



# SYLLABUS

## M.Com. II SEM

### Subject – Organizational Behaviour

UNIT – I	Organization: Concept, Types and significance, organization goal and its determinant, Organization behaviour: Concept, Nature and significance, Organizational Behaviour models.
UNIT – II	Personality: Concept Theories, Determinants and importance, Perception: Concept, Process and Theories, Learning: Concept, Components and influencing factors and theories.
UNIT – III	Motivation: Meaning types and importance, Theories of Motivation, Attitudes and Values: Concept, factors, significance and theories.
UNIT – IV	Interpersonal Behaviour: Nature, Theories, Analysis, concept of Group, Theories of group cohesiveness, Power and Authority.
UNIT – V	Organizational Conflicts: Causes and suggestions, Developing sound Organizational climate, Management of Change: Concept and process of organizational Development.



## UNIT - I

### Organization Concept –

Basically, an organization is a group of people intentionally organized to accomplish an overall, common goal or set of goals.

A system is an organized collection of parts that are highly integrated in order to accomplish an overall goal. The system has various inputs which are processed to produce certain outputs, that together, accomplish the overall goal desired by the organization. There is ongoing feedback among these various parts to ensure they remain aligned to accomplish the overall goal of the organization.

### Types:

There are a variety of legal types of organizations,

Including corporation, governments. Non-governmental organizations, international organizations, armed forces, charities, not for profit corporations, partnerships, cooperatives, universities, and various types of political organizations. A hybrid organization is a body that operates in both the public sector and the private sector simultaneously, fulfilling public duties and developing commercial market activities. A voluntary association is an organization consisting of volunteers. Such organizations may be able to operate without legal formalities, depending on jurisdiction, including informal clubs. Organizations may also operate in secret and/or illegally in the case of secret societies, criminal organizations and resistance movements.

Progress on goals and objectives should tell you if you and the organization are on the right track.

### What are Goals and Objectives?

Goals and objectives provide the foundation for measurement. Goals are outcome statements that define what an organization is trying to accomplish, both programmatically and organizationally. Goals are usually a collection of related programs, reflection of major action of the organization, and provide rallying points for managers. For example, Wal-Mart might state a financial goal of growing its revenues 20% per year or have a goal of growing international parts of empire. Try to think of each goal as a large umbrella with several spokes coming out from the centre. The umbrella itself is a goal.

In contrast to goals, objectives are very precise, time-based, measurable actions that support the completion of a goal. Objectives typically must (1) be related directly to the goal; (2) be clear, concise, and understandable; (3) be stated in terms of results; (4) begin with an action verb; (5) specify a date for accomplishment; and (6) be measurable. Apply our umbrella analogy and think of each spoke as an objective. Going back to the Wal-Mart example, and in support of the company's 20% revenue growth goal, one objective might be to "open 20 new stores in the next six months." Without specific objectives, the general goal could not be accomplished-just as an umbrella cannot be put up or down without the spokes. Importantly, goals and objectives become less useful when they are unrealistic or ignored. For instance, if your university has set goals and objectives related to class sizes but is unable to ever achieve them, then their effectiveness as a management tool is significantly decreased.

## ORGANIZATIONAL BEHAVIOR CONCEPT

OB comprises three main features

1. OB is the study of human behaviour
2. The study of behaviour in organization
3. Knowledge about human behaviour would be useful in improving an organization's effectiveness.

"Organization on Behaviour is concerned with the study of the behaviour of people within an organizational setting. It involves the understanding, prediction and control of human behaviour and the factors which influence the performance of people as members of organization." Fred Luthans



OB is a field that investigates the impact that individuals, group or structure have on behaviour with external environment to improve organizational effectiveness.

### Organizational Behaviour encompasses three broad areas -

1. Behaviour of People in organization - OB includes study psychology anthropology and sociology to gain in sight into Behaviour of individuals in organizational settings. It includes.
  - Perception, cognition & learning
  - Personality & motivation
  - Leadership, Power, Conformity, Communication
  - Decision making etc.
2. Organizational Structure - OB studies the organizational structure as to how people are organized or arranged to achieve organizational goals. It includes -
  - Task identification
  - Departmentation
  - Co-ordination & control mechanism
  - Process & Procedures like promoting, hiring, compensation
  - Organizational Form
  - Size
  - Centralization of decision making
  - The relationship among these avables.
3. Behaviour of Organization - OB not only studies the interaction of individuals with organization with each other but it also study the interaction of organization into its environment i.e., organizations behaviour with external actors by following methods -
  - a. Adoption of new Practices such as -
    - down sizing
    - Team based structure
    - Re-engineering
  - b. Adoption to changing conditions -
    - Global competition
    - Increasing technological use
    - Changing social structure (status if women disabled ethic group)

### Characteristics of OB

1. Science as well as Art - OB is both science and art. It is a systematic body of knowledge about human behavior so it is considered as science but it is in exact science as human behaviour cannot be predicted exactly so sometimes it cannot provide answers to specific organizational problems. As an art the knowledge of OB is applied to improve organizational effectiveness.
2. Human tool - Organizational behaviour is a human tool for human benefit which helps the manager of certain actions. It also provides the education needed for creative thinking to save human problems in organizations.
3. Action & goal oriented - OB is a goal directed discipline that studies human behaviour and explain it in organizational context as well as helps in taking proper action to mould that individual behaviour towards the goal achievement of organization.
4. Commonality of Interest - OB helps in providing commonality of interest between individual goals and organizational goals and objectives. It provides super-ordinate goals that unite the variety of needs that bring people to organizations.
5. Holistic Concepts - OB is a holistic concept which relates people whole group, organization as a whole system. It gives a broad view of people in organization and studies many factors that influence their behaviour. It gives a broad view of human related issues & problems.

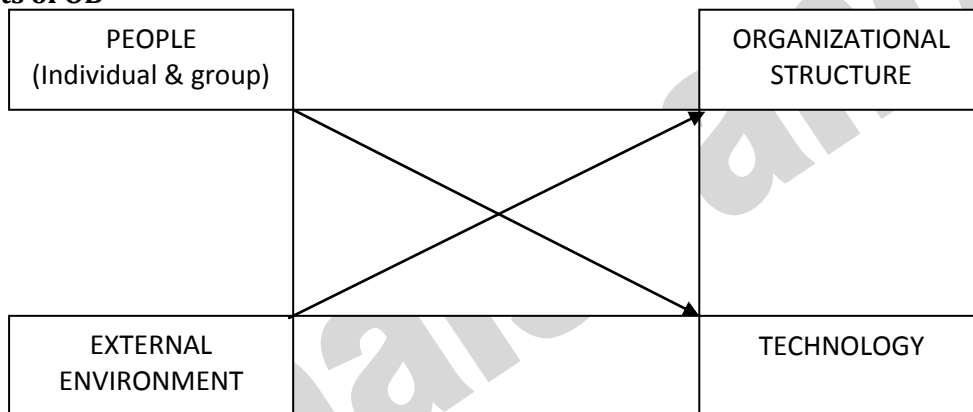


6. Behavioural Approach to Management – OB is a behavioural approach to management. It is a part of management related with analyzing behaviour of human beings in group & organization. It is distinct field of study.
7. Integrating Approach – OB is an integrating approach of human technical and ethical values work which draws knowledge from various disciplines such as anthropology, Psychology, Law, Sociology, Economics, IT Political Science, engineering etc.

### Importance of OB

1. OB provides a road map to individuals in organization. It helps people to understand their behavior and its impact while working in organization.
2. OB helps a manager to motivate his subordinates regularly as it helps subordinates regularly as it helps the manager understand the basis of motivation and what he should do to motivate others.
3. Understanding of OB is useful to maintain cordial industrial relations.
4. OB helps an individual in maintaining good intrapersonal & interpersonal relations.
5. OB helps in influencing organizational events by understanding the organizational culture & behavior appropriately and effectively to influence the environment they live in For ex: how to communicate effectively, managing conflicts, better decision making, more effective team work and team dynamics.

### Elements of OB



**Individual:** The most important element of OB. OB studies the behavioural of individual (or in a group) and the various factors influencing the behavior and its effects on organization.

**Group:** Group can be formal, informal, small, large, official, unofficial in nature. Group is dynamic ever changing in nature.

**Organization structure:** OB establishes various post & positions for people in organization & thus creates a professional relationship in between them.

**Technology:** Use of technology also influences human behavior

**External environment:-** Organization is a part broader external environment. Environment affects the organization through technological or scientific developed, social, cultural and Govt. actions.

### Disciplines of OB

Organizational behavior is a applied behavioural science which is drawn from no. of behavioural disciplines like

1. **Psychology:** Psychology is the study and understanding of human mind and thinking and the behavioural aspects based on such thinking. Psychology tries to measure, explain at times even modify the behaviour of human beings & animals. It includes personality, perception, learning, motivation, attitude etc.
2. **Sociology:** Sociology addresses the study of group behaviours. It studies the behaviour of the people in the fellow human beings in a group. It studies how much people are socially active. It



includes group dynamics, communication, leadership conflict management, formal and informal organizations etc.

3. Anthropology: It is the study of human culture its history and evaluation. It deals both the development of human values, systems, norms, sentiments etc. It also studies the impact of organizational culture on the behaviour of employees. It deals with individual culture, organizational culture.

Besides these three are some other disciplines such as social psychology, law, economics, practical science, engineering etc.

### Foundation of OB

1. Individual differences: Each individual differs with each other in different ways like intelligence, physique, personality, thinking behaviour etc and organization has to follow different styles to deal with them and to get the work done. OB begins with individual and studying their distinct behaviour.
2. A Whole Person: OB is based the concept that when a person is appointed only his/her skill is not hired but their social background, likes, dislikes, pride etc, are also hired. Managers should try to develop a work place a home away from none and should focus to provide a better person in terms of growth and development.
3. Caused Behaviour: OB lays on the concept that behaviour of individuals towards any other person, thing or a situation is caused due to some reason behind it. Behaviour of the employee depends on thinking of his/ her towards the situation as right or wrong.
4. Human dignity: This concept is based on ethical philosophy- at treating human beings differently from other factors of production with complete respect in humanity & dignity not as the economic tool.
5. Organizations are social systems: OB treats organizations as the social system having both psychological & social needs & roles like individuals. Two types of social system exist in organizations formal and informal social system and organization environment is dynamic in nature with all the parts of system being interdependent & influenced with each other.

### Approach to study OB

1. Human Resources Approach: This approach recognize fact that human resources is the central and most important resources of any organization and should be developed towards high competency, creativity so that they can contribute to the success of the organization. This approach is also called supportive approach.
2. Contingency Approach: This approach assumes that there is no best way available in any organizational situations and each situation is contingent or influenced by many other variables. Appropriate managerial action on any situation depends on various elements related to that situation.
3. Systems Approach: Systems approach view all its parts or activities as interrelated.
4. Productivity approach: Productivity is the ratio output input shows the efficiency and effectiveness of organization. It is expressed in terms of economic inputs and outputs but human and social inputs and outputs are also important OB decision involve human, social and economic issues and so productivity is the significant part of literature of OB.
5. Internationalism: Internationalism studies that how people select interpret behaviour in various situations to determine individuals' behaviour.

### Models of OB

1. Autocratic Model- This model is more of authority oriented in approach. It is based on the phenomenon that person who is in command have the power to demand. Organizations having autocratic environment have the superiors who feel that employees are lazy & try to avoid work so they need to be directed, command pushed & persuaded to the work. They feel that employees should be given orders & should be closely supervised & controlled for their work.



Boss has the power to command & control. Employees in these organizations work under fear, frustration, harassment, unsecure & performance level is relatively low. They work only in the fear of losing their job.

2. Custodial Model-This method is reward oriented (Extrinsic or economic reward) focusing on satisfying the monetary, physiological, security & welfare needs of employees to motivate them to work efficiently for achieving goals & objectives of organization. This model focuses that money is the best way to motivate employees to increase their productivity & to reduce their level of frustration & insecurity rather than by forcing & ordering them.
3. Supportive model- This is a leadership oriented model and focuses on supportive leadership style to motivate and improve the performance of employees at work rather than by using powers or giving monetary rewards. It focuses on providing a cordial & supportive organizational climate & assumes that workers are not lazy & work shirkers & if they are (intrinsicly) awarded i.e. if their psychological needs are satisfied they can be efficient at their work & workplace. This model is more successful in other nations in comparison to India.
4. Collegial Model- Collegial means a group of persons having a common purpose. This model is based on the concept of treating employees as the partners & important members of organization so that they can relate themselves more dedicatedly towards organizations & can work with loyalty, dedication, faithfulness & hard work for achieving its goals. This model focuses on team spirit, brand building & self-discipline. Workers have more job-satisfaction, job-involvement & degree of fulfillment.