels of skill when communicating.
• Good leaders tend to be extremely good listeners, able to listen actively and elicit information by good questioning.
• They know how to build rapport quickly and effectively, to develop good, strong relationships with others, whether peers or subordinates.
• They are usually very good at public speaking, equally skilled at getting their point across in a formal presentation or Board meeting, or in an informal meeting or casual corridor conversation.
• They have strong negotiation skills, in the broadest sense, in terms of reaching win-win situations and making sure that they know their ‘bottom line’.
• They have also honed their ability to communicate in difficult situations, usually by practice over time.

Managerial culture and leadership

A company's culture plays a particularly critical role in determining whether a strategic vision will be successfully pursued. The culture must be compatible and supportive of the vision. Webster's New Collegiate Dictionary defines culture as "the integrated pattern of human behavior that includes thought, speech, action and artifacts and depends on man's capacity for learning and transmitting knowledge to succeeding generations". A more informal definition in the business context might be "the way we do things around here". Every business has a culture. It may be fragmented and difficult to articulate or to read from the outside, but it exists. It is an informal system of rules that guide people's behaviors. It is shaped by the company's business environment, its values, its heroes, stories, rituals and informal structural networks. The leader is the primary steward of the company's culture and he or she must be vigilant to support it by their words and deeds.

A leader must be particularly strong in shaping and enhancing the company's values. Values are the cornerstone of a company's culture. The shared values of an organization provide a

Every business has a culture... an informal system of rules that guide people’s behaviors... shaped by the company’s business environment, its values, its heroes, stories, rituals and informal structural networks.
common sense of direction for all of its employees and basic guidelines for their day-to-day behavior. The leader must assure that there is consistency between the company's stated values and all other aspects of their vision including the strategies, the people plans and the company's operational plans. The company's value system affects organizational performance in several areas:

- Senior management will give greatest attention to those matters that are stressed in the corporate value system
- Managers throughout the organization will make better decisions when guided by the values
- People tend to work harder when they are dedicated to a cause.

Changes in the company's strategic direction will often require cultural change. The change may be necessitated by any of the following factors:

- Fundamental change in the company's external business environment that conflicts with the company's established values
- Rapidly changing competitive environment
- Long periods of mediocre (or worse) performance
- The company is on the threshold of becoming "big"
- Very rapid growth

Cultural change can often be very difficult and the leader will have to commit significant time and attention to shepherding the change. There can be significant barriers. Many times hidden cultural barriers to change are overlooked. The leader may change the organizational structure but in the process may unknowingly topple "heroes" that people in the organization have revered for many years. New strategies may undermine important values imbedded in the company. Unless the leader can successfully work at reducing the impact of these issues the force of the old culture can neutralize and emasculate any desired change. If leaders are really serious about change, they will inevitably have to wrestle with their company's culture.

The critical link between strategic vision and cultural alignment is clearly evident when companies attempt to grow through acquisition. Acquisitions that fail to meet expectations often suffer not from a lack of strategic fit, but from a lack of sufficient cultural integration. One company we know of went to the extraordinary length of bringing the entire workforce of an acquired company to their main facility to observe the parent company's culture in action. While requiring considerable time and expense, this action certainly increased the probability of the acquisition's success many fold.

**Commitment** - A leader's persistent repetition and consistency is what ultimately creates a fully aligned culture. Calvin Coolidge expressed the importance of persistence:

"Nothing in the world can take the place of persistence.
   Talent will not; nothing is more common than unsuccessful men with great talent.
   Genius will not; unrewarded genius is almost a proverb.
   Education will not; the world is full of educated derelicts.
   Persistence and determination alone are omnipotent."

Commitment through words alone is not enough. People in any organization are "professional boss watchers". They will ultimately mimic the behaviours of leaders in those organizations. As they observe you as the leader, they will be acutely aware of:

- How you make and honour your commitments
- What you say in formal and especially informal settings
- What you express interest in and ask questions about
- Where you go and with whom you spend time
- How and when you act/ who you consult with
- How you organize your staff and physical surroundings

Along with passion and enthusiasm the leader must show commitment by his or her actions. Commitment is visibly shown by your calendar. For example, creating a total quality culture might be a critical part of your vision. If so, then you should be an active participant in some of the quality team meetings. You should be seen improving your own education on quality by attending classes. You should be seen spending some of your own valuable time traveling to customers and suppliers to discuss quality. A good "gut check" to see how you are showing commitment is to review your calendar and see if the time you spend is consistent with the most critical elements of your vision.

**Management** - "What people say, what people do and what people say they do are entirely different things" - Margaret Mead

A leader must be on top of things. A leader must be an expert in the details of how the vision is being implemented. This does not mean that they should micro manage. It means knowing enough to ask great and specific questions of people. It involves the skill to do this in a way that lets people know you are on top of things and you take an interest in what they are doing but you are not infringing on their responsibilities or implying that you feel they are incapable.

**Deploying Yourself** - A strong leader will be acutely aware of their own skills inventory and will display a visible commitment to self-development. The effective leader will:

1. Recognize their strengths and compensate for their weaknesses
2. Nurture additional skills through formal self-improvement
3. Understand the fit between their strengths and weaknesses and the organization's needs

The effective leader will become a role model in fostering a learning organization by encouraging and rewarding professional development. Their primary focus will be on people rather than systems or structure.

**Leadership Learned** - One of the greatest myths in management education is that leaders are born and not made. While specific characteristics of some leaders such as charisma might be considered part of a person's personality, most of the
capacities and competencies of leadership can in fact be learned. The following summarizes some of the most critical skills and attributes that you can learn:

1. Developing professional expertise
2. Sharpening your communications
3. Cultivating enthusiasm
4. Keeping an open mind
5. Paying attention to accomplishment
6. Being accessible
7. Being respectful of your staff

Also, as previously discussed, being an effective leader often requires the successful management of change. A successful leader will learn to embrace these basic principles:

- Peer group acceptance will be the most significant factor in the willingness to change
- Mutual trust is essential
- Build required skill levels to allow people to operate effectively in the changed environment
- Allow enough time for change to take hold
- Let people take the basic concept of the change and adapt it to the "real world" situation

This is not to say that the learning process is an easy one. Developing or enhancing leadership abilities is hard work. It takes discipline and focus. The reward, however, is greater success for yourself and your organization.

Ways Leadership Affects Culture and Culture Affects Leadership

There has been so much written on leadership that there is very little I can really add. Leaders should be story tellers, communicators, holistic, strategic, encouraging, creative, conservative, risk taking, ethical, competitive, inspiring, and a whole host of other attributes that are too numerous to mention. There are 940 books currently available on the subject and it would not surprise me if you there were close over half a million articles on the subject. It is the bread and butter of every consulting firm throughout the world. With so much thought and insight, why is it still an issue? The answer lies with culture. The entire purpose of leadership is to create a culture. In a large and well established organization it can be difficult for an outsider to implement a new culture. So, does leadership create a culture or does culture create a leadership? The answer to both questions is yes.

Culture Affecting Leadership

"I have been here 25 years.” said the director of a large municipality. “I have outlasted 3 City Managers so far and I will outlast this one.” That is the attitude that many leaders face, especially when they are brought in from outside organizations to run or manage large, well established ones. The negative cultures especially can undermine positive leadership as initiatives are actively undermined by managers who have a stake in the old culture. Whether it through manipulation or complacency, negative cultures can be create significant challenges for change.

Negative leadership, however, can have a fast, dramatic effect on a positive culture. WorldCom was a telecom leader and very innovative culture until Bernie Ebbers took over. While squeezing every cent he could from the environment and putting pressure on employees to work harder with less, he was pillaging the company. Turnover soared and, within a few years, WorldCom was bankrupt.

Culture as a Function of Leadership

Companies reflects the ethics of the leaders who run them. Bob Page felt like an outsider and had to hide his sexuality. When he built Replacements Ltd. he ensured that it would be a place that accepted diversity not just of lifestyle but of thought and would invest in building their community. Anita Roddick founded the Body Shop to show that you could build an environmentally friendly corporation that reflected her commitment to environmental activism. Jim Goodnight's commitment to work-life balance is part of the culture at SAS, the largest privately held company in the world. Jack Welch's commitment to being the best created an environment of excellence at General Electric. In each of these cases, the ethics of the leader became a central part of the culture.

Communication

“Communication is an exchange of Facts, Ideas, opinions or Emotions by two or more persons.”

Importance of Communication

- Essential for management
- Basis of Planning
- Basis of Decision Making
- Cost Reduction
- Successful Operations of Business
- Increase in Employee Moral
- Basis of Leadership

Process of Communication

7 C’s of Effective Communication

- Completeness
- Consideration
- Clarity
- Courtesy
- Conciseness
- Concreteness
- Correctness
Types of Communication

- Non-Verbal Communication
- Written Communication
- Verbal Communication
- Audio-Visual Communication

Non-Verbal Communication “Communication without words. It includes apparent behaviors such as facial expressions, eyes, touching, and tones of voice, as well as less obvious messages such as dress, posture and spatial distance between two or more people.” Everything communicates, including material objects, physical space, and time systems. Although verbal output can be turned off, nonverbal cannot. Even silence speaks.

Advantages of Non-Verbal Communication
- Reliability
- Quickness
- Accurate Understanding
- Economy in Communication

Disadvantages of Non-Verbal Communication
- Lack of Secrecy
- Physical Presence
- Only For Brief Messages

Verbal Communication Verbal communication refers to the use of sounds and language to relay a message. Exchange of opinions is done with the help of spoken words “In the process of communication, verbal communication is best one, because along with words, body language is also used with the results that receiver can easily know the feeling of sender.”

Advantages of Verbal Communication
- Saves Time
- Clarity of Message
- More Effective
- Economy
- Knowledge of Reaction

Disadvantages of Verbal Communication
- Presence of Both parties
- Lack of Proof
- Expensive in Nature
- Non-Availability of Reference

Written Communication Written Communication is most common & most Effective form of Communication being used in Business. It includes newspapers, magazines, reports, letters, etc.

Advantages Written Communication
- Correct Message
- Economical
- Completeness
- Information to All at one Time

Disadvantages of Written Communication
- Wastage of Time
- No Secrecy
- More Costlier
- Not suitable in Emergency

Audio-Visual Communication Audiovisual means possessing both a sound and a visual component, such as slide-tape presentations, films, television programs, church services and live theatre productions. Business presentations are often audiovisual. The presenter provides the audio by speaking and supplements it with a series of images projected onto a screen either from a slide projector or from a computer connected to Projector. Computer-based audiovisual equipment is often used in education, with many schools and universities installing projection equipment and using interactive whiteboard technology.

Advantages of Audio-Visual Communication
- The most common tool of audiovisual communication we use in classroom these days is PowerPoint slides which makes the class more interesting, dynamic and effective. The use of AV aids makes the students to remember the concept for longer period of time.
- It provides opportunities for effective communication between the teacher and students in learning. Lack of motivation, lack of exposure to the target language and lack of pronunciation and such difficulties can be overcome by Audiovisual.

Disadvantages of Audiovisual Communication
- Too much audio-visual material used at one time can result in boredom. It is useful only when implemented effectively.
- Most of the time the equipment like projector, speakers and headphone are bit costly. Hence some schools cannot afford it.
- Countries where electricity is not available in rural or backward areas, it is not feasible to use audio-visual aids that requires electricity.
- Some students may feel reluctant to ask questions while film is playing and in small rooms it can be a physical barrier.

Hence, the presenter should be well trained through in-service training to maximize the benefits of using these aids.

Flows of Communication

UPWARD COMMUNICATION Upward communication refers to flow of communication or information from lower levels of a group or organization to the higher levels i.e. from subordinates to superiors.
- For e.g.: - application for grant of leave, submission of progress report, provides feedbacks to higher ups and so on.

DOWNWARD COMMUNICATION Communication that flows from one level of a group or organization to a lower level is called downward communication.
- For e.g.: - sending notice to employees to attend a meeting, ordering subordinates to complete an assigned work, passing on guidelines framed by top management to the subordinates and so on.
LATERAL COMMUNICATION  When communication takes place among members of the same work group, members of work groups at same level, managers at the same level or any other horizontally equivalent workers, we describe it as lateral communication.

For e.g.: A production manager may contact marketing manager to discuss about schedule product delivery, product design, quality etc.

Electronics Mail  E-mail uses the Internet to transmit and receive computer-generated text and documents. E-mail messages can be quickly written, edited and stored. They can be distributed to one or thousands with a click of mouse.

DRAWBACKS OF E-MAIL

- Risk of misinterpreting the message.
- Time-consuming nature.
- Drawbacks of communicating negative messages.
- Limited expression of emotions.
- Privacy concerns.

Paralanguage “Not only what you say, but how you say it also matters.” Paralanguage Consists of:

- Rate
- Pitch
- Volume
- Vocal Fillers
- Quality

Body Language “Body language is communication without words.” Features-

- Posture
- Gestures
- Facial Expression
- Physical Distance

Barriers of Communication

- Physical Barriers
- Emotional Barriers
- Language Barriers
- Interpersonal Barriers
- Cultural Barriers
- Gender Barriers

Conclusion “The biggest Communication problem is we do not listen to understand, We listen to reply.”

Morale

What is Morale?

Morale is a word with multiple meanings Mayo defined it as the maintenance of cooperative living. In this sense it refers to a sense of belonging to a group. Dr Leighton described morale as capacity of a group of people to pull together persistently and consistently in pursuit of a common purpose. Thus, acceptance of a goal and commitment on the part of the group to work for it are important components of high morale according to this view. Yet another view expressed by Prof Kossen links morale to employees attitudes. It refers to employees’ attitude toward either employing organizations in general or towards specific job factors such as supervision fellow employees and financial incentives. Researchers to add to the confusion generally come out with two formulations while using the term morale (1) one satisfaction as the concern of an individual and (2) morale as a group phenomenon. Writers like Halloran to clear the fog use the term morale in two different ways:

- Individual morale: individual knowing one’s own expectations and living up to them. If we recognize our needs and how to satisfy them, our morale will be high. Here morale refers to the feeling of an employee towards his work a matter of work satisfaction.

- Group morale: Whereas individual morale is on person’s attitude towards life, group morale reflects the general tone or espirit de corps of a group of people. Each person either heightens the prospects of the team spirit or lowers the concept of cooperative effort. Morale, used in this sense emphasises social reactions and concentrates on attitudes towards group values (cohesiveness interests, common thinking). According to McFarland morale is a concept that describes the level of favourable or unfavourable attitudes of employees collectively to all aspects of their work — the job, the company their tasks working conditions, fellow workers superiors and so on. Guion listed five factors as sources of satisfaction contributing to good morale. To say my morale is high in a way means I feel good.

Components of Morale

1) Intrinsic job satisfaction
2) Satisfactions with company
3) Satisfactions with supervision
4) Satisfactions with rewards
5) Satisfactions with co-workers
Measurement of Morale:
It is not easy to measure morale: Employees are often reluctant to express their opinions and attributes in a fearless bold manner. The concept is intangible and subjective in nature. To elicit the truth a researcher may have to combine the various methods of measuring morale (listed below) in a tactful manner.

Observation: Managers can spot changes in the behaviour of employees (through their gestures submissive or aggressive talks, acceptable or unacceptable behaviour etc.) through careful observation. This is not a reliable way of measuring morale, since observations could differ. Also, observation alone may not be sufficient to put things in order. By the time a remedial action is initiated some other problems may vitiate the atmosphere.

Surveys: Morale survey can be undertaken to discover the feelings of employees towards their colleague’s jobs and supervisor’s, company politics and the organization as a whole. The responses from employees could be collected using a printed questionnaire or through an interview.

Records: Company records regarding absenteeism, grievances, spoiled work labour turnover strikes etc., could also be examined in order to find the level of employee morale.

Suggestion boxes: Employees may also be given an opportunity to offer suggestions, ventilate their grievances and lodge their complaints without disclosing their identity by asking them to write down everything and post them in drop boxes kept in strategic locations within the factory.

Employee Morale And Productivity (Human Resource Management)
Simple way to scrutinize employee’s morale is through an employee satisfaction survey. These surveys should be unidentified, and should ask very specific questions such as "Are you content and fulfilled in your position?" "Do you feel there is room to grow in your job?" "How likely are you to stay with the company?" The survey should also give chance for the employee to provide suggestions, or to provide with information that may not have been specifically asked in the survey. Another way to assess employee morale is periodic performance interviews with workers can also help company estimate the overall employee satisfaction. These interviews provide team with a chance to tell employee the things he is doing well and the things he needs to work on, as well as give the employee the chance to have input on ways to improve the company to increase employee satisfaction and productivity. It is important to measure the overall productivity of workforce on a periodical basis, and over an extended period of time which will provide data of how well employees are performing. Employees who are pleased at work often perform better, help in increasing company's overall productivity. If there is perceptible decline in production numbers, this may be an indication that employee morale is low and there is a need to check ways to increase overall satisfaction in the workplace.

It is a fact that when employers treat their employees with esteem, they not only boost morale, but they also assist employees to treat their customers and other employees with respect. Managers of all levels or CMD of big organizations can establish good environment for the workplace with their behaviour. When they reflect respect and their employees do the same for those they interact with, the whole company can change. This results in sales increase and employees feel delightful and apply themselves to their jobs. Rensis Likert stated that there can be different combinations of morale and productivity.

Another theorist, Davis designated that there is not always a positive link between morale and productivity. However many significant evidences demonstrate that in the long run high-producing employees does tend to have high morale. High morale puts employees in a frame of mind to be dynamic and in intense desire to accomplish and seek increased responsibility (Hilgert et al, 1995). Employees are willing to cooperative, loyal, voluntary discipline, initiative-interest, and pride in organization. These distinguishing features make workers satisfying in their position, have confidence in their capability, and work with keenness to meet the organization's strategic business objectives. Regrettably low morale is harmful to the health, energy, and output of the firms (Frunzi and Savini, 1997). When it is present in organization, employees have a feeling that their professional life has no significance. Boredom, frustration, passive or openly hostile set in, and employees experience a feeling of hopelessness to change existing circumstances.

One major issue related with production of any company is a lack of capable workforce. Companies with low maintenance rates naturally have several employees in training or at different stages of knowledge for their positions. Companies with high morale keep their employees for longer period. They do not have to lose time for training, and the employees who are there know what is expected of them and know how to do their jobs effectively and in less time than someone who is just starting out.
In any business organization, low self-esteem may lead to reduced attentiveness, which consecutively can cause mistakes, poor customer service and missed deadlines. It also can contribute to a high turnover rate and absenteeism. Employee morale proves to be damaging to the business in these respects. Morale can compel an organization forward or can lead to employee dissatisfaction, poor job performance, and absenteeism (Ewton, 2007). With low morale comes a high price tag. For example, The Gallup Organization assess that there are twenty two million actively detached workers costing the American economy as much as $350 billion dollars per year in lost productivity including absenteeism, illness, and other problems that result when employees are discontented at work. If organizations do not address such major issue, it may lead to decreased efficiency, increased rates of absence and associated costs, increased disagreement in the work environment, increased customer or consumer complaints, and increased employee turnover rates and costs associated with selection and training substitute employees. Poor morale is developed by Pessimism, Discouragement, Put Down, Lack of Interest, Poor Motivation, Lack of Planning, lack of Caring, lack of Concern, lack of Team Work, lack of Respect, lack of Recognition, lack of Trust, and unfairness.

**Ways to Improve Employee Morale?**

The balance or enhancement in morale can be accomplished through numerous ways. Companies can improve morale through concentrating on employee appreciation, employee involvement, management concern and accountability and working environment. Good moral is prompted by Optimism, Encouragement, affirmation, interest, motivation, planning, caring, concern, team work, Respect, recognition, trust and fairness. Some important ways to improve morale among workers in an organization are mentioned below:

1. **Organizational Transparency:** Employees are quite smart to feel any trouble they face in workplace. Transparency in an organization is very important whether it is good news such a recent success, troubling news such as an upcoming merger or bad news such as personnel layoffs.

2. **Feedback:** Employers need to give positive feedback to employees. This should be regarded narrowly. A positively oriented meeting to analyse a current success what have they done right is also important and contributes to morale in the organization. Feedback should be implemented regularly and constantly.

3. **Milestone parties:** It is important to have a record of significant milestones achieved. It is important to dwell on success as well as on failure.

4. **Take time off to think about organizational surroundings:** Company must organize workshops to train employees. Let employees express feelings, opinions and thoughts.

5. **Hire solution over problem oriented employees:** Problem oriented employees is just that, problem oriented. These employees taint organizations with almost negative energies.

6. **Make horizontal movement possible:** It is recommended to permit employees to move horizontally in organization. It is very significant to explain employees that there are other ways open to them.

7. **Adjust decision taking strategy to the organization:** It is suggested to discuss with employees and listen whenever possible but not always.

8. **Create organization fidelity:** High organizational and management credibility are highly important as employees can be reassured and can trust management.

9. **Working environment:** Working environment must be improved as much as possible. From office design to office supplies. Theoretical studies have revealed that improving morale can enhance employee satisfaction and thus improving profitability. To summarize, high employee morale turned into increased output and performance. A worker who is comfortable in his work environment will help maintain the status quo. Without even realizing it, the quality of their contributions to the company improves. Contrariwise, low employee morale has a negative, almost disparaging, effect on a company as a whole. Employees lack self-confidence in their positions and their organization. This results in a half-hearted effort in their work performance. Low morale also causes tension between colleagues to develop disharmony. Major projects are not completed in a timely manner and errors persist throughout the project development. Eventually, the company have to bear losses in terms of cost and will not realize its full potential in net income.

**5 steps to boost employee morale and your productivity**

Do your employees have the post-holiday blues? Do you want to channel the fresh energy that comes with the start of a new year? There are some simple strategies you can use to boost morale and increase productivity in your workplace whether your employees are deflated or delighted at the start of 2015.

1. **Harnessing New Year's resolutions** if they’re willing to share them at work, you can find ways to help employees achieve their personal goals. Set up a lunch-break walking group or a fruit box delivery to help those wanting to get healthier. Appeal to a natural sense of competitiveness: count steps or form a corporate sports team. This will serve the dual purpose of helping them achieve their goals and making work fun and social.

2. **Share business goals and celebrate achievements** Make employees aware of business goals and ask for ideas and feedback about how to achieve them. Letting employees feel connected to the business goals gives everyone a sense of
Employees who feel a sense of ownership of business goals will also feel a sense of ownership for successes. When your business reaches a goal, celebrate it. Everyone likes knowing that they are doing a good job. Feedback doesn’t have to be formal – if you see someone doing well, let them know. You can grab a coffee, go for a walk.

Employees who feel like a valued member of the team, who feel like the successes of the business are their success also; are more likely to work hard, be productive and come up with ideas and goals of their own.

3) Support work/life balance  
An employee who has time for family, friends and outside interests will be more focused and dedicated when they are at work, increasing the productivity of your business. They’re often happier and healthier, and less likely to quit!

Show your employees that you recognise their life outside of work and support them where possible. This might involve finding ways to accommodate hobbies, study or more family time or even incorporating activities like community work in to the working week. Our Right to Request Flexible Working Arrangements and Work and Family best practice guides have useful tips and examples of workplace arrangements that help with work/life balance.

4) Commit to career development  
Talk to your employees about career pathways and individual goals. Ask employees if they want to learn something new and where they want their career to develop – and make it happen.

It could be as simple as buddying them up with a colleague to learn a new skill or providing time during work hours to study online. The end result will be a sense of accomplishment for them and a more skilled team for you. Let your employees know that you are invested in their career goals and will support them however you can. People are more engaged, productive, and happier when they’re in a job with opportunities for career advancement. Investing in your employees’ career development also means they’re less likely to start searching for jobs elsewhere, and you retain the best people.

5) Make it social  
Socialising with work colleagues can be an important part of whether someone likes or doesn’t like their job. Employees are happier and more productive at work when they have a connection with their colleagues. Encourage a social atmosphere by asking everyone to contribute at team meetings. If there is time and interest, you can organise team lunches and morning teas or perhaps support a social club to arrange outside hours activities.

Trying some or all of these strategies can improve morale and get everyone enthused for the year ahead. We can’t guarantee they still won’t be dreaming of summer at the beach – but it’s worth a try!

The Impact of Technology on Society

The impact of technology on society is unquestionable. Whether considering the plow, vaccinations, or the internet, technology has had a huge impact on society. While not every advance has been beneficial, there have been many positive effects of technology. In order to understand the impact of these changes on society, it can be helpful to consider each field separately.

Agriculture  
Agriculture has seen huge improvements because of the advances in technology. While in early times, the majority of each country was made up of farmland, today, only a very small percentage of the landmass is used growing food. Technology has allowed farmers to grow better crops in a smaller space and get a higher yield per acre. Also, harvesting food and transporting it across the country is much easier with the advances in farming equipment and trucking equipment. The preservation methods pertaining to food also allow farmers and food manufacturers to transport fresh, frozen, or prepared foods to multiple locations across the world without the food becoming spoiled.

Medicine  
With the discovery of penicillin, the world of pharmaceuticals grew exponentially. Antibiotics were one of the few medical advances that allowed doctors to heal patients and saved millions of lives. Medical technology also expanded and devices such as life support machines allowed medical professionals to sustain life and improved their ability to treat patients. Whole organ transplants used to be unheard of, but now kidney transplants have become common in today’s society. The medical world is constantly changing as more and more inventions which improve patient care are being developed.

Education  
Any mention of the effects of technology on society would be incomplete without mentioning the advances in education. Since the development of public education, an affordable education is available to almost anyone who wants to improve their mind. More and more people are seeking out college degrees and tuitions are much more affordable. Another option that has become popularized in recent years is online classes and online colleges. For students who may not live near a good school or have to work full-time, they now have the option of attending an online college and earning a degree at their own pace. This development has had a huge impact on students today and has opened the door for students from all walks of life to obtain a college degree.

Travel  
An important impact of technology on society has been travel. Going to another country for a vacation used to be unheard of, but with the advances in trains, planes, and cars, traveling has become a favorite pasttime for many people. In larger cities, many people avoid owning cars due to the availability of inexpensive public transportation usually by train. Plane flights are also very safe and people can travel from one country to another in less than a day. This improvement is made
possible by engineers, architects, and other professionals who wanted to increase opportunities for any person to see and travel throughout the world.

**Communication** From the first technological advance of morse code to today’s Skype, the ability to communicate with people has changed dramatically. Almost everyone today has a phone, a computer, and uses both to communicate with their friends, family, and business. Technology has changed the way that people communicate. One example is soldiers who are deployed. They are now able to both see and hear people back home through Skype. Skype is a video chat option that is one of the newer technologies in communication. Skype is also used by business for conference calls and has multiple uses, allowing people to communicate much more effectively, no matter where they are located.

**Business** One final point to make about the impact of technology on society is the effect on business. Businesses are able to grow and expand much more easily in today’s society, with multiple technological resources. It’s also much easier for individuals to start smaller businesses and promote those businesses through internet sites and other advances. These are some of the positive effects of technology broken down into separate fields. With the ever-changing world of technology, it’s hard to predict what the future will hold for each field. Great improvements and strides are constantly being made in every area to improve the quality of life for each person.

### 10 ADVANTAGES OF MODERN TECHNOLOGY:

- **Easy Access to Information**: It has become very easy to get access to relevant information at any time anywhere. This has been possible because of modern technologies like broadband internet. Lots of data is being published and indexed online, sites like Wikipedia and YouTube have great original content which can be used in research or entertainment. Information is power, and those who find information and use it well always succeed. With smart gadgets like the iPod, iPhone, galaxy tablet, users can easily have access to information through these smart gadgets because they use internet. So a user on a train can easily read breaking news while traveling, they can also buy and sell stocks while in the bedroom using the internet. These smart gadgets make it easy to access internet and this simplifies the way we get information.

- **Encourages Innovation and Creativity**: Since technology is challenging, it sparks the brain to work to its full potential. In the past, it used to be very difficult to start a business, one had to have lots of capital and they even had limited access to business information. Today, it is very easy to start a business while at home. Let’s look at companies like Etsy.com which enable creative people sell their works online, this encourages creativity. Another good example is kickstarter.com which helps creative people get funds for their projects through crowd funding. On this platform, creative developers post projects seeking for funding from the community, this helps them generate lots of cash for their good ideas which latter leads to creation of new Jobs. The other creative works which have been facilitated by modern technology include Google, Apple, Facebook, Microsoft, Amazon, etc.

- **Improved Communication**: Communication is like water to life. We cannot develop without communication. Modern technology has blessed us with advanced communication technology tools. These can include e-fax machines, electronic mail, mobile phones, videoconferencing, instant text messaging applications, social networking applications. All these modern communication technology tools have simplified the way humans and businesses communicate. I can easily talk to my relative overseas using a mobile phone or video chatting services like Skype.

- **Convenience of Traveling**: Modern transportation technology makes it very easy to travel long distances. Transport is a very important both in our lives and in the business world. Transportation technology has evolved with years. In the past it used to be slow and expensive to move long distances. Now days, I can cover a 10 miles distance with in a few minutes or hours using electric trains or airplanes.

- **Improved Housing and Lifestyle**: This is another great way how modern technology has simplified our lives. If you compare the type of housing we used to have in 1900 and the architecture of houses today, the difference is very big. New architectural technology has improved the types of housed we build now days. People with money can afford town floating houses and glass homes. Most of the items in our house are now automated, for example, doors use finger prints which guarantee security. Remote webcams which you can use to monitor what goes on at your home.

- **Improved Entertainment**: Modern technology has played a big role in changing the entertainment industry. Home entertainment has improved with the invention of video games and advance music and visual systems like smart televisions which can connect live to internet so that a user can share what they’re watching with friends. Easy access and storage of music, services like iTunes allow users to purchase and download music on their ipods at a small cost, this is a win – win situation for both musicians and the users. Because musicians can easily sell their music via iTunes and the user can also have a wide selection of which music to buy without having troubles of going to a physical music store.

- **Efficiency and Productivity**: Modern technology has helped businesses increase production. Humans are slow and sometimes they fail to deliver on time. So many businesses have integrated modern technology in their production line, most of the hard work has become so simple and the results are better than those of humans. Let’s look at a farmer who uses modern technology right from the day of preparing the farm land to the day of harvesting. They save a lot of time and money during this process.

- **Convenience in Education**: Learning is a process and it is part of our daily lives. Modern technology has made it simple for students to learn from anywhere through online education and mobile education. Also students now use modern technology in classrooms to learn better. For example, students use ipads to share visual lessons and examples with peers in the classroom. This has made learning more convenient and fan. Also new modern educational technologies support individual learning which gives a chance to students to learn on their own with no need of tutors.
- Social Networking: Modern technology has made it simple to discover our old friends and also discover new people to network with. This is a benefit to both individuals and businesses. Many businesses have embraced the social networking technology to interact with their customers. Users of social networks can share information with friends, live chat with them and interact in all sorts of ways.

- Changed the health industry: Nowadays most hospitals have implemented modern technology in surgical rooms, this has reduced on mistakes made by doctors. Humans can easily make mistakes because of work overload and stress factors. Also, the business community has developed health applications which can enable us monitor our health and weight. These applications can be used on mobile phones, so users can have them at any time of the day.

### 6 DISADVANTAGES OF MODERN TECHNOLOGY:

- **Increased loneliness** – Social Isolation is on the increase, people are spending more time playing video games, learning how to use new modern technologies, using social networks and they neglect their real life. Technology has replaced our old way of interacting. If a user can easily interact with 100 friends online, they will feel no need to going out to make real friends which at a later stage leads to loneliness.

- **Job Loss**: Modern technology has replaced many humans; robots are doing of the jobs which used to be done by humans. Many packing firms have employed robots on production lines to increase on production and efficiency, this is good news for businesses because it helps them make more money and serve customers in time, but it is bad news for employees because they get replaced by a robot.

- **Competency** – Increased dependency on modern tools like calculators has reduced on our creativity. You can find a student when they can solve a very simple mathematical equation without using a calculator. This affects the way this student uses their brains and reduces on the level of creativity.

- **World destruction weapons**: Modern technology has been the main aid in the increasing and endless wars. It aids the manufacturing of modern war weapons which will require testing. So when these weapons get into the hands of criminals, they will use them for their selfish reasons.

### Work stress

Stress can be broadly defined as the negative reaction people have to aspects of their environment as they perceive it. Stress is therefore a response to a stimulus and involves a sense of an inability to cope. We each perceive, interpret, cope with and react to the world differently, but a stress reaction is an unpleasant state of anxiety.

Two things should be kept in mind: firstly, being stressed is a ‘state’ – and therefore not permanent in all but the most extreme cases; secondly, when we are stressed, or under the influence of stress, we are less likely to behave in the rational way we do when we are calm.

How we manage pressure is influenced by many factors, some past, some current; how we learned, how others behaved around us when we were young, what behaviours were rewarded and what punished. We all cope better when we have support and when we have resources such as time, equipment, know-how and control.

Causes of short-term stress include tough deadlines, having to carry out tasks we find very difficult, having to do many things at once, or having to act in difficult circumstances or under external pressures – for instance, when under extra emotional strain or feeling low or upset.

Stress generally comes from aspects of personal lives; bereavement is a major cause of stress, as is loss of any kind, including through divorce or separation. Other life events which are stress-inducing include being ill or illness of a partner or family member, unemployment, financial pressure, running a business and indebtedness.

Being stressed may not be articulated by everyone in the same way: for instance, although we all experience stress through loss, people will explain the experience differently, cope with it differently, acknowledge it differently and recover from it in many different ways.

There are healthy ways to overcome stress – good lifestyle, diet, social solidarity, meaningful work which can broaden our social ties – as well as unhealthy ways to react – such as over- or undereating, excessive drinking, angry outbursts, defensiveness – which can lead to lack of quality sleep, decreased exercise and social isolation.

### Work Related Stress (WRS)

is stress caused or made worse by work. It simply refers to when a person perceives the work environment in such a way that his or her reaction involves feelings of an inability to cope. It may be caused by perceived/real pressures/deadlines/threats/anxieties within the working environment.

‘Stress occurs when an individual perceives an imbalance between the demands placed on them on the one hand, and their ability to cope on the other. It often occurs in situations characterised by low levels of control and support.’ (Professor Tom Cox, I-WHO, University of Nottingham, UK) Audits for hazards leading to stress have become more and more commonly integrated into health and safety systems generally. This owes partly to the fact that stress also has implications for Human Resource Management (HR), sickness absence management and occupational health generally.

People behave differently when under pressure:

- Some people feel very threatened but keep it to themselves;

- Others behave in very aggressive ways, without acknowledging that their behaviour is caused by stress;

- Others react to the same issue in quite calm ways, feeling unthreatened and relaxed;

- Others who are highly aware of their moods report that they are not very stressed by the issue, but enjoy its challenge;
Others have very low tolerance of any threats, and so find smaller, simpler demands made of them quite threatening and start feeling stressed as soon as these demands are made of them.

**Causes of Work Stress**

There are differences in underlying causes and triggers of WRS for everyone. However, some workplace factors are more likely to lead to stress than others: badly designed shift work, poor communications, and poor or even non-existent systems for dealing with bullying and harassment can all increase levels of workplace stress.

Table 1 below sets out other potential causes. A person can experience WRS as a result of various factors, often with a number of factors occurring at the same time. Some of these are a matter of the individual’s perception in the moment, so we cannot assume automatically that the problem is the responsibility or fault of a system.

**Table 1: Contextual and content factors defining the hazard of WRS**

(from I-WHO, UK*)

<table>
<thead>
<tr>
<th><strong>CONTEXT TO WORK – Potential Hazardous Conditions</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational culture</td>
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<tr>
<td>Poor communication, low levels of support for problem solving and personal development, lack of definition of organisational objectives.</td>
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<tr>
<td>Role in organisation</td>
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<tr>
<td>Role ambiguity and role conflict; responsibility for people unclear.</td>
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<tr>
<td>Career development</td>
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<tr>
<td>Career stagnation and uncertainty, under or over promotion, poor pay, job insecurity, low social value to work.</td>
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<tr>
<td>Decision latitude/control</td>
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<tr>
<td>Low participation in decision making, lack of control over work.</td>
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<tr>
<td>Interpersonal relationships at work</td>
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<tr>
<td>Social or physical isolation, poor relationships with superiors, interpersonal conflict, lack of social support.</td>
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<tr>
<td>Home-work interface</td>
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<tr>
<td>Conflicting demands of work and home, low support at home, dual career problems.</td>
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<table>
<thead>
<tr>
<th><strong>CONTENT OF WORK – Potential Hazardous Demands</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Work environment and equipment</td>
</tr>
<tr>
<td>Problems regarding the reliability, availability, suitability and maintenance or repair of both equipment and facilities.</td>
</tr>
<tr>
<td>Task design</td>
</tr>
<tr>
<td>Lack of variety or short work cycles, fragmented or meaningless work, underuse of skills, high uncertainty.</td>
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<tr>
<td>Workload/pace of work</td>
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<tr>
<td>Work overload or underload, lack of control, over pacing, high level of time pressures.</td>
</tr>
<tr>
<td>Work schedule</td>
</tr>
<tr>
<td>Poorly managed shift working, inflexible work schedules, unpredictable hours, long or unsocial hours.</td>
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**Effect of Work Stress**

Usually, the effects of stress can be categorised as follows:

- Mental (how the mind works);
- Physical (how the body works);
- Behavioural (the things we do);
- Cognitive (the way we think and concentrate).

The effects of stress differ from individual to individual. Many factors influence the individual and his/her interpretation of ‘threat’, response to threat and recuperation after a threatening experience. Different personality styles, gender difference, age, context, family history, emotional state, understanding of self and general social awareness will all influence each person’s stress levels.

Negative reactions/anxieties and ongoing emotional issues can be reduced if there is support available; but they can be aggravated if there are other outside circumstances which also put a strain on the individual.

The experience of stress can radically alter a person’s behaviour. Often, others will notice these changes and comment on them before the person realises that the changes have become apparent in his or her behaviour. Sometimes, when stressed, the most noticeable change in behaviour is anger many people react to the feeling with intermittent rage. Others react to the feeling with lower resilience, tearfulness and a tendency to become easily upset. Some may react by engaging in antisocial activities.

Gambling, heavy smoking and excessive eating or drinking may also be involved. In extreme cases, other phobic behaviours or compulsions can develop which will need longer-term professional intervention to remedy.

Irritability as a result of stress can create secondary problems such as the loss of social support. Scientific research has demonstrated that being stressed over a prolonged period of time is associated with medical conditions such as increased blood pressure and cardiovascular problems.

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*Group Dynamics: Meaning and Importance of Group Dynamism!
Meaning:
The word dynamics means ‘force’. Group dynamics means the study of forces within a group. Since human beings have an innate desire for belonging to a group, group dynamism is bound to occur. In an organization or in a society, we can see groups, small or large, working for the well-being.

The social process by which people interact with each other in small groups can be called group dynamism. A group has certain common objectives and goals and members are bound together with certain values and culture.

In organizational development, group dynamics refers to the understanding of behaviour of people in groups that are trying to solve a problem or making a decision. A good manager can act as a facilitator and assist the group in accompanying its objectives and arrive at correct decisions.

Because people gather in groups for reasons other than task accomplishment, group process occurs in other types of groups such as personal growth groups (e.g., encounter groups, study groups, prayer groups). In such cases, an individual with expertise in group process can be helpful in the role of facilitator.

Importance of Group Dynamism:
1. The group can influence the thinking of its members. The members are always influenced by the interactions of other members in the group.
2. A group with a good leader performs better as compared to a group with weak leader.
3. The group can give the effect of synergy, that is, if the group consists of positive thinkers then its output is more than the double every time.
4. Group dynamism can give job satisfaction to the members.
5. The group can also bring team spirit among the members.
6. Even the attitude, perceptions, and ideas of members depend on group dynamism. For example, the negative thinkers can be converted to positive thinkers with the help of the facilitator.
7. If the group works as a cohesive group, the cooperation and convergence can result in maximization of productivity.
8. Lastly, group dynamism can reduce the labour unrest and labour turnover due to emotional attachment among the group members.

What is A Group?
Every organization is a group unto itself. A group refers to two or more people who share a common meaning and evaluation of themselves and come together to achieve common goals. In other words, a group is a collection of people who interact with one another; accept rights and obligations as members and who share a common identity.

Characteristics of a Group:
Regardless of the size or the purpose, every group has similar characteristics:
(a) 2 or more persons (if it is one person, it is not a group)
(b) Formal social structure (the rules of the game are defined)
(c) Common fate (they will swim together)
(d) Common goals (the destiny is the same and emotionally connected)
(e) Face-to-face interaction (they will talk with each other)
(f) Interdependence (each one is complimentary to the other)
(g) Self-definition as group members (what one is who belongs to the group)
(h) Recognition by others (yes, you belong to the group).

Process/Stages of Group Development/Evolution:
Group Development is a dynamic process. How do groups evolve? There is a process of five stages through which groups pass through. The process includes the five stages: forming, storming, forming, performing, and adjourning.

Forming: The first stage in the life of a group is concerned with forming a group. This stage is characterized by members seeking either a work assignment (in a formal group) or other benefit, like status, affiliation, power, etc. (in an informal group). Members at this stage either engage in busy type of activity or show apathy.

Storming: The next stage in this group is marked by the formation of dyads and triads. Members seek out familiar or similar individuals and begin a deeper sharing of self. Continued attention to the subgroup creates a differentiation in the group and tensions across the dyads / triads may appear. Pairing is a common phenomenon. There will be conflict about controlling the group.

Norming: The third stage of group development is marked by a more serious concern about task performance. The dyads/triads begin to open up and seek out other members in the group. Efforts are made to establish various norms for task performance. Members begin to take greater responsibility for their own group and relationship while the authority figure becomes relaxed. Once this stage is complete, a clear picture will

Figure 12.1: Process of Group Development
emerge about hierarchy of leadership. The norming stage is over with the solidification of the group structure and a sense of group identity and camaraderie. 

**Performing:** This is a stage of a fully functional group where members see themselves as a group and get involved in the task. Each person makes a contribution and the authority figure is also seen as a part of the group. Group norms are followed and collective pressure is exerted to ensure the Process of Group effectiveness of the group. The group may redefine its goals Development in the light of information from the outside environment and show an autonomous will to pursue those goals. The long-term viability of the group is established and nurtured.

**Adjourning:** In the case of temporary groups, like project team, task force, or any other such group, which have a limited task at hand, also have a fifth stage, This is known as adjourning. The group decides to disband. Some members may feel happy over the performance, and some may be unhappy over the stoppage of meeting with group members. Adjourning may also be referred to as mourning, i.e. mourning the adjournment of the group.

The readers must note that the four stages of group development mentioned above for permanent groups are merely suggestive. In reality, several stages may go on simultaneously.

**Types of Groups:** One way to classify the groups is by way of formality – formal and informal. While formal groups are established by an organization to achieve its goals, informal groups merge spontaneously. Formal groups may take the form of command groups, task groups, and functional groups.

1. **Command Groups:** Command groups are specified by the organizational chart and often consist of a supervisor and the subordinates that report to that supervisor. An example of a command group is a market research firm CEO and the research associates under him.

2. **Task Groups:** Task groups consist of people who work together to achieve a common task. Members are brought together to accomplish a narrow range of goals within a specified time period. Task groups are also commonly referred to as task forces. The organization appoints members and assigns the goals and tasks to be accomplished. Examples of assigned tasks are the development of a new product, the improvement of a production process, or designing the syllabus under semester system.

Other common task groups are ad hoc committees, project groups, and standing committees. Ad hoc committees are temporary groups created to resolve a specific complaint or develop a process are normally disbanded after the group completes the assigned task.

3. **Functional Groups:** A functional group is created by the organization to accomplish specific goals within an unspecified time frame. Functional groups remain in existence after achievement of current goals and objectives. Examples of functional groups would be a marketing department, a customer service department, or an accounting department.

In contrast to formal groups, informal groups are formed naturally and in response to the common interests and shared values of individuals. They are created for purposes other than the accomplishment of organizational goals and do not have a specified time frame. Informal groups are not appointed by the organization and members can invite others to join from time to time.

Informal groups can have a strong influence in organizations that can either be positive or negative. For example, employees who form an informal group can either discuss how to improve a production process or how to create shortcuts that jeopardize quality. Informal groups can take the form of interest groups, friendship groups, or reference groups.

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

ii. **Friendship Groups:** Friendship groups are formed by members who enjoy similar social activities, political beliefs, religious values, or other common bonds. Members enjoy each other’s company and often meet after work to participate in these activities. For example, a group of employees who form a friendship group may have a yoga group, a Rajasthani association in Delhi, or a kitty party lunch once a month.

iii. **Reference Groups:** A reference group is a type of group that people use to evaluate themselves. The main objectives of reference groups are to seek social validation and social comparison. Social validation allows individuals to justify their attitudes and values while social comparison helps individuals evaluate their own actions by comparing themselves to others.
Reference groups have a strong influence on members’ behavior. Such groups are formed voluntarily. Family, friends, and religious affiliations are strong reference groups for most individuals.

**Factors Affecting Group Behaviour:**

1. Group Member Resources:  
   - Group Roles:  
   - Group Size
2. Group Structure:  
   - Group Norms:  
   - Group Cohesiveness:
3. Group Processes:

**GROUP BEHAVIOUR**

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

**Group Behaviour**

Group behaviour emanates from the causes that contribute to the group’s effectiveness.

The well-structured, well defined role and status hierarchy, able leadership, well developed norms and strong cohesiveness a group has, the greater is the groupthink.

Groupthink is defined as “the deterioration of mental efficiency, reality testing, and moral judgement in the interest of group Solidarity.”

As groups function and interact with other groups, they develop their own unique set of characteristics including structure, cohesiveness, roles, norms and processes. As a result, groups may cooperate or compete with other groups, and intergroup competition can lead to conflict.

**WHY DO PEOPLE WORK IN GROUPS?**

**Security** By joining a group, individuals can reduce the insecurity of “standing alone.” People feel stronger, have fewer self-doubts, and are more resistant to threats when they are part of a group.

**Status** Inclusion in a group that is viewed as important by others provides recognition and status for its members.

**Self-Esteem** Groups can provide people with feelings of self-worth. That is, in addition to conveying status to those outside the group, membership can also give increased feelings of worth to the group members themselves.

**Power** What cannot be achieved individually often becomes possible through group action. There is power in numbers.

**Goal Achievement** There are times when it takes more than one person to accomplish a particular task; there is a need to pool talents, knowledge, or power in order to complete a job.

**STAGES OF GROUP DEVELOPMENT**

**Forming** The first stage in group development, characterized by much uncertainty.

**Storming** The second stage in group development, characterized by intragroup conflict.

**Norming** The third stage in group development, characterized by close relationships and cohesiveness.

**Performing** The fourth stage in group development, when the group is fully functional.

**Adjourning** The final stage in group development for temporary groups, characterized by concern with wrapping up activities rather than task performance.

**EXTERNAL CONDITIONS IMPOSED ON THE GROUP**

Groups are a subset of a larger workplace consisting of the following:

- Organization Strategy
- Organizational Infrastructure
- Leadership
- Rules
- Resources
- Evaluation and Rewards
- Organizational Culture

**GROUP MEMBER RESOURCES**

A group’s potential level of performance is, to a large extent, dependent on the resources that its members individually bring to the group.

**Abilities** Set the parameters for what members can do and how effectively they will perform in a group.

**Personality Characteristics** The magnitude of the effect of any single Characteristic is small, but taking personality characteristics together, the consequences for group behaviour are of major significance.

**TEAMWORKING**

Specific form of group made up of individuals who work together in a coordinated effort.

**CHARACTERISTICS**

1. Share common identity
2. Have common goals and objectives
3. Share common leadership
4. Share successes and failures
5. Cooperate and collaborate
6. Have membership roles
7. Make decision effectively

**BENEFITS**

a) To the organization

1. Increased productivity and quality
2. Increased employee morale
3. Reduced overhead

b) To individuals

1. Work become less stressful
2. Responsibility is shared
3. Greater feelings of self-worth
4. Rewards and recognition are shared

**TEAM FORMATION AND ASSESSMENT**

**TEAM RECRUITMENT CONSIDERATION**
1. The level of technical ability of potential team members
2. The level of interpersonal skills of potential team members

**TEAM SELECTION CRITERIA**
1. Personal attributes
2. Interpersonal behaviors
3. Communication skills
4. Administrative skills

**TEAM FORMATION AND ASSESSMENT TEAM RECRUITMENT CONSIDERATION**
1. The level of technical ability of potential team members
2. The level of interpersonal skills of potential team members

**TEAM SELECTION CRITERIA**
1. Personal attributes
2. Communication skills
3. Administrative skills

**TEAM DEVELOPMENT STAGES OF TEAM DEVELOPMENT**
- Stage I: Orientation or forming
- Stage II: Conflict or storming
- Stage III: Collaboration or norming
- Stage IV: Productivity or performing
- Stage V: Changing or transforming

**TEAM MEMBERS ROLES**

**DEFINITION OF TEAM MEMBER ROLES**
Interaction to carry out tasks where members settle into individual 'roles' by mutual consent. Such roles include both task and processes aspects of the team's interaction.

**THE ROLES**
1. Giving information
2. Seeking information
3. Initiating
4. Standard setting
5. Clarifying
6. Summarizing
7. Consensus testing

**DECISION MAKING**

**DEFINITION OF DECISION MAKING**
The process by which individuals or groups arrive at a decision, judgment, or conclusion through a process of deliberation.

**A DECISION-MAKING MODEL**
1. Clarify the purpose of the decision
2. Establish criteria
3. Separate the criteria
4. Generate options
5. Compare options
6. Identify the risks of each option
7. Assess the risks of each option by ranking them
8. Make the decision

**DECISION MAKING PROCEDURES**
1. Decision by authority
2. Decision by minority
3. Decision by majority
4. Decision by consensus
5. Decision by unanimity

**ADVANTAGES OF PARTICIPATORY DECISION MAKING**
1. Increased information and knowledge
2. Increased diversity of views
3. Increased acceptance of the solution
4. Increased legitimacy

**RESOLVING TEAM CONFLICT**

**DEFINITION OF CONFLICT**
Emotional disturbance resulting from a clash of opposing points of view or from an inability to manage those points of view with realistic or moral considerations.

**VIEW OF CONFLICT**
1. Traditional perspective
2. Human relation perspective
3. Interactionist perspective

**PROBLEM SOLVING**

**DEFINITION OF PROBLEM SOLVING**
Objective examination of issues to arrive at a solution.

**THE SEVEN-STEP PROCESS**
1. Define the problem
2. Identify the desired future state
3. Identify the forces acting on the problem
4. Analyse the forces acting on the problem
5. Plan a strategy
6. Develop an action plan
7. Evaluate

**CONFLICT, NEGOTIATION AND INTER GROUP BEHAVIOUR**

**CONFLICTS**
- Traditional view:
  - All conflicts are dysfunctional, to be avoided.
- Human relations view:
  - Conflicts are inevitable.
- Interactionist view:
  - There should be a minimum number of constructive conflicts.

**THE CONFLICT PROCESS**
1. Potential opposition or incompatibility
2. Cognition and personalization
3. Intentions:
   - Avoiding
   - Accommodating
   - Compromising
   - Collaborating

**CONFLICT MANAGEMENT TECHNIQUES**
1. Problem solving
2. Super-ordinate goals
3. Expansion of resources
4. Avoidance
5. Smoothie
6. Compromise
7. Authoritative command
8. Altering human and structural

What is a Leader?
If you are a leader someone is following you in some way. Therefore, when we talk about leaders we must also delve into the tricky topic of groups or the people who follow. We all want to be leaders these days, or so we think, because our popular culture tells us that is our preference. The word leader implies possession of a degree of power, a measure of autonomy and creativity or freedom. This discussion of leadership will address the following Leadership Skills:

1. Visioning and Clarity of Focus
2. Matching project priorities to Vision
3. Emotional Intelligence
4. Communication Skills
5. Managing Risk and Fear
6. Strength to make Decisions
7. Motivational and Coaching Skills
8. Team Management Skills including Facilitation
9. Matching Leadership Styles with Team Styles
10. Ability to Enable Team Processes

“Authentic leaders have absorbed the fundamental fact of existence—that you can’t get around life’s inherent contradictions. The leadership mind is spacious. It has ample room for the ambiguities of the world, for conflicting feelings and for feelings and contradictory ideas...I believe the central leadership attribute is the ability to manage polarity.” --Peter Kostenbaum as quoted in Fast Company, March 2000.

1. Visioning and Clarity of Focus A good leader has a clear picture of future results and aligns organizational strategy with this vision. A leader must be intimately familiar with the end destination—something that Stephen Covey refers to as “Keep the End in Mind”. Without a roadmap, a concept of the future, or a belief in new opportunities, the energy for momentum and growth will not only be lost, but it will be dissipated on activities that do not generate the desired organizational outcome. It is a leader’s responsibility to set a vision, and then keep the vision in focus at the same time often holding disparate events together. Visioning is a process that should be done on a macro level and then fine-tuned into smaller goals and objectives for each group and organizational activity. Individuals, as leaders, should develop their own personal mission and vision and work diligently to make sure that their goals match intrinsically with those of the organization they serve. There is great power in harnessing a view of the future and turning it into reality.

2. Matching project priorities to Vision Understanding that many projects, desired outcomes and resources are in competition within the organization, an effective leader will keep the vision in sight and use it as the litmus test for making and establishing priorities. If an organization is well aware of the activities targeted for the most support, internal conflict is reduced because priorities have been established through clear guidelines. This creation of clear structure is an essential element of managing groups. It also allows the leader to delegate authority and responsibility through effective communication of the overarching organizational goals.

3. Emotional Intelligence and The Fight-Flight Response Daniel Goleman introduced the concept of Emotional Intelligence in his best selling book. An effective leader understands him/herself and has a great degree of understanding of human behavior. On an internal level this translates into the ability to communicate clearly, to regulate internal responses to a perceived threat, and to maintain strength and focus in a crisis. In short, a emotionally intelligent leader is knowledgeable about the fight/flight response and makes sure his rational and cognitive brain functions are engaged before he acts or responds. Here are the specific aspects of the fight/flight response:
   • Something happens that makes you uncomfortable (It can be as small as a past memory)
   • You perceive that you are under attack (You may not even be conscious of this)
   • Your brain signals the release of ACTH
   • Your adrenals release cortisol
   • Insulin levels rise
   • Your heart rate elevates and your blood vessels constrict

4. Communication Skills An effective leader needs an incredible amount of information to chart a course for his/her organization. Many failures in decision-making are easily tracked back to the failure of a leader to solicit the proper information, or the failure of a group to accept information that may be difficult (bad news). The process when a group makes a “bad” decision even though all of the necessary facts and critical data are held by the group is known as “Group Think”. (This is exactly what happened when NASA made the decision for the last launch of the Space Shuttle Challenger. An engineer from Morton Thiokol had the information that the freezing temperatures would put too much pressure on the O-rings and the predicted launch temperature was much less that the O-ring’s specifications. Because of immense peer pressure, his only protest was to say, “It is not on the right side of goodness” and the launch took place.) An effective leader will listen to information that is difficult to hear and will remain open to new possibilities. This creates circumstances ripe for innovation. Facilitation skills also enable a good leader to bring forth processes that allow groups to avoid the pitfalls of “group think,” primarily by allowing contributions to be made without criticism. Additionally, leaders who are attuned to innovation will generally permit—and even celebrate—minor failures incurred on the road to innovation. Very often in business we have to discuss issues with our team members or other departments on which we may not agree. The best conflict resolution results
from discussing the issues, listening to the other party and providing constructive feedback. Unfortunately, many of us have been trained to criticize or provide judgment prematurely, rather than hearing multiple alternative viewpoints.

5. Managing Risk and Fear A leader understands that fear is a natural and healthy reaction and at the same time, does not allow fear to stop a new idea or direction. A leader engages in risk management, the study of the potential risk outcomes of an activity or venture and makes calculated risks based on the information available. It may be scary that the actual outcome is unknown, but a leader works as hard as possible to control that outcome through resources, group motivation and positive thinking. Change and transformation within organizations are natural processes, and a great leader begins to embrace the unknown and to consider the thought of staying in exactly the same place the frightening outcome. Fear is a gift. Effective leaders know how to tap into what is known as real fear, and not one based on an old outdated emotional response from the past. Leaders tap into intuition that may be able to provide guidance on the “right” decision. Only through recognition of the difference between anxiety and a true gut reaction can this internal wisdom be accessed. Fear is not overridden; it is overcome through research, and the emotional intelligence of selfunderstanding.

6. Strength to make Decisions This attribute embodies the strength to overcome the fear of failure and the wisdom to isolate real threats versus perceived risks. It is extremely difficult to make a choice that others may not support. Of course, a great leader will generally have much overall support, but there are times when difficult choices must be made. The effective leader will know that the quicker a change is made, the better it will be for the organization. Living in uncertainty or confusion that is created through indecision is very damaging to employee morale and to the overall direction of an organization.

Team revolt = Decision-making Preferences

7. Motivational and Coaching Skills As a leader, you must be able to motivate others to follow and to take your lead. How can you create a motivating environment?

- Develop open and honest communications
- Let your employees know that “bad” news is welcome so that information flows
- Demonstrate a willingness to support others
- Generate a spirit of cooperation

Power Motivations People are also motivated by power. Where do you as a leader find your power?

- Reward Power: The ability to give or to take away
- Coercive Power: The ability to punish
- Legitimate Power: The ability to enact
- Referent Power: The ability to be identified with and liked
- Expert Power: The ability to influence with knowledge

8. Team Management Skills—including Facilitation Group skills are learned and must be practiced. We are not born with them; depending on background, a leader may have been poorly educated on how to work in groups. For example, a very strict and authoritarian schooling system (one that does not allow for group interaction) trains individuals to seek direction and to avoid using self-directed processes. Additionally, many schools of thought emphasize the “getting the work done” aspect of teams without teaching the need to develop communication channels and openness to diversity.

9. Matching Leadership Styles with Team Styles Teams, grow and evolve like humans. They have an early infancy stage, a toddler stage that can drive a leader crazy, an adolescent stage where the group needs to be supported but likes to think they are “all grown up” and finally they reach the adult stage where they can handle most challenges and tasks with little direction. The four stages of team development are:

- Norming: Dependency and Inclusion Leadership Style: Directive
- Storming: Counter-dependency & Fighting Leadership Style: Coaching
- Forming: Trust and Structure Leadership Style: Supporting
- Work: Self-Directed Performing Leadership Style: Delegating
- Mastery of the Creative Process

10. Ability to Enable Team Processes An effective leader will fully understand the difference between a short-lived working group focused on completing a directed task versus a team that will be supported and allowed to mature to a self-directed entity with its own culture, internal leadership and output. Additionally, the effective leader will choose the leadership style appropriate to the stage of development of the group. A high-functioning team will have the following processes in place:

- An agreed-upon Mission that is refined into team goals
- Regular interaction
- Codes of conduct
- System of accountability
- Measurement of progress
- Resources both structural and informational
- Team processing
- Celebration and acknowledgement of achievement

Role Conflict and Group Norms in an Organization Group norms are expectations applicable for group members. Group roles on the other hand are the situation specific behavioural expectations of group members. Group norms are usually not
documented by the organizations, but these are the agreed upon behaviours of the members. Hence, norms can also be classified as shared values.

Once documented, norms become rules of conduct. To avoid the system of rigid rules of conduct, organizations provide flexibility to group members to develop their own behavioural norms, helping members to align their behaviour with the group. Like group norms, group roles are also shared expectations of group members in a given situation. For example, a front desk customer relations executive should tackle even an irritated customer while keeping his or her own cool. Task-oriented, relations-oriented, and self-oriented roles of groups evolve naturally. Organizations, however may prescribe specific roles to employees. We classify these roles as prescribed roles in a formation organization, which are limited to position title, job description, and organizational directives.

Often the role of an individual conferred either by the group or the organization may be the source of problems. Some of these problems may be due to role ambiguity, that is, lack of clarity regarding duties, responsibilities, and/or authority. This may be due to the complexity of the job. Less capable or less confident group members may often exhibit role ambiguity.

**Role Conflict:** Role conflict is the mismatch between the perceived role expectations and the actual role of the individual. Role conflict takes place either due to one specific assigned role (internal conflict) or due to the assignment of several simultaneous roles with conflicting expectations (inter-role conflict). Inter-role conflict is ‘a case of wearing too many hats’.

We can illustrate these by citing good examples from the corporate world. Many organizations state that their mission is to grow through customer satisfaction. This requires managers to focus on customer satisfaction and build a corporate image, keeping in view long-term sustainability.

However, this role runs into conflict of achieving short-term results. Many Indian organizations still believe in gaining strength in the short-run, neglecting the long-term image building initiatives. Likewise, profit-making and labour welfare often run into inter-role conflicts.

Thus inter-role conflicts emerge when an individual employee gets too many directives from different bosses, or when the employee concerned is required to meet several ends in one go. Thus, apart from wearing ‘too many hats’, inter-role conflict may also result from having ‘too many bosses’.

**Group Norms:** Group norms may be prescriptive or proscriptive. Prescriptive norms dictate behaviour that should be performed, while proscriptive norms dictate behaviours that should be avoided. As already stated, norms differ from rules and hence these are not formal or documented. Norms get intertwined with the organizational practices in such a way that group members remain unaware that they even exist.

Organizations may have disciplinary policies (i.e., documented norms) but complying with disciplinary issues may be more the force of group norms. Hence, while disciplinary issues document, norms provide for dos and don’ts. Norms thus govern behaviour in many areas.

**Like roles, norms also may be of different types:**

(a) Performance related—relates more to the task of the group
(b) Appearance—relate more to the attire
(c) Demonstration of loyalty—internalization of loyalty.
(d) Informal social arrangements—cliques, coalitions
(e) Allocation of resources—who gets what in a given situation

**In organizations, norms develop in a number of ways:**

**Primacy:** Adoption of norms to ensure behavioural consistency by minimizing ambiguity

**Explicit statements:** Statements or directives made by a group member Critical Events Evolve over a period of time. Some critical events may require group members to reassess their existing rules, procedures, processes, or relationships

**Carry-over behaviours:** Carry over the group members’ experiences; for example, occupational norms, ethnic norms, athletic or social group norms, etc. Group norms are established to facilitate group survival. Some critical events may threaten the achievement of group goals.

**Types of Norms**

As one could expect there are several different types of generally understood norms. They are:

**Performance norms:** Performance norms are centered on how hard a person should work in a given group. They are informal cues, if you will, that tells a person or helps a person understand how hard they should work and what type of output they should have.

**Appearance norms:** This type of norm informs or guides us as to how we should look or what our physical appearance should be - what fashion we should wear or how we should style our hair or any number of areas related to how we should look.

**Social arrangement norms:** When we talk about this type of norm we generally do not equate it to a business setting. This norm is centered on how we should act in social settings. Once again, there are cues we need to pick up on when we are out with friends or at social events that help us fit in and get a closer connection to the group.

**Resource allocation norms:** For this type of norm we’re focusing on the allocation of resources in a business environment. This can include raw materials as well as overtime or any other resource found or needed within an organization

**GROUP DECISION MAKING** Group decision making is a type of participatory process in which multiple individuals acting collectively, analyse problems or situations, consider and evaluate alternative courses of action, and select from among the
alternatives a solution or solutions. The number of people involved in group decision-making varies greatly, but often ranges from two to seven. The individuals in a group may be demographically similar or quite diverse. Decision-making groups may be relatively informal in nature, or formally designated and charged with a specific goal. The process used to arrive at decisions may be unstructured or structured. The nature and composition of groups, their size, demographic makeup, structure, and purpose, all affect their functioning to some degree. The external contingencies faced by groups (time pressure and conflicting goals) impact the development and effectiveness of decision-making groups as well.

In organizations many decisions of consequence are made after some form of group decision-making process is undertaken. However, groups are not the only form of collective work arrangement. Group decision-making should be distinguished from the concepts of teams, teamwork, and self-managed teams. Although the words teams and groups are often used interchangeably, scholars increasingly differentiate between the two. The basis for the distinction seems to be that teams act more collectively and achieve greater synergy of effort. Katzenback and Smith spell out specific differences between decision making groups and teams:

- The group has a definite leader, but the team has shared leadership roles.
- Members of a group have individual accountability; the team has both individual and collective accountability.
- The group measures effectiveness indirectly, but the team measures performance directly through their collective work product.
- The group discusses, decides, and delegates, but the team discusses, decides, and does real work.

GROUP DECISION MAKING METHODS

There are many methods or procedures that can be used by groups. Each is designed to improve the decision-making process in some way. Some of the more common group decision-making methods are brainstorming, dialetical inquiry, nominal group technique, and the Delphi technique.

BRAINSTORMING Brainstorming involves group members verbally suggesting ideas or alternative courses of action. The "brainstorming session" is usually relatively unstructured. The situation at hand is described in as much detail as necessary so that group members have a complete understanding of the issue or problem. The group leader or facilitator then solicits ideas from all members of the group. Usually, the group leader or facilitator will record the ideas presented on a flip chart or marker board. The "generation of alternatives" stage is clearly differentiated from the "alternative evaluation" stage, as group members are not allowed to evaluate suggestions until all ideas have been presented. Once the ideas of the group members have been exhausted, the group members then begin the process of evaluating the utility of the different suggestions presented. Brainstorming is a useful means by which to generate alternatives, but does not offer much in the way of process for the evaluation of alternatives or the selection of a proposed course of action.

One of the difficulties with brainstorming is that despite the prohibition against judging ideas until all group members have had their say, some individuals are hesitant to propose ideas because they fear the judgment or ridicule of other group members. In recent years, some decision-making groups have utilized electronic brainstorming, which allows group members to propose alternatives by means of e-mail or another electronic means, such as an online posting board or discussion room. Members could conceivably offer their ideas anonymously, which should increase the likelihood that individuals will offer unique and creative ideas without fear of the harsh judgment of others.

DIALETICAL INQUIRY Dialetical inquiry is a group decision-making technique that focuses on ensuring full consideration of alternatives. Essentially, it involves dividing the group into opposing sides, which debate the advantages and disadvantages of proposed solutions or decisions. A similar group decision-making method, devil's advocacy, requires that one member of the group highlight the potential problems with a proposed decision. Both of these techniques are designed to try and make sure that the group considers all possible ramifications of its decision.

NOMINAL GROUP TECHNIQUE The nominal group technique is a structured decision-making process in which group members are required to compose a comprehensive list of their ideas or proposed alternatives in writing. The group members usually record their ideas privately. Once finished, each group member is asked, in turn, to provide one item from their list until all ideas or alternatives have been publicly recorded on a flip chart or marker board. Usually, at this stage of the process verbal exchanges are limited to requests for clarification—no evaluation or criticism of listed ideas is permitted. Once all proposals are listed publicly, the group engages in a discussion of the listed alternatives, which ends in some form of ranking or rating in order of preference. As with brainstorming, the prohibition against criticizing proposals as they are presented is designed to overcome individuals' reluctance to share their ideas. Empirical research conducted on group decision making offers some evidence that the nominal group technique succeeds in generating a greater number of decision alternatives that are of relatively high quality.

DELPHI TECHNIQUE The Delphi technique is a group decision-making process that can be used by decision-making groups when the individual members are in different physical locations. The technique was developed at the Rand Corporation. The individuals in the Delphi "group" are usually selected because of the specific knowledge or expertise of the problem they possess. In the Delphi technique, each group member is asked to independently provide ideas, input, and/or alternative solutions to the decision problem in successive stages. These inputs may be provided in a variety of ways, such as e-mail, fax,
or online in a discussion room or electronic bulletin board. After each stage in the process, other group members ask questions and alternatives are ranked or rated in some fashion. After an indefinite number of rounds, the group eventually arrives at a consensus decision on the best course of action.

**ADVANTAGES.**

Group decision-making, ideally, takes advantage of the diverse strengths and expertise of its members. By tapping the unique qualities of group members, it is possible that the group can generate a greater number of alternatives that are of higher quality than the individual. If a greater number of higher quality alternatives are generated, then it is likely that the group will eventually reach a superior problem solution than the individual.

Group decision-making may also lead to a greater collective understanding of the eventual course of action chosen, since it is possible that many affected by the decision implementation actually had input into the decision. This may promote a sense of "ownership" of the decision, which is likely to contribute to a greater acceptance of the course of action selected and greater commitment on the part of the affected individuals to make the course of action successful.

**DISADVANTAGES.**

There are many potential disadvantages to group decision-making. Groups are generally slower to arrive at decisions than individuals, so sometimes it is difficult to utilize them in situations where decisions must be made very quickly. One of the most often cited problems is groupthink. Irving Janis, in his 1972 book *Victims of Groupthink*, defined the phenomenon as the "deterioration of mental efficiency, reality testing, and moral judgment resulting from ingroup pressure." Groupthink occurs when individuals in a group feel pressure to conform to what seems to be the dominant view in the group. Dissenting views of the majority opinion are suppressed and alternative courses of action are not fully explored.

Research suggests that certain characteristics of groups contribute to groupthink. In the first place, if the group does not have an agreed upon process for developing and evaluating alternatives, it is possible that an incomplete set of alternatives will be considered and that different courses of action will not be fully explored. Many of the formal decision-making processes (e.g., nominal group technique and brain-storming) are designed, in part, to reduce the potential for groupthink by ensuring that group members offer and consider a large number of decision alternatives. Secondly, if a powerful leader dominates the group, other group members may quickly conform to the dominant view. Additionally, if the group is under stress and/or time pressure, groupthink may occur. Finally, studies suggest that highly cohesive groups are more susceptible to groupthink.

Group polarization is another potential disadvantage of group decision-making. This is the tendency of the group to converge on more extreme solutions to a problem. The "risky shift" phenomenon is an example of polarization; it occurs when the group decision is a riskier one than any of the group members would have made individually. This may result because individuals in a group sometimes do not feel as much responsibility and accountability for the actions of the group as they would if they were making the decision alone.

Decision-making in groups is a fact of organizational life for many individuals. Because so many individuals spend at least some of their work time in decision-making groups, groups are the subjects of hundreds of research studies each year. Despite this, there is still much to learn about the development and functioning of groups. Research is likely to continue to focus on identifying processes that will make group decision-making more efficient and effective. It is also likely to examine how the internal characteristics of groups (demographic and cognitive diversity) and the external contingencies faced by groups affect their functioning.

**The Impact of Communication on the Decision-Making Process in an Organization**

Decisions may be made by a single leader, a committee or a large group of people, depending on the nature of the organization. Each of these models is more or less appropriate depending on the nature of the decision and the context in which it is being made. When communication is thorough and accurate, decisions tend to be more informed and effective.

**Acceptance** Communication is improved when everyone in the decision-making process feels that her contribution is being respected. In a harsh or judgmental environment, some people will not communicate their thoughts and feelings because they fear negative reactions or repercussions. A group environment of acceptance leads to more comprehensive input from all stakeholders, which in turn leads to better communications and decisions that take all aspects of the situation into account.

**Authority** Some authoritarian organizations are characterized by one-way, top-down communication. This form of communication leads to decisions that reflect the knowledge and priorities of the upper echelons of the organizations. This isn't necessarily a problem in an organization where the leaders' wishes are the only ones that matter, for example in the military. In other organizations where members expect to be enfranchised, this type of communication style can be problematic and lead to tensions within the organization and delayed or faulty decision-making.

**Cooperation** Cooperative communication involves an equal exchange of ideas between engaged parties in a decision. While this process can take longer than an authoritarian one and can be unwieldy, it can also result in decisions acceptable to everyone involved because the decisions are made by everyone equally. When opinions and inputs are solicited from an entire group on an equal basis, the resulting decision can be a consensual synthesis of individual preferences. While each individual
may not get exactly what she wants, the resulting decision will be close enough to each person’s ideal to be acceptable to the group as a whole.

**Secrecy** Secrecy is the opposite of communication. It involves the willful withholding of information from other parties. Secrecy is necessary and even beneficial in some situations, but the people holding the secrets should be aware of the impact of secrecy on decision-making. Individuals not aware of some information can't be expected to make decisions based on that information. Secrecy is most common in authoritarian institutions where all decisions are made by a small group of leaders. In these situations, the input of followers isn't sought because they are not stakeholders in the decision-making process.

**Power, Authority and influence**
Influence occurs when a person or a group affects what another person or group does and/or thinks.
Power is the potential or capacity of a person or group to influence other people or groups.
Authority is one particular kind of power given to an individual or group.
Power depends on the relationship and the success of using power will depend on the values that you have to offer and the trust and respect in you.
Power also could derive from difference, i.e. a needed specialist.
Power depends on the belief and not on what you actually have at your disposal.
Power is never one sided and other peoples power should not be viewed as negative.
Power is contextual as in the fact that your potential to influence depends on the context of the relationship.

1. **Sources of Power** There are different power bases (sources of power):
   - Position and authority: your position entitles you to do certain things, backed by rules, regulations and resources. This is mostly not over people but over tasks and functions that need to be performed.
   - Control of resources: Control of any resources is important within and between companies. To reduce people’s power of you reduce your dependence on their resources.
   - Social connections: what you know but who you know thatâ€™s important.â€? Your capacity to influence will depend on your ability to gather information and mobilise resources and support
   - Expertise: being an expert. This is most acceptable but your expertise needs to be recognised. Technical knowledge is about a product or service. Process knowledge is about how to get things done.
   - Control of information: people who control information are often called gatekeepers.
   - Personal characteristics: colleagues respect, loyalty and trust. Charisma or respect for the integrity, judgement and consideration of someone who is influential behind the scenes.

You are often driven by a mixture of them. Remember that your sources of power will vary from situation to situation.

2. **Influence strategies authorities the six Ps**
The use of position: influence others by using the authority of your position. Your position to impose rules and procedures.
Push strategies attempt to influence by imposing or threatening to impose costs on your target. This will depend on your position and the resources you control and might lead to a climate of fear and distrust.
Pull (reward) strategies are the basis of theories of motivation and depends on the reward being desired and fair. Praise and recognition are often used.
Persuasion is the achievement of influence through appeals to reason. You can draw on your expertise and control of information and the delivery of the argument is important. This is the preferred option because people will do what you want because they believe in what you are trying to do. But avoid assuming that other people share your values, see things like you do and that they are wrong if they disagree.
Preparatory strategies prepare the ground for future attempts at influence possibly by trying to build a positive relationship. Preventive strategies are for preventing certain action, such as stopping questions being raised, holding back info or suppressing dissent. The danger is that if they are revealed they can lead to a breakdown of openness and trust.
You need to use your power responsibly and the influence you find acceptable will depend on your own values and weather those you are trying to affect find your influence strategies acceptable. You should think of your relationship and the unwritten psychological contract.

- The nature of your authority and influence
- Your style of management
- Reward and punishment
- Your contribution

**MODERN TEAM BUILDING ACTIVITIES FOR THE WORKPLACE**

Modern Team Building Activities for the Workplace Organizational leadership involves a group of motivated individuals working toward a common goal, and team building is a critical aspect for success. Managers of such structures must have a robust understanding of personality types to ensure a productive and collaborative work environment. Team building games and activities promote the formation of creative skills and relationships.
Organizational Leadership & Team Building  Organizational leadership skills are very organic. Relationships are formed by a group of individuals working toward a common goal; individual personalities and how those temperaments collaborate dictate the nature of the organization. Within this type of group structure:

- Management must ensure that there is a solid core for the group to form and provide a basis for progression toward a common goal.
- Organizational structure is superior to individual leadership as leaders are prone to self-serving interests.

To benefit the group and result in a more cohesive, effective and ultimately successful unit within the organization, leaders must have the ability to effectively carry out these activities. Modern day team building techniques are meant to bring out the best skills in individuals and encourage a sense of unity throughout a company. Although many of these methods are updated, they stem from early training practices.

Early Team Building Approaches  Strong teams are formed through training, empowerment and feedback. Team building studies began in the 1920s and 1930s and are linked to the often-referenced Hawthorne Studies. These research activities examined groups of workers exposed to various conditions and concluded that building a group identity and feelings of social support were significant among workers.

Conditions pertinent to effective team development involved managers:

- Taking a personal interest in each individual’s personal achievements.
- Taking pride in the group’s record.
- Helping the group work collaboratively to establish its own working status quo.
- Faithfully posting performance feedback.

Tuckman’s four-stage (forming, storming, norming, and performing and later, adjourning) model claims that as the group matures and grows more capable, their relationships evolve, necessitating a change in leadership style as well.

Tannenbaum and Schmidt’s Continuum  shows that as the leader relinquishes authority and freedom to the team, the leader’s control diminishes.

Hersey and Blanchard’s Situational Model  reveals that ideal team development transitions from a stage of immaturity to one of maturity, at which point the team is self-managing, containing at least one potential future leader.

While all of these theories have been revised and updated, the fundamental principles are still applicable to modern team building concepts.

Motivating Teams  Consideration for the individual is an important aspect of modern team building. For example, knowing if the individual is an introvert or extrovert, a thinker or a feeler, or one who judges or perceives, can better enable successful team building and understanding of individual motivators within the team structure.

Motivational Team Building  Motivated individuals who initiate, create, and innovate without instruction usually tend to perform better than those who are not. Different personality types adapt uniquely to motivational activities within team settings. These activities are important for collaboration and increasing mutual respect and communication as people learn about one another. Some key theories behind building and motivating teams are:

- Gaining new knowledge builds confidence.
- Breaking down barriers, prejudices, insecurities, and hierarchies accelerates the building of teams.
- Conducting activities outside of the day-to-day work context highlights individual strengths and working-style preferences.
- Game-playing develops and improves empathy and communication skills.
- Encouraging problem-solving and decision-making skills through challenges exercises intuitive brain functions.
- Motivational exercises involving physical activity reduce stress.
- Expressing gratitude is encouraging.

Approaches to Team Building  Using psychological profiling instruments can help leaders understand individuals in the organization. For example, the Benziger Thinking Styles Assessment (BTSA) determines which portion of an individual brain’s four areas is dominant in order to understand their natural strengths and primary brain functions. Activities that activate these areas enhance creativity, self-motivation, confidence, initiative, empathy, and performance quality while reducing conflict.

Team Building Activities  Team building activities can promote teamwork, boost creativity and build confidence. The following are some examples of team-building activities that enhance:

- Communication: A team’s plane hypothetically crashes on a desert island; the team has to choose and rank 12 items needed to survive.
- Relationships: Teams pick a charity and work together in a volunteer situation.
- Thinking-style: Individuals are handed a picture that is part of a story. Each person describes his or her picture and the groups work together to figure out the story’s sequence based on the descriptions.
- Values: Each person describes someone they respect or admire, elaborating on the traits that influence their choice.
- Bonding: During learning lunches, each employee shares a special hobby or interest with the group.
Quality Circles (QCs): Definition, Objectives and Other Details

Definition: Perhaps the most widely discussed and undertaken intervention of employee involvement is the quality circle (QC). The concept of QC originally began in the United States and was exported to Japan in the 1950s. It is mentioned that it is the concept of QC that enabled Japanese firms to make high quality products at low costs.

What is quality circle? It is a work group of employees who meet regularly to discuss their quality problems, investigate causes, recommend solutions, and take corrective actions. Generally, QC is a small group of employees belonging to the same similar work area.

This is so because the employees doing the similar type of work are well familiar to problems faced by them. The size of the QC should not be too big so as to prevent some members from participating meaningfully in its meetings. Generally, six to eight members are considered the ideal size of the QC.

QC is formed to achieve the following objectives:
1. Improvement in quality of product manufactured by the organisation.
2. Improvement in methods of production.
3. Development of employees participating in QC.
4. Promoting morale of employees.
5. Respect humanity and create a happy work place worthwhile to work.

The main features of QC can be listed as follows:
1. Voluntary Groups: QC is a voluntary group of employees generally coming from the same work area. There is no pressure from anywhere on employees to join QC.
2. Small Size: The size of the QC is generally small consisting of six to eight members.
3. Regular Meeting: QC meetings are held once a week for about an hour on regular basis. The members meet during working hours usually at the end of the working day in consultation with the manager. The time of the meetings is usually fixed in advance in consultation with the manager and members.
4. Independent Agenda: Each QC has its own agenda with its own terms of reference. Accordingly, each QC discusses its own problems and takes corrective actions.
5. Quality Focused: As per the very nature and intent of QC, it focuses exclusively on quality issues. This is because the ultimate purpose of QC is improvement in quality of product and working life.

Developing Quality Circles in Organisations:

Like any other organizational change, QC being a new concept may be opposed by the employees.

Therefore, QC should be developed and introduced with great concern and precaution as discussed below:
1. Publicising the Idea: Introduction of QC is just like an organisational change programme. Hence, like an organisational change programme, the workers need to be convinced about the need for and significance of QC from the points of view of the workers and the organisation. Moreover, participation in QC being voluntary, its publicity among the workers is necessary. To begin with, management can also arrange for initial training to those workers who want to form a quality circle.
2. Constitution of QC: Workers doing the same or similar type of work are drawn voluntarily to form quality circle. The membership of a QC is generally restricted to eight to ten. Once a QC is formed, they remain as permanent members of the circle unless they leave that work area.
3. Initial Problem Solving: The members of QC should discuss the problem at threadbare and, then, prepare a list of alternative solutions. Thereafter, each alternative solution should be evaluated and the final solution should be arrived at on the basis of consensus.
4. Presentation and Approval of Suggestions: The final solution arrived at should be presented to the management either in oral or in written form. The management may evaluate the solution by constituting a committee for this purpose. The committee may also meet the members of the quality circle for clarifications, if required. Presentation of solutions to the management helps improve the communication between management and workers and reflects management’s interest to the members of QC.
5. Implementation: Once the suggestion or solution is approved by the management, the same is being put into practice in a particular workplace. Quality circles may be organized gradually for other workplaces or departments also. In this way, following above outlined process, the entire organisation can have quality circles.
**Definition of Conflict** In literature, conflict is the result of competing desires or the presence of obstacles that need to be overcome. Conflict is necessary to propel a narrative forward; the absence of conflict amounts to the absence of story. There are three main types of conflict identified in literature: man versus man, man versus nature, and man versus self. Note that these standard classifications use “man” as a universal term, including women as well. Let’s take a closer look at these three definitions of conflict.

- **Man versus man:** A situation in which two characters have opposing desires or interests. The typical scenario is a conflict between the protagonist and antagonist. This is an external conflict. Most thrillers and mysteries have this type of conflict, such as Dan Brown’s *The Da Vinci Code* and Agatha Christie’s *And Then There Were None*.

- **Man versus nature:** In this type of conflict, a character is tormented by natural forces such as storms or animals. This is also an external conflict. Ernest Hemingway’s *The Old Man and the Sea* and Moby Dick by Herman Melville are examples of this type of conflict.

- **Man versus self:** This conflict develops from a protagonist’s inner struggles, and may depend on a character trying to decide between good and evil or overcome self-doubts. This conflict has both internal and external aspects, as obstacles outside the protagonist force the protagonist to deal with inner issues. William Shakespeare’s *Hamlet* is an example. Others have further identified more types of conflict, such as the following:

  - **Man versus machine:** A more contemporary type of conflict, this situation results from humans involved in a struggle with manmade machines. This is an external conflict. *The Terminator* series is an example of this type of conflict.

  - **Man versus society:** In this type of conflict, a character must take on society itself, and not a single person. The character stands at odds with societal norms and realizes the necessity to work against these norms. This is an external conflict. Conflict examples are John Steinbeck’s *The Pearl*, Ralph Ellison’s *Invisible Man*, and *The Catcher in the Rye* by J. D. Salinger.

  - **Man versus fate:** This situation results from a protagonist working against what has been foretold for that person. While this conflict was more prevalent in stories where gods could control fate, such as in ancient Greek dramas, there are still examples of this type of conflict in more contemporary literature. An example would be Kurt Vonnegut’s *Slaughterhouse Five*.

**Common Examples of Conflict**

**Man versus man:**
- Rafa Nadal playing Roger Federer in the Wimbledon final
- Negotiating peace between Israel and Palestine
- A divorcing couple trying to determine custody rights

**Man versus nature:**
- Hurricane Katrina destroying a person’s house and livelihood
- Trying to summit Mount Everest
- A guard dog attacking a thief

**Man versus self:**
- An alcoholic struggling to abstain from liquor
- Someone attempting to get over an ex-lover
- A stutterer preparing for a public speech

**Man versus society:**
- Martin Luther King Jr. speaking out against segregation
- Mahatma Gandhi encouraging non-violent protests
- A loner struggling to fit in at school

**Significance of Conflict in Literature**

As stated above in the definition of conflict, all literature requires conflict to have a storyline. Most stories show a character arc from the beginning of the end, displaying development or transformation of the main character(s) nature or opinions. The majority of this development and transformation occurs due to conflict. Conflict challenges a character’s convictions and brings out their strengths and/or weaknesses, much as it does in real life. Note that conflict is not necessarily “bad” and often it is not obvious which side is right or wrong, just that it presents difficulties to the protagonist.

Most stories contain more than one conflict throughout the course of the plot, though often there is one overriding conflict that is lasts the duration of the story. For example, in *The Lord of the Rings*, the main conflict is Frodo’s struggle to deliver the One Ring to Mount Doom, but of course there are numerous conflicts throughout the trilogy between warring parties and obstacles that occur along the way.

**Examples of Conflict in Literature**

**Example #1: Man versus man**
William Shakespeare’s play *Othello* represents a case of man versus man. There are other conflicts, such as the racism in the society, but the key struggles are between Othello and his confidant Iago. Iago is upset with Othello for two main reasons—Othello has promoted another man instead of Iago, and Iago believes that Othello has slept with his wife, Emilia. Iago therefore sets up scenarios in which Othello confronts insurmountable obstacles. Ultimately, since Iago wants to destroy Othello and his happiness, he and Othello are at odds in their desires. Othello, however, remains unaware that they are in conflict until it is too late, falsely believing that he is in conflict instead with his wife Desdemona and her supposed lover.

**Example #2: Man versus nature**
The Old English epic poem *Beowulf* is the tale of the eponymous hero who must defeat three monsters. These monsters include Grendel, Grendel’s mother, and a dragon. The three monsters are not human and represent the fears that the Anglo-
Saxons had about the natural world and its ability to destroy humanity. In turning the natural world into monsters that could be vanquished, the tale of *Beowulf* helped appease some of these fears.

**Example #3: Man versus self**
Arthur Miller’s play *Death of a Salesman* is a *tragedy* in that all of the main characters are deluding themselves about reality. Willy is the eponymous salesman, and patriarch of the Loman family. He and his wife are under the delusion that he is a well-liked and successful salesman and that his company is glad to have him. Unfortunately, when Willy tries to get a job promotion he is instead fired. While there are external conflicts in how Willy is treated, the main conflict is between Willy and the delusions he has. This comes out even more starkly when he begins to hallucinate and talk to himself. As is foreshadowed in the title, Willy cannot overcome his conflict with himself and commits suicide, believing that this is the only way he can lessen the burden on his family.

**Example #4: Man versus society**
Margaret Atwood’s novel *The Handmaid’s Tale* is a futuristic dystopia in which the protagonist must confront the incredibly unjust world in which she is living. This society, which is set in the former United States of America, is a theocratic dictatorship in which women are subjugated. The protagonist, Offred, and other “handmaids” are actually concubines given to couples in the ruling class who are infertile. Offred finds out about a resistance network and does what she can to overthrow the ruling class.

**Types of Conflict** – Four Classifications
- **Interpersonal conflict** refers to a conflict between two individuals. This occurs typically due to how people are different from one another. We have varied personalities which usually results to incompatible choices and opinions. Apparently, it is a natural occurrence which can eventually help in personal growth or developing your relationships with others. In addition, coming up with adjustments is necessary for managing this type of conflict. However, when interpersonal conflict gets too destructive, calling in a mediator would help so as to have it resolved.
- **Intragroup conflict** occurs within an individual. The experience takes place in the person’s mind. Hence, it is a type of conflict that is psychological involving the individual’s thoughts, values, principles and emotions. Interpersonal conflict may come in different scales, from the simpler mundane ones like deciding whether or not to go organic for lunch to ones that can affect major decisions such as choosing a career path. Furthermore, this type of conflict can be quite difficult to handle if you find it hard to decipher your inner struggles. It leads to restlessness and uneasiness, or can even cause depression. In such occasions, it would be best to seek a way to let go of the anxiety through communicating with other people. Eventually, when you find yourself out of the situation, you can become more empowered as a person. Thus, the experience evoked a positive change which will help you in your own personal growth.
- **Intragroup conflict** is a type of conflict that happens among individuals within a team. The incompatibilities and misunderstandings among these individuals lead to an intragroup conflict. It is arises from interpersonal disagreements (e.g. team members have different personalities which may lead to tension) or differences in views and ideas (e.g. in a presentation, members of the team might find the notions presented by the one presiding to be erroneous due to their differences in opinion). Within a team, conflict can be helpful in coming up with decisions which will eventually allow them to reach their objectives as a team. However, if the degree of conflict disrupts harmony among the members, then some serious guidance from a different party will be needed for it to be settled.
- **Intergroup conflict** takes place when a misunderstanding arises among different teams within an organization. For instance, the sales department of an organization can come in conflict with the customer support department. This is due to the varied sets of goals and interests of these different groups. In addition, competition also contributes for intergroup conflict to arise. There are other factors which fuel this type of conflict. Some of these factors may include a rivalry in resources or the boundaries set by a group to others which establishes their own identity as a team. Conflict may seem to be a problem to some, but this isn’t how conflict should be perceived. On the other hand, it is an opportunity for growth and can be an effective means of opening up among groups or individuals. However, when conflict begins to draw back productivity and gives way to more conflicts, then conflict management would be needed to come up with a resolution.

**NATURE OF CONFLICT**
The idea of conflict is basic to our understanding and appreciation of our exchange with reality--of human action. Conflict can be treated broadly as a philosophical category denoting the clash of power against power in the striving of all things to become manifest. Or, conflict can be seen simply as a distinct category of social behavior--as two parties trying to get something they both cannot have. Moreover, conflict can be apprehended as a potentiality or a situation, as a structure or a manifestation, as an event or a process.

The concept of conflict is multidimensional; it envelopes a family of forms. We select one depending on our analytical purposes and practical problem. Because my concern is to understand conflict as a social field phenomena, I must first consider conflict as a general category. From this most general conception I can work towards comprehending social conflict, and its empirical manifestations.
Reality comprises multiform and interwoven potentialities, dispositions, and powers. What aspect becomes manifest depends on the dialectical confrontation between this reality and our perspective, which is a power, an outward directed vector. What we perceive is the result of the conflict between this vector and reality’s inward bearing vector of power (e.g., between a baby’s cry and what we are focusing on at the moment).

Such is the view of reality provided by the field approach of this book. What then is conflict? Conflict is a balancing of vectors of powers, of capabilities to produce effects. It is a clash of powers. But note. Conflict is not a balance, an equilibrium, of powers. It is not a stable resultant. Conflict is the pushing and pulling, the giving and taking, the process of finding the balance between powers. Thus, I have favored the term dialectical—the moving back and forth in a field of confrontation—to describe perception. For perception is seldom determinate. It is a continual balancing of outward directed and inward bearing vectors of power, a perpetual conflict.

Most fundamentally, therefore, conflict is correlative to power. Power, simply, is the capability to produce effects; conflict is the process of powers meeting and balancing. To understand what powers become succeed requires comprehending their conflicts; to understand conflict involves untangling the powers involved.

Conflict is therefore universal, as Heracleitus pointed out. Our very experience presupposes conflict in its generation, and our knowledge, apart from its a priori categories, is based on such conflict. Our learning about ourselves, others, and reality, our growth and development, and our increasing ability to create our own heaven or hell, comes through conflict. The desire to eradicate conflict, the hope for harmony and universal cooperation, is the wish for a frozen, unchanging world with all relationships fixed in their patterns—with all in balance. One in which we cannot hope nor plan for a better tomorrow, but can only follow our inevitable course, with the determined ups and downs of a wooden horse on a merry-go-round.

### Personality Differences and Conflict Handling Styles

#### Understanding the Theory: Conflict Styles

In the 1970s Kenneth Thomas and Ralph Kilmann identified five main styles of dealing with conflict that vary in their degrees of cooperativeness and assertiveness. They argued that people typically have a preferred conflict resolution style. However they also noted that different styles were most useful in different situations. They developed the Thomas-Kilmann Conflict Mode Instrument (TKI) which helps you to identify which style you tend towards when conflict arises. Thomas and Kilmann’s styles are described as:

**Competitive:** People who tend towards a competitive style take a firm stand, and know what they want. Typically they pursue their own goals at another person’s expense. They usually operate from a position of power, drawn from things like position, rank, expertise, or persuasive ability. We often say that a competitive style is where someone “stands up for their rights”. This style can be useful when a decision needs to be made quickly; when the decision is unpopular; or when defending against someone who is trying to exploit the situation selfishly. However it can leave people feeling bruised, unsatisfied and resentful when used in less urgent situations.

**Accommodating:** This style indicates a willingness to meet the needs of others at the expense of the person’s own needs. A person with this style...
is both Unassertive and Cooperative – which is the opposite of competing. The accommodator often knows when to give in to others, but can be persuaded to surrender a position even when it is not warranted. Accommodation is appropriate when the issues matter more to the other party, when peace is more valuable than winning, or when you want to be in a position to collect on this "favour" you gave. However people may not return favours, and overall this approach is unlikely to give the best outcomes.

Avoiding: People tending towards this style seek to evade the conflict entirely. They are Unassertive and Uncooperative. This style is typified by delegating controversial decisions, accepting default decisions, and not wanting to hurt anyone's feelings. It can be appropriate when victory is impossible, when the controversy is trivial, or when someone else is in a better position to solve the problem. A person with this style will typically postpone dealing with a problem or sidestep dealing with it at all. In many situations this is a weak and ineffective approach to take. When we avoid conflict we are neither trying to achieve results nor addressing relationships with other people. We simply do not want to deal with the conflict.

Collaborative: People tending towards a collaborative style try to meet the needs of all people involved. They are both Assertive and Collaborative. These people can be highly assertive but unlike the competitor, they cooperate effectively and acknowledge that everyone is important. This style is useful when you need to bring together a variety of viewpoints to get the best solution; when there has been a history of previous conflicts in the group; or when the situation is too important for a simple trade-off. Collaborating may take the form of exploring the disagreement in an open and frank way or trying to find creative solutions to a problem.

Compromising: People who prefer a compromising style try to find a solution that will at least partially satisfy everyone. In some situations it may mean the parties making concessions or seeking a middle-ground solution. The aim is to find some mutually acceptable solution which will partially satisfy the parties. Compromise is useful when the cost of conflict is higher than the cost of losing ground, when equal strength opponents are at a standstill and when there is a deadline looming. When people compromise, each person partially meets the other’s demands. Compromising sometimes means sacrificing important needs. It is not unusual for both people to walk away unsatisfied from a compromise.

Personal Preferences for Conflict Resolution

There are five main strategies for dealing with conflicts, all of which can be considered in terms of who wins and who loses.

These strategies are:

1) Compete or Fight This is the classic win/lose situation, where the strength and power of one person wins the conflict. It has its place, but anyone using it needs to be aware that it will create a loser and if that loser has no outlet for expressing their concerns, then it will lead to bad feeling.

2) Collaboration This is the ideal outcome: a win/win situation. However, it requires input of time from those involved to work through the difficulties, and find a way to solve the problem that is agreeable to all.

3) Compromise or Negotiation This is likely to result in a better result than win/lose, but it’s not quite win/win. Both parties give up something, in favour of an agreed mid-point solution. It takes less time than collaboration, but is likely to result in less commitment to the outcome.

4) Denial or Avoidance This is where everyone pretends there is no problem. It’s helpful if those in conflict need time to ‘cool down’ before any discussion or if the
Conflict is unimportant, but cannot be used if the conflict won’t just die down. It will create a lose/lose situation, since there will still be bad feeling, but no clearing the air through discussion, and results, in Transactional Analysis terms, in ‘I’m not OK, you’re not OK’.

5) Smoothing Over the Problem On the surface, harmony is maintained, but underneath, there is still conflict. It’s similar to the situation above, except that one person is probably OK with this smoothing, while the other remains in conflict, creating a win/lose situation again. It can work where preserving a relationship is more important than dealing with the conflict right now, but is not useful if others feel the need to deal with the situation.

**Collaboration** Collaboration is a working practice whereby individuals work together to a common purpose to achieve business benefit.

**What is Collaboration?**

Collaboration enables individuals to work together to achieve a defined and common business purpose. It exists in two forms:
- Synchronous, where everyone interacts in real time, as in online meetings, through instant messaging, or via Skype, and
- Asynchronous, where the interaction can be time-shifted, as when uploading documents or annotations to shared workspaces, or making contributions to a wiki

Shared workspaces are among the most visible entries in the collaboration space. Aimed at rolling document and application sharing up with chat and perhaps versioning and other auditing capabilities, they may have more or fewer features, and may be available either for license or on a syndicated basis “in the cloud,” as they say. Google Docs is a notable example of the latter, Microsoft SharePoint and EMC Documentum eRoom of the former.

Wikis are perhaps best thought of as online encyclopedias or “how-to” manuals. They are applications that let users freely create, edit, and reorganize content using a Web browser. Perhaps the most visible example of this breed is Wikipedia, and variants exist throughout enterprises of all kinds and sizes.

The plus and the minus of wikis are that more or less anyone can enter anything into the resource – so while they’re a great way to capture and share what people know, they also must be vetted to ensure nothing erroneous gets planted within (intentionally or otherwise). The good news is that, over time, active wikis tend to be of fairly high quality due to the self-policing nature of an engaged user base.

**Collaboration at the conceptual level, involves:**

- **Awareness** – We become part of a working entity with a shared purpose
- **Motivation** – We drive to gain consensus in problem solving or development
- **Self-synchronization** – We decide as individuals when things need to happen
- **Participation** – We participate in collaboration and we expect others to participate
- **Mediation** – We negotiate and we collaborate together and find a middle point
- **Reciprocity** – We share and we expect sharing in return through reciprocity
- **Reflection** – We think and we consider alternatives
- **Engagement** – We proactively engage rather than wait and see

Collaboration relies on openness and knowledge sharing but also some level of focus and accountability on the part of the business organizations. Governance should be established addressing the creation and closing of team workspaces with assignment of responsibility for capturing the emergent results of the collaborative effort.

**Managing Organizational Change**

Organizational change occurs when a company makes a transition from its current state to some desired future state. Managing organizational change is the process of planning and implementing change in organizations in such a way as to minimize employee resistance and cost to the organization while simultaneously maximizing the effectiveness of the change effort.

Today’s business environment requires companies to undergo changes almost constantly if they are to remain competitive. Factors such as globalization of markets and rapidly evolving technology force businesses to respond in order to survive. Such changes may be relatively minor—as in the case of installing a new software program—or quite major—as in the
Organizational change initiatives often arise out of problems faced by a company. In some cases, however, companies change under the impetus of enlightened leaders who first recognize and then exploit new potentials dormant in the organization or its circumstances. Some observers, more soberly, label this a "performance gap" which able management is inspired to close. But organizational change is also resisted and—in the opinion of its promoters—fails. The failure may be due to the manner in which change has been visualized, announced, and implemented or because internal resistance to it builds. Employees, in other words, sabotage those changes they view as antithetical to their own interests.

AREAS OF ORGANIZATIONAL CHANGE

Students of organizational change identify areas of change in order to analyze them. Daniel Wischnesky and Fariborz Daman, for example, writing in Journal of Managerial Issues, single out strategy, structure, and organizational power. Others add technology or the corporate population ("people"). All of these areas, of course, are related; companies often must institute changes in all areas when they attempt to make changes in one. The first area, strategic change, can take place on a large scale—for example, when a company shifts its resources to enter a new line of business—or on a small scale—for example, when a company makes productivity improvements in order to reduce costs. There are three basic stages for a company making a strategic change: 1) realizing that the current strategy is no longer suitable for the company's situation; 2) establishing a vision for the company's future direction; and 3) implementing the change and setting up new systems to support it.

Technological changes are often introduced as components of larger strategic changes, although they sometimes take place on their own. An important aspect of changing technology is determining who in the organization will be threatened by the change. To be successful, a technology change must be incorporated into the company's overall systems, and a management structure must be created to support it. Structural changes can also occur due to strategic changes—as in the case where a company decides to acquire another business and must integrate it—as well as due to operational changes or changes in managerial style. For example, a company that wished to implement more participative decision making might need to change its hierarchical structure.

People changes can become necessary due to other changes, or sometimes companies simply seek to change workers' attitudes and behaviours in order to increase their effectiveness or to stimulate individual or team creative-ness. Almost always people changes are the most difficult and important part of the overall change process. The science of organization development was created to deal with changing people on the job through techniques such as education and training, team building, and career planning.

RESISTANCE TO CHANGE

A manager trying to implement a change, no matter how small, should expect to encounter some resistance from within the organization. Resistance to change is normal; people cling to habits and to the status quo. To be sure, managerial actions can minimize or arouse resistance. People must be motivated to shake off old habits. This must take place in stages rather than abruptly so that "managed change" takes on the character of "natural change." In addition to normal inertia, organization change introduces anxieties about the future. If the future after the change comes to be perceived positively, resistance will be less.

Education and communication are therefore key ingredients in minimizing negative reactions. Employees can be informed about both the nature of the change and the logic behind it before it takes place through reports, memos, group presentations, or individual discussions. Another important component of overcoming resistance is inviting employee participation and involvement in both the design and implementation phases of the change effort. Organized forms of facilitation and support can be deployed. Managers can ensure that employees will have the resources to bring the change about; managers can make themselves available to provide explanations and to minimize stress arising in many scores of situations.

Some companies manage to overcome resistance to change through negotiation and rewards. They offer employees concrete incentives to ensure their cooperation. Other companies resort to manipulation, or using subtle tactics such as giving a resistance leader a prominent position in the change effort. A final option is coercion, which involves punishing people who resist or using force to ensure their cooperation. Although this method can be useful when speed is of the essence, it can have lingering negative effects on the company. Of course, no method is appropriate to every situation, and a number of different methods may be combined as needed.

TECHNIQUES FOR MANAGING CHANGE EFFECTIVELY

Managing change effectively requires moving the organization from its current state to a future desired state at minimal cost to the organization. Key steps in that process are:

1. Understanding the current state of the organization. This involves identifying problems the company faces, assigning a level of importance to each one, and assessing the kinds of changes needed to solve the problems.
2. Competently envisioning and laying out the desired future state of the organization. This involves picturing the ideal situation for the company after the change is implemented, conveying this vision clearly to everyone involved in the change effort, and designing a means of transition to the new state. An important part of the transition should be maintaining some sort of stability; some things—such as the company’s overall mission or key personnel—should remain constant in the midst of turmoil to help reduce people’s anxiety.

3. Implementing the change in an orderly manner. This involves managing the transition effectively. It might be helpful to draw up a plan, allocate resources, and appoint a key person to take charge of the change process. The company’s leaders should try to generate enthusiasm for the change by sharing their goals and vision and acting as role models. In some cases, it may be useful to try for small victories first in order to pave the way for later successes.

Change is natural, of course. Proactive management of change to optimize future adaptability is invariably a more creative way of dealing with the dynamisms of industrial transformation than letting them happen willy-nilly. That process will succeed better with the help of the company’s human resources than without.

10 Principles of Change Management

1. Address the “human side” systematically. Any significant transformation creates “people issues.” New leaders will be asked to step up, jobs will be changed, new skills and capabilities must be developed, and employees will be uncertain and resistant. Dealing with these issues on a reactive, case-by-case basis puts speed, morale, and results at risk. A formal approach for managing change — beginning with the leadership team and then engaging key stakeholders and leaders — should be developed early, and adapted often as change moves through the organization. This demands as much data collection and analysis, planning, and implementation discipline as does a redesign of strategy, systems, or processes. The change-management approach should be fully integrated into program design and decision making, both informing and enabling strategic direction. It should be based on a realistic assessment of the organization’s history, readiness, and capacity to change.

2. Start at the top. Because change is inherently unsettling for people at all levels of an organization, when it is on the horizon, all eyes will turn to the CEO and the leadership team for strength, support, and direction. The leaders themselves must embrace the new approaches first, both to challenge and to motivate the rest of the institution. They must speak with one voice and model the desired behaviors. The executive team also needs to understand that, although its public face may be one of unity, it, too, is composed of individuals who are going through stressful times and need to be supported. Executive teams that work well together are best positioned for success. They are aligned and committed to the direction of change, understand the culture and behaviors the changes intend to introduce, and can model those changes themselves. At one large transportation company, the senior team rolled out an initiative to improve the efficiency and performance of its corporate and field staff before addressing change issues at the officer level. The initiative realized initial cost savings but stalled as employees began to question the leadership team’s vision and commitment. Only after the leadership team went through the process of aligning and committing to the change initiative was the work force able to deliver downstream results.

3. Involve every layer. As transformation programs progress from defining strategy and setting targets to design and implementation, they affect different levels of the organization. Change efforts must include plans for identifying leaders throughout the company and pushing responsibility for design and implementation down, so that change “cascades” through the organization. At each layer of the organization, the leaders who are identified and trained must be aligned to the company’s vision, equipped to execute their specific mission, and motivated to make change happen. A major multiline insurer with consistently flat earnings decided to change performance and behavior in preparation for going public. The company followed this “cascading leadership” methodology, training and supporting teams at each stage. First, 10 officers set the strategy, vision, and targets. Next, more than 60 senior executives and managers designed the core of the change initiative. Then 500 leaders from the field drove implementation. The structure remained in place throughout the change program, which doubled the company’s earnings far ahead of schedule. This approach is also a superb way for a company to identify its next generation of leadership.

4. Make the formal case. Individuals are inherently rational and will question to what extent change is needed, whether the company is headed in the right direction, and whether they want to commit personally to making change happen. They will look to the leadership for answers. The articulation of a formal case for change and the creation of a written vision statement are invaluable opportunities to create or compel leadership-team alignment.

Three steps should be followed in developing the case: First, confront reality and articulate a convincing need for change. Second, demonstrate faith that the company has a viable future and the leadership to get there. Finally, provide a road map to guide behavior and decision making. Leaders must then customize this message for various internal audiences, describing the pending change in terms that matter to the individuals.

A consumer packaged-goods company experiencing years of steadily declining earnings determined that it needed to significantly restructure its operations — instituting, among other things, a 30 percent work force reduction — to remain competitive. In a series of offsite meetings, the executive team built a brutally honest business case that downsizing was the
only way to keep the business viable, and drew on the company’s proud heritage to craft a compelling vision to lead the company forward. By confronting reality and helping employees understand the necessity for change, leaders were able to motivate the organization to follow the new direction in the midst of the largest downsizing in the company’s history. Instead of being shell-shocked and demoralized, those who stayed felt a renewed resolve to help the enterprise advance.

5. Create ownership. Leaders of large change programs must overperform during the transformation and be the zealots who create a critical mass among the work force in favor of change. This requires more than mere buy-in or passive agreement that the direction of change is acceptable. It demands ownership by leaders willing to accept responsibility for making change happen in all of the areas they influence or control. Ownership is often best created by involving people in identifying problems and crafting solutions. It is reinforced by incentives and rewards. These can be tangible (for example, financial compensation) or psychological (for example, camaraderie and a sense of shared destiny).

At a large health-care organization that was moving to a shared-services model for administrative support, the first department to create detailed designs for the new organization was human resources. Its personnel worked with advisors in cross-functional teams for more than six months. But as the designs were being finalized, top departmental executives began to resist the move to implementation. While agreeing that the work was top-notch, the executives realized they hadn’t invested enough individual time in the design process to feel the ownership required to begin implementation. On the basis of their feedback, the process was modified to include a “deep dive.” The departmental executives worked with the design teams to learn more, and get further exposure to changes that would occur. This was the turning point; the transition then happened quickly. It also created a forum for top executives to work as a team, creating a sense of alignment and unity that the group hadn’t felt before.

6. Communicate the message. Too often, change leaders make the mistake of believing that others understand the issues, feel the need to change, and see the new direction as clearly as they do. The best change programs reinforce core messages through regular, timely advice that is both inspirational and practicable. Communications flow in from the bottom and out from the top, and are targeted to provide employees the right information at the right time and to solicit their input and feedback. Often this will require over communication through multiple, redundant channels.

7. Assess the cultural landscape. Successful change programs pick up speed and intensity as they cascade down, making it critically important that leaders understand and account for culture and behaviors at each level of the organization. Companies often make the mistake of assessing culture either too late or not at all. Thorough cultural diagnostics can assess organizational readiness to change, bring major problems to the surface, identify conflicts, and define factors that can recognize and influence sources of leadership and resistance. These diagnostics identify the core values, beliefs, behaviors, and perceptions that must be taken into account for successful change to occur. They serve as the common baseline for designing essential change elements, such as the new corporate vision, and building the infrastructure and programs needed to drive change.

8. Address culture explicitly. Once the culture is understood, it should be addressed as thoroughly as any other area in a change program. Leaders should be explicit about the culture and underlying behaviors that will best support the new way of doing business, and find opportunities to model and reward those behaviors. This requires developing a baseline, defining an explicit end-state or desired culture, and devising detailed plans to make the transition. Company culture is an amalgam of shared history, explicit values and beliefs, and common attitudes and behaviors. Change programs can involve creating a culture (in new companies or those built through multiple acquisitions), combining cultures (in mergers or acquisitions of large companies), or reinforcing cultures (in, say, long-established consumer goods or manufacturing companies). Understanding that all companies have a cultural center — the locus of thought, activity, influence, or personal identification — is often an effective way to jump-start culture change.

A consumer goods company with a suite of premium brands determined that business realities demanded a greater focus on profitability and bottom-line accountability. In addition to redesigning metrics and incentives, it developed a plan to systematically change the company’s culture, beginning with marketing, the company’s historical center. It brought the marketing staff into the process early to create enthusiasts for the new philosophy who adapted marketing campaigns, spending plans, and incentive programs to be more accountable. Seeing these culture leaders grab onto the new program, the rest of the company quickly fell in line.

9. Prepare for the unexpected. No change program goes completely according to plan. People react in unexpected ways; areas of anticipated resistance fall away; and the external environment shifts. Effectively managing change requires continual reassessment of its impact and the organization’s willingness and ability to adopt the next wave of transformation. Fed by real data from the field and supported by information and solid decision-making processes, change leaders can then make the adjustments necessary to maintain momentum and drive results.

A leading U.S. health-care company was facing competitive and financial pressures from its inability to react to changes in the marketplace. A diagnosis revealed shortcomings in its organizational structure and governance, and the company decided to implement a new operating model. In the midst of detailed design, a new CEO and leadership team took over. The new team was initially sceptical, but was ultimately convinced that a solid case for change, grounded in facts and supported by the
organization at large, existed. Some adjustments were made to the speed and sequence of implementation, but the fundamentals of the new operating model remained unchanged.

10. Speak to the individual. Change is both an institutional journey and a very personal one. People spend many hours each week at work; many think of their colleagues as a second family. Individuals (or teams of individuals) need to know how their work will change, what is expected of them during and after the change program, how they will be measured, and what success or failure will mean for them and those around them. Team leaders should be as honest and explicit as possible. People will react to what they see and hear around them, and need to be involved in the change process. Highly visible rewards, such as promotion, recognition, and bonuses, should be provided as dramatic reinforcement for embracing change. Sanction or removal of people standing in the way of change will reinforce the institution’s commitment. Most leaders contemplating change know that people matter. It is all too tempting, however, to dwell on the plans and processes, which don’t talk back and don’t respond emotionally, rather than face up to the more difficult and more critical human issues. But mastering the “soft” side of change management needn’t be a mystery.

Managing Planned Organizational Change Process
A planned change is a change planned by the organization; it does not happen by itself. It is affected by the organization with the purpose of achieving something that might otherwise be unattainable or attainable with great difficulty. Through planned change, an organization can achieve its goals rapidly. The basic reasons for planned change are:
• To improve the means for satisfying economic needs of members
• To increase profitability
The planned organizational change process may comprise, basically the three following steps:
1. Planning for change 2. Assessing change forces 3. Implementing the change

1. Planning for Change
The first step in the process of change is to identify the need for change and the area of changes as to whether it is a strategic change, process oriented change or employee oriented change. This need for change can be identified either through internal or external factors. Once this need is identified the following general steps can be taken:
• Develop new goals and objectives. The manager must identify as to what new outcomes they wish to achieve. This may be modification of previous goals due to changed internal and external environment or it may be a new set of goals and objectives.
• Select an agent of change. The next step is that the management must decide as to who will initiate and oversee this change. One of the existing managers may be assigned this duty or even sometimes specialists and consultants can brought in from outside to suggest the various methods to bring in the change and monitor the change process.
• Diagnose the problem. The person who is appointed as the agent of the change will then gather all relevant data regarding the area of problem or the problem where the change is needed. This data should be critically analysed to pinpoint the key issues. Then the solutions can be focused on those key issues.
• Select Methodology. The next important step is to select a methodology for change; employee’s emotion must be taken into consideration when devising such methodology.
• Develop a plan. After devising the methodology, the next step will be to put together a plan as to what is to be done. For example, if the management wants to change the promotion policy, it must decide as to what type of employees will be affected by it, whether to change the policy for all the departments at once or to try it on a few selected departments first.
• Strategy for the implementation of the plan. In this stage, the management must decide on the ‘when’, ‘where’ and ‘how’ of the plan. This includes the right time of putting the plan to work, how the plan will be communicated to the employees in order to have the least resistance and how the implementation will be monitored.

2. Assessing Change Forces
The planned change does not come automatically, rather there are many forces in individuals, groups and organization which resist such change. The change process will never be successful unless the cooperation of employees is ensured. Therefore, the management will have to create an environment in which change will be amicably accepted by people. If the management can overcome the resistance, change process will succeed.
In a group process, there are always some forces who favour the change and some forces that are against the change. Thus, an equilibrium is established is maintained. Kurtlewin calls in the “field of forces”. Lewin assumes that in every situation there are both driving and restraining forces which influence any change that may occur.
• Driving forces are those forces which affect a situation by pushing in a particular direction. These forces tend to initiate the change and keep it going.
• Restraining forces act to restrain or decrease the driving forces.
Equilibrium is reached when sum of the driving forces equals the sum of the restraining forces as shown in the following figure: There may be three types of situations, as both driving and restraining forces are operating:
1. If the driving forces far outweigh the restraining forces, management can push driving forces and overpower restraining forces.
2. If restraining forces are stronger than driving forces, management either gives up the change programme or it can pursue it by concentrating on driving forces and changing restraining forces into driving ones or immobilizing them.
3. If driving and restraining forces are fairly equal, management can push up driving forces and at the same time can convert or immobilize restraining forces.

Thus, to make the people accept the changes, the management must push driving forces and convert or immobilize the restraining forces.

3. Implementing the Change

Once the management is able to establish favourable conditions, the right timing and right channels of communication have been established the plan will be put into action. It may be in the form of simple announcement or it may require briefing sessions or in house seminars so as to gain acceptance of all the members and specify those who are going to be directly affected by the change.

After the plan has been implemented there should be evaluation of the plan which comprises of comparing actual results to the objectives. Feedback will confirm if these goals are being met so that if there is any deviation between the goals and actual performance, corrective actions can be taken.

Organizational Change Process (Lewin’s 3 Stage Model)

Any organizational change whether introduced through a new structural design or new technology or new training programme, basically attempts to make employees change their behaviour. Unless the behavioural patterns of the members change the change will have a little impact on the effectiveness of the organization. Behavioural changes are not expected to be brought about overnight. These are the most difficult and marathon exercises.

A commonly accepted model for bringing about changes in people was suggested by KURT LEWIN in terms of three phase’s process:

1. Unfreezing
2. Changing
3. Refreezing

1. Unfreezing

Unfreezing means that old ideas and attitudes are set aside to give place to new ideas. It refers to making people aware that the present behaviour is inappropriate, irrelevant, inadequate and hence unsuitable for changing demands of the present situation.

According to EDGAR SCHIEN the following four elements are necessary during this unfreezing phase:-
• The physical removal of the individuals, being changed from their accustomed routines, sources of information and social relationships.
• The undermining and destruction of social support.
• Demeaning and humiliating experience to help individuals, being changed, to see their old attitudes or behaviour as unworthy and think to be motivated to change.
• The consistent linking of reward with willingness to change and of punishment with willingness to change.

Unfreezing thus involves discarding the orthodox and conventional methods and introducing dynamic behaviour, most appropriate to the situation. People are made to accept new alternatives.

2. Changing

Unlike unfreezing changing is not uprooting of the old ideas, rather the old ideas are gradually replaced by the new ideas and practices. In changing phase new learning occurs. The necessary requirement is that various alternatives of behaviour must be made available in order to fill the vacuum created by unfreezing phase. During the phase of changing, individuals learn to behave in new ways, the individuals are provided with alternatives out of which choose the best one.

KELMAN explains changing phase in terms of the following elements:-
• Compliance: it occurs when individuals are forced to change either by reward or by punishment.
• Internalisation: it occurs when individuals are forced to encounter a situation and calls for new behaviour.
• Identification: it occurs when individuals recognize one among various models provided in the environment that is most suitable to their personality.

3. Refreezing

Refreezing is on the job practice. The old ideas are totally discarded and new ideas are totally accepted. Refreezing reinforced attitudes, skills and knowledge. He practices and experiments with the new method of behaviour and sees that it effectively blends with his other behavioural attitudes.

FERSTER and SKINNER have in this connection introduced the main reinforcement schedules namely- Continuous and Intermittent reinforcements. Under continuous reinforcement individuals learn the new behaviour within no time. And intermittent reinforcement on the other hand, consumes a long time but it is has the greatest advantage of ensuring a long lasting change.

Organizational development approach

Do you sometimes stay up at night wondering if your organization is actually making a difference? How often do you see groups moving from one organizing campaign to the next without stopping to think about the bigger picture? Are you sure of
Imagine a staff meeting where an organization is trying to decide whether to take on a new initiative or campaign. Do these conflicting statements from different staff members sound familiar?

**(Reflecting an Organizational Development approach)** o “Hold on, I think we really need to step back and actually look at how we make decisions around here before we even talk about taking on this new campaign.”

**(Reflecting a Power Analysis approach)** o “I’m not really sure how this campaign will increase the leadership and political education of our members, and I don’t think we’re really addressing the issues of power imbalance in our own organization.” o

**(Reflecting a Spirit/Sustainable Practice approach)** “You know, we really need to start looking at issues of staff capacity. I haven’t had a day off in two months, and I’m losing hope that we can actually win our current campaign much less take on a new one.”

**(Reflecting a Community Organizing approach)** o “Look, as far as I’m concerned, we have one organizational priority, and that is to improve the conditions in this community. If we sit around debating our internal process all day, and don’t take on this new campaign, we’re being unaccountable to our constituents.”

**Community Organizing (CO)** translates community concerns into collective action. This realm offers community members the power and satisfaction of acting boldly on their beliefs, and presents a unique opportunity to be in direct relationship with others who share their values. It holds a distinct understanding of systemic injustice and the transformative power of righteous indignation.

**Power Analysis (PA)** provides organizers with a framework for understanding the broader context in which we all live through the lens of power. It analyzes the social, economic, and political systems that shape our material, personal, cultural, and even spiritual realities. This framework creates a collective analysis of structural inequalities, and how they play out in our lives, with the desire to motivate more strategic, collective action.

**Organization Development (OD)** examines systemic change on the organizational level, and provides tools and frameworks to improve an organization’s ability to meet its goals. It aims to help the group understand itself better and looks at the relationship of the individual to the group. OD offers the potential to create organizational communities in the present that reflect our values, aspirations and visions for the future. This approach can help groups align their vision, values, structure, and purpose, and enact democratic principles of power sharing. Ultimately, OD honors both the inherent worth of each individual and the power of collective process to achieve its highest aspirations.

**Spirit/Sustainable Practice (SP)** views self-knowledge, healing and cultural grounding as key to transformation, and offers tools to build authentic connection with oneself, others, and the outer world. In the context of spirit and healing, one’s full humanity is recognized – emotions, intuition, creativity, motivations, desires, and struggles. This framework offers powerful practices and methods for addressing core wounds and trauma in an organizational context.

**Organization Development (OD): An integrated approach to Management.**

**PURPOSE:** Targeted OD activities contribute significantly toward improvements in performance and productivity. Hence, the purpose of the one day open session is to identify specific areas for follow-up consultations. A decision on targeted in-house program can then be made based on real needs of the organization.

This one day session is designed to cover:

**I. PERFORMANCE MANAGEMENT**
- Introducing Performance Management into the organization
- Developing Key Performance Indices (KPI) that are relevant to the needs of the organization
- Communicating performance: Giving and receiving performance feedback
- Institutionalizing Performance Management system (implanting PM system)

**II. CHANGE MANAGEMENT AND LEADERSHIP:**
- Introducing change – challenges and successes
- Leadership for change and navigating through the challenges
- Strategies that work
- Implementing and managing change

**III. ORGANIZATIONAL STRATEGY**
- Visioning
- Organizational strategy-diagnosis
- Strategy formulation and leadership
- Planning and implementing strategy

**IV. COMPENSATION STRUCTURING**
- Why pay attention to the compensation structure?
V. TRANSACTIONAL ANALYSIS

• Communication as a transaction between ego states
• Understanding personality ego states

4 techniques to manage change in a complex organization

• End-to-end performance modeling
• Organizational teaming
• Follow-the-workflow assignments
• Temporary work assignments

1. End-to-end performance analytics:
Firms use analytics to identify hidden opportunities in their operating models and supply chains. Our standard approach to these projects includes the following key steps:

- Current-state modeling and validation
- Scenario analytics planning

Current-state modeling and validation is our first step. We collect information about the company's operating practices and roles and responsibilities, and we develop a dynamic model that illustrates the current approach and shows how current practices interact to create the results that are achieved. We review the design of the model with key opinion leaders across the entire end-to-end business as part of our validation process. We encourage these leaders to ask questions and identify errors in the design as a part of the validation process. The validated current-state model often provides the first common view of the end-to-end business model that the leaders of the organization have seen. It is immediately becomes clear how practices in an upstream organization drive costs in downstream organizations.

Scenario analytics planning is an iterative process where we make changes to see the current state model to understand how different practices and strategies influence costs, profits and inventory and service levels. We encourage the client team to recommend improvements, and we create analytic scenarios to predict the impact of the recommended changes. Collaborating with us on scenario analysis helps the team understand how potential solutions and new strategies change performance in the end-to-end model. Over time, the best strategy emerges as scenario results are compared in near real time.

2. Organizational teaming:
Another approach to encouraging end-to-end thinking and collaboration is to make a cross-functional team responsible for making changes in the end-to-end process. This technique produces very significant results in some lean-oriented organizations where most of the lean implementations have been carried out within the purview of individual organizations. The extension of problem solving across functions creates greater scope for performance opportunities. Many of these organizations have been applying good implementation techniques in an environment of shrinking performance improvement opportunities, because the sole focus previously was improving practices that were fully within the control of individual functions.

3. Follow-the-workflow assignments:
This technique can be applied very effectively within organizations with physical supply chains. Typically, these organizations rely on technical departments to develop new sources and materials or parts for the products they are bringing to market. Significant downstream costs occur if total landed costs are not considered in the selection of new suppliers, parts and materials.

In a follow-the-workflow assignment, one or more individuals from upstream organizations follows the development of a new product or platform as it leaves R&D (for example) and is transferred to industrial engineering for tool and work practice development, and subsequently to sourcing, procurement and manufacturing. The main role of the upstream professional is to guide the end-to-end process. In the course of fulfilling his or her responsibilities, it is inevitable that improvement opportunities in the end-to-end flow will become apparent. Greater awareness and hands-on experience create the opportunity for rapid changes in upstream practices during and after the follow-the-workflow assignment.

4. Temporary work assignments:
This technique works well in all organizations. Normally, it is structured as an exchange program organized as a professional development opportunity for the individuals who are selected. The role of the transferee is to contribute suggestions to the new department and to gain an understanding of the practices, goals, and constraints of the new organization. Like the other techniques I have mentioned, the experience improves the transferee’s understanding of the end-to-end business model and should also improve the level of cooperation and collaboration that can be achieved between closely-coupled operating organizations.
Some companies choose to exchange more senior professionals. This is a good idea when an unhealthy functional focus is one of the main barriers to making improvements. If the functional structures carry too much power, junior professionals can be too easily overlooked once they return from their temporary assignment. In addition, if relationships between the management groups are poor, having senior professionals spend more time with their colleagues can often create more cooperation automatically than having executive management try to mandate better relations and cooperation.

**Conclusions:**
These techniques can be used in isolation or together. Human and organizational behavior is driven by many factors and can be hard to fully understand or diagnose with confidence. Using all the techniques at the same time has the advantage of resetting the agenda completely. Having similar messages and findings arriving from multiple sources can help organization accelerate the rate of change. Also, the insights developed from the analytics can be used to empower the discussions, decisions and changes carried out within the other more organizationally-focused techniques.

**8 Steps to Implementing Change**

1. **Management Support for Change** It is critical that management shows support for changes and demonstrates that support when communicating and interacting with staff. Employees develop a comfort level when they see management supporting the process.

2. **Case for Change** No one wants to change for change sake, so it is important to create a case for change. A case for change can come from different sources. It can be a result of data collected on defect rates, customer satisfaction survey, employee satisfaction survey, customer comment cards, business goals as a result of a strategic planning session or budget pressures.

3. **Employee Involvement** All change efforts should involve employees at some level. Organizational change, whether large or small, needs to be explained and communicated, specifically changes that affect how employees perform their jobs.

   Whether it is changing a work process, improving customer satisfaction or finding ways to reduce costs, employees have experiences that can benefit the change planning and implementation process. Since employees are typically closest to the process, it is important that they understand the why behind a change and participate in creating the new process.

4. **Communicating the Change** Communicating change should be structured and systematic. Employees are at the mercy of management to inform them of changes. When there is poor communication and the rumor mill starts spreading rumors about change, it can create resistance to the change. Being proactive in communications can minimize resistance and make employees feel like they are part of the process.

5. **Implementation** Once a change is planned, it is important to have good communication about the rollout and implementation of the change. A timeline should be made for the implementation and should make changes in the order that affect the process and the employees who manage the process.

   An effective timeline will allow for all new equipment, supplies or training to take place before fully implemented. Implementing without a logical order can create frustration for those responsible for the work process.

6. **Follow-up** Whenever a change is made it is always good to follow-up after implementation and assess how the change is working and if the change delivered the results that were intended.

   Sometimes changes exceed target expectations but there are occasions that changes just don’t work as planned. When this is the case, management should acknowledge that it didn’t work and make adjustments until the desired result is achieved.

7. **Removing Barriers** Sometimes employees encounter barriers when implementing changes. Barriers can be with other employees, other departments, inadequate training, lacking equipment or supply needs. Sometimes management also needs to deal with resistant or difficult employees.

   It is management’s responsibility to ensure that employees can implement change without obstacles and resistance. Unfortunately, sometimes employees need to move on in order to successfully implement a needed change.

8. **Celebrate** It is important to celebrate successes along the way as changes are made. Celebrating the small changes and building momentum for bigger changes are what makes employees want to participate in the process.

When employees understand why a change is made and are part of the process for planning and implementing the change, it allows for a better chance for successful implementation.

If you would like to learn more about managing change in your organization, John Kotter has a great book, Leading Change, With a New Preface, that I highly recommend.

**Quality of work life (QWL)**
- Quality of relationship between employees & total working environment
- It is a process by which an organization responds to employee needs
- Varying from industry to industry

**Quality of work life**
The people involved get a sense of satisfaction in their work. Work then becomes not a burden but a means by which the abilities of person can find expression.

Mass production technology has made workers job monotonous and it is of little meaning to them. Results of low Q.W.L are absenteeism, low performance, poor morale. Ultimately it is the organization that suffers.

**OBJECTIVES**
- To create a positive attitude
- To increase productivity
- To improve standard of living of the people
- To increase the effectiveness of the organization

**MAJOR ISSUES IN QWL**
1. Pay and stability of employees
   - Employees will demand more in the form of social security and welfare benefits
   - Not given proper payments will affect the QWL
2. Job security
   - Should not have fear of losing their job
   - Systems with healthy working conditions & optimum financial security
3. Occupational stress
   - Due to working conditions, working schedule, hypertension, irritability etc..
   - Adversely affect employ productivity
4. Adequacy of resources
   - Match between resource availability & company objectives
   - Lead to employee dissatisfaction

**STRATEGIES FOR IMPROVEMENT OF QWL**
1. Self managed work team
   - Autonomous work group or integrated work teams
   - Plan, co-ordinate & control activities with the help of team leader
   - Employee participation
2. Participative management
   - Allowed to participate in management participative schemes quality circle
   - Develop a positive attitude
3. Worker-supervisor relationship
   - Social association, belongingness, helps to achieve good results etc...
4. Promotion
   - Opportunity to move in to jobs with
   - High job satisfaction and prestige
   - Orderly, logical and prompt source of recruitment for the management to fill vacancies
5. Recognition
   - Recognized as Human being rather than employee
   - Rewarding system, job enrichment, offering membership
6. Organizational health program
   - Educating employee about health problems
   - Results in reduction of absenteeism, hospitalization etc..
7. Alternative work schedule
   - Work at home, flexible working hours, part time employment etc...

**IMPLEMENTATION OF QWL**
- Management and Employees’ co-operation
- Action plans developed must be followed
- Support of middle-managers by top management and bottom-level employees to implement the program
- The objectives of Q.W.L should be a joint one, i.e., for workers it is to improve Q.W.L; for management it is to improve organizational efficiency

**BARRIERS OF QWL**
- Resistance to change both by mgt and employees
- There is a general perception that Q.W.L implementation will cost much to the organization
- Continuous increase in Q.W.L may result in less productivity, i.e., after a certain level the productivity will not increase in proportion to the increase in Q.W.L

**BARRIERS OF QWL IN INDIA**
- Widespread unhappiness due to comparison with colleagues
- Skepticism about the performance appraisal system and promotion criteria
- Division into camps and cliques hampering fruitful communication
- Frequent fits of anger of top level officials Regional prejudice
- Unreasonable personal expectation
- Limitless addiction to lower-order material needs

**SOME NEW METHODS OF QWL**
Quality of Work Life: Key Elements & Its Implications

I. Introduction

Quality of Work Life is the existence of a certain set of organizational conditions or practices. This definition frequently argues that a high quality of work life exists when democratic management practices are used, employee’s jobs are enriched, employees are treated with dignity and safe working conditions exist. In recent years the phrase “Quality of life” has been used with increasing frequency to describe certain Environmental and humanistic values neglected by industrial productivity and economic growth. Within business organizations attention has been focused on the Quality of human experience in the work place. At the same time many firms have questioned their viability in increasingly competitive world markets. These dual concerns have created a growing interest in the possibilities of redesigning the nature of work. Many current organizational experiments seek to improve both productivity for the organization and the quality of working life for its members.

Quality can be assessed by factors like performance, reliability, aesthetics, and complying with customer requirements. Quality refers to “freedom from wastage, freedom from trouble and freedom from failure”. Quality of Work Life refers to the level of satisfaction, motivation, involvement and commitment individuals experience with respect to their lives at work.

Quality of Work Life is the degree to which individuals are able to satisfy their important personal needs while employed by the firm. Companies interested in enhancing employees Quality of Work Life generally try to instill in employees the feelings of security, equity, pride, internal democracy, ownership, autonomy, responsibility and flexibility. They try to treat employees in a fair and supportive manner, open communication channels at all levels, offer employees opportunities to participate in decisions affecting them and empower them to carry on with their assignments. It has also been associated with organizational changes aimed at increasing the levels of job widening (greater horizontal task flexibility) and job enrichment (greater vertical task flexibility including the taking on of new responsibilities including those formerly undertaken by supervisory or managerial personnel). Crucially, the idea is that of attaining higher levels of involvement and thereby motivation by improving the attractiveness of the work itself rather than through improving the terms and conditions of work (Hertzberg). Quality of life phenomena explored in early studies included job satisfaction (measured by employee turnover, absenteeism or attitude surveys), organizational climate and the learning of new tasks.

Who Needs Quality of Work Life?

We know that we just can't stop “working at it”, discovering, creating and sharing new stuff. We're all so busy psychologically; work has always been one of the most significant of human experiences. But when for many people sex and relationships are troublesome since they are often hazardous to our health work plays an even greater role in keeping us “out of trouble.” Regardless of how much we earn, most of us have some kind of agenda or work plan.

And with so many people opening a home and a cyber-office, with mounting levels of technology-related stress, owner turned content. Many of us end up involved in more than one job, which we feel compelled to get done, spending the greatest portion of our lives in what we consider our workplace. SoQWL is not some notion of frivolous luxury. QWL is just as real and useful as virtual reality itself. The brainchild of Quality of Work Life Services, Manhattan-based, woman-created enterprise, QWL SPACE has been occupied by equally experienced, open-minded, goal- king of free days before national holidays have been separately stipulated. The differences regarding the working time have been established for the persons less than 18 years of age, pregnant women, breast-feeding mothers and the person raising the disabled child. The appropriate salary is agreed upon by the employee and the employer. The Government of the Republic establishes each year the rate of minimum salary; the employer should not pay less than that to the employee. Work represents such a role in life which has been designated to it by the person himself. On the one hand work is an earning of one’s living for the family, on the other hand it could be a self-realization providing enjoyment and satisfaction. We know that we just can't stop “working at it”, discovering, creating and sharing new stuff. We're all so busy psychologically; work has always been one of the most significant of human experiences. But when for many people sex and relationships are troublesome since they are often hazardous to our health work plays an even greater role in keeping us “out of trouble.” Regardless of how much we earn, most of us have some kind of agenda or work plan.

Key elements:
- Promote human dignity and growth
- Work together collaboratively
- Participative determine work changes
- Assume comparability of people and organizational goal

HUMANISED WORK THROUGH QUALITY OF WORK LIFE

One option is to re-design jobs to have the attributes desired by people, and re-design organisations to have the environment desired by the people. This approach seeks to improve QWL. There is a need to give workers more of a challenge, more of a whole task, more opportunity to use their ideas. Close attention to QWL provides a more humanised work environment. It attempts to serve the higher-order needs of workers as well as their more basic needs. It seeks to employ the higher skills of workers and to provide an environment that encourages them to improve their skills. The idea is that human resources should be developed and not simply used. Further, the work should not have excessively negative conditions. It should not put workers under undue stress. It should not damage or degrade their humanness. It should not be threatening or unduly dangerous. Finally, it should contribute to, or at least leave unimpaired, workers’ abilities to perform in other life roles, such as citizen, spouse and parent. That is, work should contribute to general social advancement.

Job Enlargement vs. Job Enrichment

The modern interest in quality of work life was stimulated through efforts to change the scope of people’s jobs in attempting to motivate them. Job scope has two dimensions – breadth and depth. Job breadth is the number of different tasks an individual is directly responsible for. It ranges from very narrow (one task performed repetitively) to wide (several tasks). Employees with narrow job breadth were sometimes given a wider variety of duties in order to reduce their monotony; this process is called job enlargement. In order to perform these additional duties, employees spend less time on each duty. Another approach to changing job breadth is job rotation, which involves periodic assignment of an employee to completely different sets of jobactivities. Job rotation is an effective way to develop multiple skills in employees, which benefits the organisation while creating greater job interest and career options for the employee.
APPLICATIONS

Viewed in terms of Herzberg’s motivational factors, job enrichment occurs when the work itself is more challenging, when achievement is encouraged, when there is opportunity for growth and when responsibility, feedback and recognition are provided. However, employees are the final judges of what enriches their jobs. All that management can do is gather information about what tend to enrich jobs, try those changes in the job system and then determine whether employees feel that enrichment has occurred. In trying to build motivational factors, management also gives attention to maintenance factors. It attempts to keep maintenance factors constant or higher as the motivational factors are increased. If maintenance factors are allowed to decline during an enrichment program, then employees may be less responsive to the enrichment program because they are distracted by inadequate maintenance. The need for a systems approach in job enrichment is satisfied by the practice of gain sharing. Since job enrichment must occur from each employee’s personal viewpoint, not all employees will choose enriched jobs if they have an option. A contingency relationship exists in terms of different job needs, and some employees prefer the simplicity and security of more routine jobs.

The Human Resource Department’s Role

The role of human resource department in QWL efforts varies widely. In some organizations, top management appoints an executive to ensure that QWL and productivity efforts occur throughout the organization. In most cases, these executives have a small staff and must rely on the human resource department for help with employee training, communications, attitude survey feedback, and similar assistance. In other organizations, the department is responsible for initiating and directing the firm’s QWL and productivity efforts. Perhaps the most crucial role of the department is winning the support of key managers. Management support particularly top management support appears to be an almost universal prerequisite for successful QWL programs. By substantiating employee satisfaction and bottom-line benefits, which range from lower absenteeism and turnover to higher productivity and fewer accidents, the department can help convince doubting managers. Sometimes documentation of QWL can result from studies of performance before and after a QWL effort. Without documentation of these results, top management might not have continued its strong support. The department also has both a direct and indirect influence on employee motivation and satisfaction. The policies and practices of the department also influence motivation and satisfaction indirectly. Rigorous enforced safety and health programs, for example, can give employees and supervisors a greater sense of safety from accidents and industrial health hazards. Likewise, compensation policies may motivate and satisfy employees through incentive plans, or they may harm motivation and satisfaction through insufficient raises or outright salary freezes. The motivation and satisfaction of employees act as feedback on the organization’s QWL and on the department’s day-to-day activities.

Motivation

Motivation is a complex subject. It involves the unique feelings, thoughts and past experiences of each of us as we share a variety of relationships within and outside organisations. To expect a single motivational approach work in every situation is probably unrealistic. In fact, even theorists and researches take different points of view about motivation. Nevertheless, motivation can be defined as a person’s drive to take an action because that person wants to do so. People act because they feel that they have to. However, if they are motivated they make the positive choice to act for a purpose – because, for example, it may satisfy some of their needs.

Job Satisfaction

Job satisfaction is the favorableness or unfavourableness with which employees view their work. As with motivation, it is affected by the environment. Job satisfaction is impacted by job design. Jobs that are rich in positive behavioural elements such as autonomy, variety, task identity, task significance and feedback contribute to employee’s satisfaction. Likewise, orientation is important because the employee’s acceptance by the work group contributes to satisfaction. If better performance leads to higher rewards and if these rewards are seen as fair and equitable, then results in improved satisfaction. On the other hand, inadequate rewards can lead to dissatisfaction. In either case, satisfaction becomes feedback that affects one’s self-image and motivation to perform. The total performance-satisfaction relationship is a continuous system, making it difficult to assess the impact of satisfaction on motivation or on performance, and vice-versa.

Objectives of Quality of Work Life:

- To increase in individual productivity, accountability and commitment.
- For better teamwork and communication.
- For improving the morale of employees.
- To reduce organizational stress.
- To improve relationships both on and off the job.
- To improve the safety working conditions.
- To provide adequate Human Resource Development Programs.
- To improve employee satisfaction.
- To strengthen workplace learning.
- To better manage on-going change and transition.
- To participate in management at all levels in shaping the organization.

Importance of Quality of Work Life:

Improved Quality of Work Life was not considered as important factor in India until recently as there were important impending factors like resource deficiency, environmental threats and some services of financial problems. Quality of Work Life program has become important in work place for the following reasons:

1. Increase demands at work
2. Loss of long term employee guarantees
3. The need for enhanced work place skills
4. Greater competition for talent
5. Increased women in work force

Good quality of work life leads to an atmosphere of good impersonal relations and highly motivated employees who strive for their development. Though monetary benefits still occupy the first place in the cost of elements like physical working conditions, job re-designing, career development, promotional opportunities etc. are gaining importance rapidly. As such, workers expect the management to improve all these facilities which thereby improve Quality of Work life. If provided with good Quality of Work Life, employees concentrate more on both individual as well as group development which in turn leads to overall development.

According to Walton (1975) proposed eight conceptual categories. They are as follows:

- Adequate and fair compensation
- Safe and healthy working conditions
- Immediate opportunity to use and develop human capacities
- Opportunity for continued growth and security
- Social integration in the work organization
- Constitutionalization in the work organization
- Work and the total life span
- The social relevance of work life
Successful organization is turning through the introduction of Quality of Work Life strategy to the people who work in them to maintain competitive advantage. The benefits to both management and workers include:

1. Improved organization performance through the development of people.
2. Increased co-operation and team work within and across all the levels of the organization including movement towards management or trade union partnership.
3. Increased environment in doing a good job.
4. Improved quality performance.
5. Increased commitment to the values and goals of the organization.
6. The anchoring of the development of a quality organization.

**About QWL Strategy:**

- Improve communication with employees
- Strengthen family friendly programs
- Provide all employees with Internet access
- Increase investment in workplace learning
- Improve the effectiveness of supervisors and team leaders
- Evaluate the effectiveness of diversity management practices and
- Improve ability to manage change and transition

**WORK-LIFE BALANCE BENEFITS TO THE ORGANIZATION**

- Measured increases in individual productivity, accountability and commitment
- Better teamwork and communication
- Improved morale
- Less negative organizational stress

**WORK-LIFE BALANCE BENEFITS TO THE INDIVIDUAL**

- More value and balance in your daily life
- Increased productivity
- Reduced stress
- Better understanding of what your best individual work life balance is
- Improved relationships both on and off the job

**Quality of Work Life as a process:**

The concept of Quality of Work Life views a work as a process of interaction and joint problem solving by work in people, managers, supervisors and workers. This process is:

i. Co-operative rather than authoritarian
ii. Evolutionary and changing rather than static
iii. Open rather than rigid
iv. Informal rather than rule based
v. Problem solving

Quality of Work life programme has become important in the workplace for the following reasons:

- Increased women in work force
- Increased responsibilities for elders
- The need for enhanced work place skills
- Greater competition for talent
- Increased male involvement in dependant care activities
- Increased demand at work
- Loss of long term employment guarantees
- Adequacy of resources
- Seniority and merit in promotions

**Problems of implementing Quality of Work Life programmes:**

Bohlander has identified three common problems of implementing Quality of Work Life programmes. The three areas are:

- Managerial attitudes
- Union influence
- Restrictiveness of industrial engineering

**Strategies to improve Quality of Work Life:** By implementing some changes, the management can create sense of involvement, commitment and togetherness among the employees which paves way for better Quality of Work Life.

a. Job enrichment and Job redesign
b. Autonomous work redesign
c. Opportunity for growth

- Administrative or organizational justice
- Job security
- Suggestion system

- Flexibility in work schedules
- Employee participation

Quality of Work Life improvements are defined as any activity which takes place at every level of an organization which seeks greater organizational effectiveness through the enhancement of human dignity and growth. A process through which the state holders in the organization, management, unions and employees - learn how to work together better to determine for themselves what actions, changes and improvements are desirable and workable in order to achieve the win and simultaneous goals of an improved quality of life at work for all members of the organization and greater effectiveness for both the company and the unions.

**II. Conclusion**

The above discussion has helped me to conclude that the identification of the measures of quality of life is indeed a difficult task, though there is a sort of common agreement on its concept of employee wellbeing. Evidently there are objective (physical and structural design) factors that provide work place setting and intervening policy factors that affect work processes of employees. As regards the outcome factors the immediate effects on psychology of employees (positive attitudes, commitment, and satisfaction) and ultimate effects on performance of organization are being considered by researchers. Finally it is very true to say that high degree of QWL leads to job satisfaction which ultimately results in effective and efficient performance.