"Organisational Behaviour is directly concerned with the understanding, production and control of human behaviour in organizations."

IN SHORT, ORGANISATIONAL BEHAVIOUR REVOLVES AROUND TWO FUNDAMENTAL COMPONENTS:

1. The nature of the man.

2. THE NATURE OF THE ORGANISATION.

"Organisational behaviour is the study and application of knowledge about how people act within organizations."

SCOPE:

- IMPACT OF PERSONALITY ON PERFORMANCE
- EMPLOYEE MOTIVATION
- LEADERSHIP
- How to create effective teams and groups
- STUDY OF DIFFERENT ORGANIZATIONAL STRUCTURES
- INDIVIDUAL BEHAVIOR, ATTITUDE AND LEARNING
- Perception
- Design and development of effective organization

FOUNDATIONS OF INDIVIDUAL BEHAVIOUR

1) Personal Factors:

- A) AGE: AGE HAS THE IMPACT ON PERFORMANCE, TURNOVER, ABSENTEEISM, PRODUCTIVITY AND SATISFACTION.
- **B) SEX**: THE SEX HAS ITS IMPACT ON ABSENTEEISM AND TURNOVER.
- **C) EDUCATION**: THIS HAS ITS EFFECT UPON INDIVIDUAL BEHAVIOUR, LARGELY THROUGH THE LEVEL AND TYPE OF EDUCATION RECEIVED.
- D) ABILITY: IT REFERS TO AN INDIVIDUAL'S CAPACITY TO PERFORM VARIOUS TASKS IN A GIVEN JOB.
- E) MARITAL STATUS: THE MARITAL STATUS HAS THE IMPACT ON ABSENTEEISM, TURNOVER AND SATISFACTION.

2) **ENVIRONMENTAL FACTORS:**

- **A) ECONOMIC FACTORS:** THE ECONOMIC ENVIRONMENT IS AN IMPORTANT DETERMINANT OF INDIVIDUAL BEHAVIOUR.

 ALL WORK IS PERFORMED WITHIN ECONOMIC FRAMEWORK THAT, BOTH DIRECTLY AND INDIRECTLY INFLUENCE ON ORGANISATIONAL ENVIRONMENT.
- **B) SOCIAL NORMS AND CULTURAL VALUES**: THE SOCIETY AND THE CULTURAL ENVIRONMENT IS MADE UP OF INSTITUTIONS AND OTHER FACTORS THAT AFFECT THE SOCIETY'S BASIC VALUE, PERCEPTIONS, WORK ETHICS, PREFERENCES AND BEHAVIOURS.

- **C) ETHICS AND SOCIAL RESPONSIBILITY:** ETHICS REFERS TO A SYSTEM OF MORAL PRINCIPLES A SENSE OF RIGHT AND WRONG AND GOODNESS AND BADNESS OF ACTIONS AND THE MOTIVATION AND THE CONSEQUENCES OF THESE ACTIONS. AS APPLIED TO A BUSINESS FIRM ETHICS IS THE STUDY OF GOOD AND EVIL RIGHT AND WRONG AND JUST AND UNJUST ACTIONS OF BUSINESS PEOPLE.
- **D) POLITICAL FACTORS**: THE POLITICAL CLIMATE IN WHICH AN INDIVIDUAL LIVES CAN AFFECT INDIVIDUAL BEHAVIOUR IN SEVERAL WAYS. THE STABILITY OF THE GOVERNMENT CAN AFFECT EMPLOYMENT OPPORTUNITIES, BOTH IN QUANTITY AND QUALITY.

3) ORGANISATIONAL SYSTEMS AND RESOURCES:

- **A) PHYSICAL FACILITIES**: PHYSICAL FACILITIES SUCH AS LIGHTING, VENTILATION, AIR-CONDITIONING, DECOR, SPACE PROVIDED FOR EACH EMPLOYEE, EQUIPMENT AND THE LIKE, HAVE AN INFLUENCE ON EMPLOYEE PERFORMANCE.
- **B) ORGANISATION STRUCTURE AND DESIGN**: THESE HAVE TO DO WITH THE WAY IN WHICH THE DIFFERENT GROUPS AND DEPARTMENTS IN AN ORGANISATION ARE SET UP AND THE WAY IN WHICH, THE REPORTING RELATIONSHIPS AND LINES OF COMMUNICATION ARE ESTABLISHED AMONG DIFFERENT POSITIONS IN THE ORGANISATION.

4) PSYCHOLOGICAL FACTORS:

- **A) PERSONALITY**: PERSONALITY REFERS TO THE ATTRIBUTES OF AN INDIVIDUAL WHICH MAKE HIM OR HER DIFFERENT FROM OTHERS.
- **B) PERCEPTION:** PERCEPTION REFERS TO THE PROCESS OF SEEING WHAT IS THERE TO BE SEEN.
- **C) ATTITUDES**: THE ATTITUDES ARE THE POOR OR GOOD PERFORMANCE OF THE INTERNAL FACTORS. THESE ARE EITHER THE POSITIVE OR NEGATIVE IN GENERAL.
- **D) VALUES**: VALUES REPRESENT STABLE LONG-LASTING BELIEFS ABOUT WHAT IS IMPORTANT. THEY ARE EVALUATIVE STANDARD THAT HELP US DEFINE WHAT IS RIGHT OR WRONG GOOD OR BAD, IN THE WORLD. SOME PEOPLE VALUE MONEY WHILE OTHERS CONSIDER MORALS ARE MORE IMPORTANT.
- **E) LEARNING**: LEARNING IS THE MODIFICATION OF BEHAVIOUR THROUGH PRACTICES, TRAINING OR EXPERIENCE. IT IS AN IMPORTANT INPUT IN THE INDIVIDUAL BEHAVIOUR.

CHALLENGES AND OPPORTUNITIES FOR ORGANIZATIONAL BEHAVIOUR:

INTRODUCTION:

ORGANIZATIONAL BEHAVIOR (OB) IS THE STUDY OF HUMAN BEHAVIOR IN ORGANIZATIONAL SETTINGS,
THE INTERFACE BETWEEN HUMAN BEHAVIOR AND THE ORGANIZATION, AND THE ORGANIZATION ITSELF

CHALLENGES AND OPPORTUNITIES:

1. <u>IMPROVING PEOPLE SKILLS</u>: TECHNOLOGICAL CHANGES, STRUCTURAL CHANGES, ENVIRONMENTAL CHANGES ARE ACCELERATED AT A FASTER RATE IN BUSINESS FIELD. UNLESS EMPLOYEES AND EXECUTIVES ARE EQUIPPED TO

POSSESS THE REQUIRED SKILLS TO ADAPT THOSE CHANGES, THE ACHIEVEMENT OF THE TARGETED GOALS CANNOT BE ACHIEVED IN TIME.

2. Total Quality Management (TQM):

IT IS A PHILOSOPHY OF MANAGEMENT THAT IS DRIVEN BY THE CONSTANT ATTAINMENT OF CUSTOMER SATISFACTION THROUGH THE CONTINUOUS IMPROVEMENT OF ALL ORGANIZATIONAL PROCESS. THE COMPONENT OF TQM ARE (A) INTENSE FOCUS OF THE CUSTOMER (B) CONCERN FOR CONTINUAL IMPROVEMENT (C) IMPROVEMENT IN THE QUALITY OF EVERYTHING THE ORGANIZATION DOES (D) ACCURATE MEASUREMENT AND (E) EMPOWERMENT OF EMPLOYEES.

3. REENGINEERING

THIS REFERS TO RADICALLY RETHINKING AND REDESIGNING THOSE PROCESSES BY WHICH WE CREATE VALUE FOR CUSTOMERS AND DO WORK. IT REQUIRES MANAGERS TO RECONSIDER HOW WORK WOULD BE DONE AND THEIR ORGANISATION STRUCTURED IF THEY WERE TO START FROM SCRATCH.

4. MANAGING WORKFORCE DIVERSITY:

THIS REFERS TO EMPLOYING DIFFERENT CATEGORIES OF EMPLOYEES WHO ARE HETEROGENEOUS IN TERMS OF GENDER, RACE, ETHNICITY, RELATION, COMMUNITY, PHYSICALLY DISADVANTAGED, HOMOSEXUALS, ELDERLY PEOPLE ETC. THE PRIMARY REASON TO EMPLOY HETEROGENEOUS CATEGORY OF EMPLOYEES IS TO TAP THE TALENTS AND POTENTIALITIES, HARNESSING THE INNOVATIVENESS, OBTAINING SYNERGETIC EFFECT AMONG THE DIVORCE WORKFORCE.

5. RESPONDING TO GLOBALIZATION:

TODAY'S BUSINESS IS MOSTLY MARKET DRIVEN; WHEREVER THE DEMANDS EXIST IRRESPECTIVE OF DISTANCE, LOCATIONS, CLIMATIC CONDITIONS, THE BUSINESS OPERATIONS ARE EXPANDED TO GAIN THEIR MARKET SHARE AND TO REMAIN IN THE TOP RANK. BUSINESS OPERATIONS ARE NO LONGER RESTRICTED TO A PARTICULAR LOCALITY OR REGION.

6. EMPOWERING PEOPLE

EMPOWERMENT IS DEFINED AS PUTTING EMPLOYEES IN CHARGE OF WHAT THEY DO BY ELICITING SOME SORT OF OWNERSHIP IN THEM. THE MAIN ISSUE IS DELEGATING MORE POWER AND RESPONSIBILITY TO THE LOWER LEVEL CADRE OF EMPLOYEES AND ASSIGNING MORE FREEDOM TO MAKE CHOICES ABOUT THEIR SCHEDULES, OPERATIONS, PROCEDURES AND THE METHOD OF SOLVING THEIR WORK-RELATED PROBLEMS.

7. ETHICAL BEHAVIOUR:

THE COMPLEXITY IN BUSINESS OPERATIONS IS FORCING THE WORKFORCE TO FACE ETHICAL DILEMMAS, WHERE THEY ARE REQUIRED TO DEFINE RIGHT AND WRONG CONDUCT IN ORDER TO COMPLETE THEIR ASSIGNED ACTIVITIES. THE GROUND RULES GOVERNING THE CONSTITUENTS OF GOOD ETHICAL BEHAVIOUR HAS NOT BEEN CLEARLY DEFINED. DIFFERENTIATING RIGHT THINGS FROM WRONG BEHAVIOUR HAS BECOME MORE BLURRED.

MOTIVATION:

MOTIVATION COMES FROM THE LATIN WORD "MOVERE" WHICH MEANS, "TO MOVE".

MOTIVATION CAN BE DESCRIBED AS THE INTERNAL FORCE THAT IMPACTS THE DIRECTION, INTENSITY, AND ENDURANCE OF A PERSON'S VOLUNTARY CHOICE OF BEHAVIOR. IT CONSISTS OF —

- **DIRECTION** FOCUSED BY GOALS.
- **INTENSITY** BULK OF EFFORT ALLOCATED.
- PERSISTENCE AMOUNT OF TIME TAKEN FOR THE EFFORT TO BE EXERTED.

FEATURES OF MOTIVATION

MOTIVATION IS AN INTERNAL FEELING, THAT IS, IT DEFINES THE PSYCHOLOGICAL STATE OF A PERSON. IT IS A CONTINUOUS PROCESS AND WE SHOULD MAKE SURE THAT IT IS NOT DISTURBED. A PERSON SHOULD BE ENCOURAGED COMPLETELY.

MOTIVATION CONSISTS OF THREE INTERACTING AND DEPENDENT ELEMENTS —

- NEEDS THE REQUIREMENTS OR DEFICIENCY WHICH IS CREATED WHENEVER THERE IS PHYSIOLOGICAL

 IMBALANCE.
- Drives The various camps or events organized to motivate the employees and give them new opportunities.
 - **INCENTIVES** EMPLOYEES NEED TO BE REWARDED FOR THEIR NICE WORK IN ORDER TO KEEP THEM ENCOURAGED.

THEORIES:

THE **MASLOW'S HIERARCHY OF NEEDS** THEORY ASSUMES THAT PEOPLE ARE MOTIVATED TO SATISFY 5 LEVELS OF NEEDS THOSE ARE A PSYCHOLOGICAL NEED, SECURITY NEED, SOCIAL NEED, ESTEEM AND SELF-ACTUALIZATION NEEDS.MASLOW CATEGORIZED THE FIVE NEEDS INTO

LOWER-ORDER: PHYSIOLOGICAL AND SAFETY **HIGHER-ORDER NEEDS:** SOCIAL, ESTEEM, AND SELF-ACTUALIZATION.

MASLOW SUGGESTS THAT FIVE LEVELS OF NEEDS ARE ARRANGED IN ACCORDANCE WITH THE IMPORTANCE. STARTING FROM THE BOTTOM OF THE HIERARCHY, AN INDIVIDUAL IS MOTIVATED FIRST AND FOREMOST TO PSYCHOLOGICAL NEED.

WHEN THE NEED ARE SATISFIED THEN HE IS MOTIVATED AND MOVES UP THE HIERARCHY TO SATISFY SECURITY NEED. THIS MOVING UP AND PROCESS CONTINUE TILL THE END-USER REACHES THE SELF-ACTUALIZATION



<u>Physiological Needs,</u> are considered the most important because they are a most immediate need and hence are also known as **basic needs**.

- THESE ARE ALSO NEEDED OUR BODY TO STAY FUNCTIONAL.
- IT IS THE BOTTOM AND MOST IMPORTANT NEEDS.

EXAMPLE:

- 1. It includes food, clothes, shelter, air, water, sexual activities etc.
- 2. Basic Pay, workspace in the context of organization behaviour.

SECURITY NEEDS, ARE REFERRED TO AS A REQUIREMENT FOR A SECURE PHYSICAL AND EMOTIONAL ENVIRONMENT.

- THE NEED IS FREE FROM WORRY ABOUT MONEY AND JOB SECURITY AND DESIRE FOR SAFE WORKING CONDITION.
- SECURITY NEEDS ARE SATISFIED FOR PEOPLE IN THE WORKPLACE BY JOB CONTINUITY.
- A GRIEVANCE RESOLVING SYSTEM AND AN ADEQUATE INSURANCE AND SENTIMENT BENEFIT PACKAGE.

EXAMPLE:

- 1. Financial security, Heath and Wellness, a desire for adequate housing.
- 2. JOB SECURITY, ADEQUATE MEDICAL BENEFITS, AND SAFE WORKING CONDITIONS IN THE CONTEXT OF ORGANIZATION BEHAVIOUR.

SOCIAL NEEDS, ARE NEEDS RELATED TO A SPECIAL ASPECT OF HUMAN LIFE. THEY INCLUDE THE NEEDED FOR LOVE AND AFFECTION AND THE NEED IS AFFECTED BY ONE'S PEERS.

- FOR MOST PEOPLE, THESE NEEDS ARE SATISFIED BY A COMBINATION OF FAMILY AND COMMUNITY RELATIONSHIP AND FRIENDSHIP ON THE JOB.
- MANAGER CAN HELP THE ENSURE THE SATISFACTION OF THESE IMPORTANT NEEDS BY ALLOWING SOCIAL INTERACTION AND MAKING EMPLOYEES FEEL LIKE A PART OF A TEAM OR WORKGROUP.

EXAMPLE:

- 1. SOCIAL ACCEPTANCE, NEED TO BELONG, TO RELATE TO OTHERS.
- 2. GOOD CO-WORKERS AND SUPERVISORS, PARTICIPATING IN SOCIAL FUNCTIONS IN THE CONTEXT OF ORGANIZATION BEHAVIOUR.

ESTEEM NEEDS, ARE CONCERNED WITH SELF-RESPECT, SELF-CONFIDENCE, FEELING OF PERSONAL WORTH.

- A FEELING OF BEING UNIQUE AND RECOGNITION SATISFACTION. IT IS THE IMAGE OF THE SELF IN THE EYE OF OTHERS.
- A PERSON WITH HIGH ESTEEM THINKS THAT PEOPLE THINK HIGHLY OF HIM. IT IS OUR ESTEEM THAT GIVES US A RECOGNITION OF OUR SKILL.

EXAMPLE:

- 1. PROMOTIONS AND BEING RECOGNIZED AT WORK IN THE CONTEXT OF ORGANIZATION BEHAVIOUR.
- 2. WHEN SOMEONE SAYS THAT HE IS FUNNY, ENTERTAINING AND AMIABLE. HE MUST HAVE HEARD OTHER SAYING THE MOST OF THINK ABOUT HIM.

SELF-ACTUALIZATION, IS THE REALIZING OF ONESELF. MANY PEOPLE REACH A STAGE IN THEIR LIFE WHERE THEY START WONDERING WHAT IS EXPECTED OUT OF THEM IN THEIR LIFE.

- IT IS THE FINAL NEED ON MASLOW'S HIERARCHY OF NEEDS.
- THEY HEAR A VOICE THAT TELLS THEM TO FULFIL THEIR DESTINY. SUCH PEOPLE TO FIGURE OUT THE MEANING OF THEIR LIVES AND FACES OF AN EXISTENTIAL QUESTION.

EXAMPLE:

- 1. OBTAINING OUR FULL POTENTIAL, BECOMING CONFIDENT, EAGER TO EXPRESS OUR BELIEFS, AND WILLING TO REACH OUT TO OTHERS TO HELP THEM.
- 2. CHALLENGING PROJECTS, OPPORTUNITY FOR INNOVATION AND CREATIVITY IN THE CONTEXT OF ORGANIZATION BEHAVIOUR.

ADVANTAGES	DISADVANTAGES
SIMPLE TO UNDERSTAND	NEEDS DO NOT NECESSARILY FOLLOW A HIERARCHY
IT TAKES INTO ACCOUNT HUMAN NATURE	THE THEORY IS DIFFICULT TO TEST/MEASURE
RELEVANT IN ALL FIELD	

HERZBERG TWO FACTOR THEORY

THE HERZBERG'S MOTIVATION-HYGIENE THEORY AND DUAL-FACTOR THEORY WAS COINED BY FREDERICK HERZBERG IN 1959.N 1959, HERZBERG CONDUCTED A STUDY ON 200 ENGINEERS AND ACCOUNTANTS FROM OVER NINE COMPANIES IN THE UNITED STATES. HE ASKED PROFESSIONALS TO DESCRIBE TWO IMPORTANT INCIDENTS AT THEIR JOB.

Hygiene Factors Company policy Supervision and relationships Working conditions Salary Security

Motivators • Achievement • Recognition • Interesting work • Increased responsibility • Advancement and growth

WHEN DID THEY FELT EITHER EXTREMELY BAD OR EXCEPTIONALLY GOOD ABOUT THEIR JOBS AND RATED THEIR FEELINGS ON THESE EXPERIENCES. RESPONSES ABOUT SATISFIED FEELINGS ARE GENERALLY RELATED TO "JOB CONTENT" (MOTIVATION FACTORS/ SATISFIERS) AND RESPONSES ABOUT DISSATISFIED FEELINGS ARE ASSOCIATED WITH "JOB CONTEXT" (HYGIENE FACTOR/ DISSATISFIERS). THIS IS WHY IT IS KNOWN AS TWO FACTOR THEORY.

MOTIVATORS:

ACHIEVEMENT

ACHIEVEMENT FACTOR REFERS TO SUCCESSFUL PERFORMANCE OF INDIVIDUAL'S WORK TASKS, SOLVING PROBLEMS, JUSTIFICATION AND SEEING THE RESULTS OF ONE'S WORK.

RECOGNITION

RECOGNITION DEPENDS ON PRAISE, NOTICE AND CRITICISM RECEIVED FROM COLLEAGUES OR MANAGEMENT AND IT MAINLY MEANS GETTING RECOGNITION DUE TO ACHIEVEMENT IN TASKS.

WORK ITSELF

WORK ITSELF DESCRIBES THE ACTUAL CONTENT OF ONE'S JOB, BASICALLY MEANING THE TASKS OF THE JOB.

RESPONSIBILITY

RESPONSIBILITY MEANS THE SENSE OF RESPONSIBILITY GIVEN TO AN EMPLOYEE FOR HIS/HER OWN WORK OR BEING GIVEN NEW RESPONSIBILITIES.

ADVANCEMENT

ADVANCEMENT REFERS TO A CHANGE IN ONE'S POSITION AT WORK AND, THEREFORE, INVOLVES THE CONCEPT OF PROMOTION.

HYGIENE FACTORS:

COMPANY POLICY

COMPANY POLICY AND ADMINISTRATION RELATE SPECIFICALLY TO ORGANIZATION MANAGEMENT AT WORKPLACES AND THEY ALSO REQUIRE PERSONNEL POLICIES.

WORK CONDITIONS

WORKING CONDITIONS REQUIRE THE PHYSICAL ENVIRONMENT OF WORKING AND ESPECIALLY THE AVAILABLE FACILITIES WITH ALL THEIR SPACE AND TOOLS, FOR INSTANCE.

SUPERVISION

SUPERVISION, REFERS TO THE ACTUAL BEHAVIOR OF MANAGERS TOWARDS EMPLOYEES, FOR EXAMPLE, HOW FAIR OR UNFAIR THEY ARE AND HOW WILLING THEY ARE TO ENVOY RESPONSIBILITIES.

SALARY

SALARY IS AN ECONOMIC BENEFIT FOR WORK.

JOB SECURITY

THE EMPLOYEE MUST HAVE A SENSE OF BELONGINGNESS AND FEEL SECURE. THEY MUST NOT WORK UNDER THE STRESS THAT THEIR JOB CAN BE LAID OFF ANYTIME.

ERG THEORY

INSTEAD OF THE FIVE NEEDS THAT ARE HIERARCHICALLY ORGANIZED, ALDERFER PROPOSED THAT BASIC HUMAN

NEEDS MAY BE GROUPED UNDER THREE CATEGORIES, NAMELY, EXISTENCE, RELATEDNESS, AND GROWTH.

EXISTENCE CORRESPONDS TO MASLOW'S PHYSIOLOGICAL AND SAFETY NEEDS, RELATEDNESS CORRESPONDS TO SOCIAL NEEDS, AND GROWTH REFERS TO MASLOW'S ESTEEM AND SELF-ACTUALIZATION.

ERG THEORY'S MAIN CONTRIBUTION TO THE LITERATURE IS ITS RELAXATION OF MASLOW'S ASSUMPTIONS.



FOR EXAMPLE, ERG THEORY DOES NOT RANK NEEDS IN ANY PARTICULAR ORDER AND EXPLICITLY RECOGNIZES THAT MORE THAN ONE NEED MAY OPERATE AT A GIVEN TIME. MOREOVER, THE THEORY HAS A "FRUSTRATION-REGRESSION" HYPOTHESIS SUGGESTING THAT INDIVIDUALS WHO ARE FRUSTRATED IN THEIR ATTEMPTS TO SATISFY ONE NEED MAY REGRESS TO ANOTHER. FOR EXAMPLE, SOMEONE WHO IS FRUSTRATED BY THE GROWTH OPPORTUNITIES IN HIS JOB AND PROGRESS TOWARD CAREER GOALS MAY REGRESS TO RELATEDNESS NEED AND START SPENDING MORE TIME SOCIALIZING WITH COWORKERS. THE IMPLICATION OF THIS THEORY IS THAT WE NEED TO RECOGNIZE THE MULTIPLE NEEDS THAT MAY BE DRIVING INDIVIDUALS AT A GIVEN POINT TO UNDERSTAND THEIR BEHAVIOR AND PROPERLY MOTIVATE THEM.

LEADERSHIP:

LEADERSHIP CAN BE DEFINED AS THE ABILITY OF THE MANAGEMENT TO MAKE SOUND DECISIONS AND INSPIRE OTHERS TO PERFORM WELL. IT IS THE PROCESS OF DIRECTING THE BEHAVIOR OF OTHERS TOWARDS ACHIEVING A COMMON GOAL. IN SHORT, LEADERSHIP IS GETTING THINGS DONE THROUGH OTHERS.

IMPORTANCE OF LEADERSHIP

LEADERSHIP IS VERY IMPORTANT IN A FIRM AS IT LEADS TO HIGHER PERFORMANCE BY THE TEAM MEMBERS, IT IMPROVES MOTIVATION AND MORALE WITHIN THE MEMBERS, AND HELPS TO RESPOND TO CHANGE.

LEADERSHIP FACILITATES ORGANIZATIONAL SUCCESS BY CREATING RESPONSIBILITY AND ACCOUNTABILITY AMONG THE MEMBERS OF THE ORGANIZATION. IN SHORT, IT INCREASES VALUE IN AN ORGANIZATION.

LEADER VS MANAGER

A LEADER IS SOMEONE WHOM PEOPLE FOLLOW OR SOMEONE WHO GUIDES OR DIRECTS OTHERS. A MANAGER IS SOMEONE WHO IS RESPONSIBLE FOR DIRECTING AND CONTROLLING THE WORK AND STAFF IN AN ORGANIZATION, OR OF A DEPARTMENT WITHIN IT.

THE MAIN DIFFERENCE BETWEEN THE TWO IS THAT A LEADER WORKS BY EXAMPLE, WHILE A MANAGER DICTATES EXPECTATIONS. IF A MANAGER GOES AGAINST THE RULES, THAT WILL TARNISH HIS POSITION AS A MANAGER. IF A LEADER GOES AGAINST THE EXAMPLE HE OR SHE IS TRYING TO SET, THAT WILL BE SEEN AS A SETBACK. FOLLOWING ARE A FEW SUBTLE DIFFERENCES BETWEEN THE TWO:

- A LEADER IS AN INNOVATOR AND CREATOR WHEREAS A MANAGER IS A COMMANDER.
- A LEADER CAN'T BE A MANAGER BUT THE OPPOSITE IS POSSIBLE, A MANAGER IS MORE THAN A LEADER.
- A LEADER DOES WHAT IS RIGHT, WHILE THE MANAGER MAKES THINGS RIGHT.
- A LEADER DEALS WITH CHANGE WHEREAS A MANAGER PLANS FOR A CHANGE.
- A LEADER GIVES DIRECTION TO DO SOMETHING WHEREAS THE MANAGER PLANS FOR EVERYTHING THAT IS TO BE DONE.
 - A LEADER ENCOURAGES PEOPLE WHEREAS THE MANAGER CONTROLS PEOPLE.
- A LEADER HANDLES COMMUNICATION, CREDIBILITY, AND EMPOWERMENT WHEREAS A MANAGER DEALS WITH ORGANIZING AND STAFFING.

LEADERSHIP STYLES

DIFFERENT LEADERSHIP STYLES EXIST IN WORK ENVIRONMENTS. THE CULTURE AND GOAL OF AN ORGANIZATION DETERMINE WHICH LEADERSHIP STYLE FITS BEST. SOME ORGANIZATIONS OFFER DIFFERENT LEADERSHIP STYLES WITHIN AN ORGANIZATION, DEPENDING ON THE NECESSARY TASKS TO COMPLETE AND DEPARTMENTAL NEEDS.

WE FIND FIVE DIFFERENT LEADERSHIP STYLES IN THE CORPORATE WORLD. THEY ARE AS FOLLOWS -

LAISSEZ-FAIRE

A LAISSEZ-FAIRE LEADER DOES NOT DIRECTLY SUPERVISE EMPLOYEES AND FAILS TO PROVIDE REGULAR UPDATES TO THOSE UNDER HIS SUPERVISION. HIGHLY EXPERIENCED AND TRAINED EMPLOYEES WITH MINIMAL REQUIREMENT OF SUPERVISION FALL UNDER THE LAISSEZ-FAIRE LEADERSHIP STYLE.

BUT, NOT ALL EMPLOYEES POSSESS THESE FEATURES. THIS LEADERSHIP STYLE BLOCKS THE PRODUCTION OF EMPLOYEES NEEDING SUPERVISION. THE LAISSEZ-FAIRE STYLE IMPLEMENTS NO LEADERSHIP OR SUPERVISION EFFORTS FROM MANAGERS, WHICH CAN LEAD TO POOR PRODUCTION, LACK OF CONTROL AND INCREASING COSTS.

AUTOCRATIC

The autocratic leadership style permits managers to make decisions alone without the input of others. Managers access total authority and impose their will on employees. No one opposes the decisions of autocratic leaders. Countries like Cuba and North Korea operate under the autocratic leadership style.

THIS LEADERSHIP STYLE BENEFITS THOSE WHO REQUIRE DIRECT SUPERVISION. CREATIVE EMPLOYEES WHO PARTICIPATE IN GROUP FUNCTIONS DETEST THIS LEADERSHIP STYLE.

PARTICIPATIVE

THIS IS ALSO KNOWN AS THE DEMOCRATIC LEADERSHIP STYLE. IT VALUES THE INPUT OF TEAM MEMBERS AND PEERS, BUT THE RESPONSIBILITY OF MAKING THE FINAL DECISION RESTS WITH THE PARTICIPATIVE LEADER. PARTICIPATIVE LEADERSHIP MOTIVATES EMPLOYEE MORALE BECAUSE EMPLOYEES MAKE CONTRIBUTIONS TO THE DECISION-MAKING PROCESS. IT ACCOUNTS TO A FEELING THAT THEIR OPINIONS MATTER.

WHEN AN ORGANIZATION NEEDS TO MAKE CHANGES WITHIN ITSELF, THAT IS INTERNALLY, THE PARTICIPATIVE LEADERSHIP STYLE HELPS EMPLOYEES ACCEPT CHANGES EASILY AS THEY PLAY A ROLE IN THE PROCESS. THIS LEADERSHIP STYLE MEETS CHALLENGES WHEN COMPANIES NEED TO MAKE A DECISION IN A SHORT PERIOD OF TIME.

GROUP DYNAMICS:

DEALS WITH THE ATTITUDES AND BEHAVIORAL PATTERNS OF A GROUP. GROUP DYNAMICS CONCERN HOW GROUPS ARE FORMED, WHAT IS THEIR STRUCTURE AND WHICH PROCESSES ARE FOLLOWED IN THEIR FUNCTIONING. THUS, IT IS CONCERNED WITH THE INTERACTIONS AND FORCES OPERATING BETWEEN GROUPS.

GROUP:

A GROUP REFERS TO TWO OR MORE PEOPLE WHO SHARE A COMMON MEANING AND EVALUATION OF THEMSELVES AND COME TOGETHER TO ACHIEVE COMMON GOALS.

PROCESS:

GROUP DEVELOPMENT IS A DYNAMIC PROCESS. 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 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 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.

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.

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. 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.

ORGANIZATIONAL CONFLICT:

ORGANIZATIONAL CONFLICT, OR WORKPLACE CONFLICT, IS A STATE OF DISCORD CAUSED BY THE ACTUAL OR PERCEIVED OPPOSITION OF <u>NEEDS</u>, <u>VALUES</u> AND <u>INTERESTS</u> BETWEEN PEOPLE WORKING TOGETHER. <u>CONFLICT</u> TAKES MANY FORMS IN <u>ORGANIZATIONS</u>. THERE IS THE INEVITABLE CLASH BETWEEN FORMAL AUTHORITY AND POWER AND THOSE INDIVIDUALS AND GROUPS AFFECTED. THERE ARE DISPUTES OVER HOW REVENUES SHOULD BE DIVIDED, HOW THE WORK SHOULD BE DONE, AND HOW LONG AND HARD PEOPLE SHOULD WORK.

CONFLICT AFFECTING ORGANIZATIONS CAN OCCUR IN <u>INDIVIDUALS</u>, BETWEEN INDIVIDUAL AND BETWEEN GROUPS. CONFLICTS WITHIN WORK GROUPS ARE OFTEN CAUSED BY STRUGGLES OVER CONTROL, STATUS, AND SCARCE RESOURCES. CONFLICTS BETWEEN GROUPS IN ORGANIZATIONS HAVE SIMILAR ORIGINS. THE CONSTRUCTIVE <u>RESOLUTION</u> OF SUCH CONFLICTS CAN MOST OFTEN BE ACHIEVED THROUGH A RATIONAL PROCESS OF PROBLEM SOLVING, COUPLED WITH A WILLINGNESS TO EXPLORE ISSUES AND ALTERNATIVES AND TO LISTEN TO EACH OTHER

PERSONAL CONFLICT

A PERSONAL CONFLICT INVOLVES A CONFLICT BETWEEN TWO PEOPLE, MOST OFTEN FROM A MUTUAL DISLIKE OR PERSONALITY CLASH. ACCORDING TO BOSTON UNIVERSITY FSAO, "CAUSES FOR WORKPLACE CONFLICT CAN BE PERSONALITY OR STYLE DIFFERENCES AND PERSONAL PROBLEMS SUCH AS SUBSTANCE ABUSE, CHILDCARE ISSUES, AND FAMILY PROBLEMS. ORGANIZATIONAL FACTORS SUCH AS LEADERSHIP, MANAGEMENT, BUDGET, AND DISAGREEMENT ABOUT CORE VALUES CAN ALSO CONTRIBUTE."

INTRAGROUP CONFLICT

CONFLICT ARISES IN GROUPS BECAUSE OF THE SCARCITY OF FREEDOM, POSITION, AND RESOURCES. PEOPLE WHO VALUE INDEPENDENCE TEND TO RESIST THE NEED FOR INTERDEPENDENCE AND, TO SOME EXTENT, CONFORMITY WITHIN A GROUP. PEOPLE WHO SEEK POWER THEREFORE STRUGGLE WITH OTHERS FOR POSITION OR STATUS WITHIN THE GROUP. REWARDS AND RECOGNITION ARE OFTEN PERCEIVED AS INSUFFICIENT AND IMPROPERLY DISTRIBUTED, AND MEMBERS ARE INCLINED TO COMPETE WITH EACH OTHER FOR THESE PRIZES.

INTERGROUP CONFLICT

INTERGROUP CONFLICT OCCURS IN FOUR GENERAL FORMS. HORIZONTAL STRAIN INVOLVES COMPETITION BETWEEN FUNCTIONS, FOR EXAMPLE, SALES VERSUS PRODUCTION, RESEARCH AND DEVELOPMENT VERSUS ENGINEERING, PURCHASING VERSUS LEGAL, LINE VERSUS STAFF, AND SO ON. VERTICAL STRAIN INVOLVES COMPETITION BETWEEN HIERARCHICAL LEVELS, FOR EXAMPLE, UNION

CONSEQUENCES

UNRESOLVED CONFLICT IN THE WORKPLACE HAS BEEN LINKED TO MISCOMMUNICATION RESULTING FROM CONFUSION OR REFUSAL TO COOPERATE, QUALITY PROBLEMS, MISSED DEADLINES OR DELAYS, INCREASED STRESS AMONG EMPLOYEES, REDUCED CREATIVE COLLABORATION AND TEAM PROBLEM SOLVING, DISRUPTION TO WORK FLOW, DECREASED CUSTOMER SATISFACTION, DISTRUST, SPLIT CAMPS, AND GOSSIP.

THE WIN-LOSE CONFLICT IN GROUPS MAY HAVE SOME OF THE FOLLOWING NEGATIVE EFFECTS:

- DIVERT TIME AND ENERGY FROM THE MAIN ISSUES
- DELAY DECISIONS
- CREATE DEADLOCKS
- DRIVE UNAGGRESSIVE COMMITTEE MEMBERS TO THE SIDELINES
- Interfere with listening
- OBSTRUCT EXPLORATION OF MORE ALTERNATIVES
- DECREASE OR DESTROY SENSITIVITY
- CAUSE MEMBERS TO DROP OUT OR RESIGN FROM COMMITTEES

CONFLICT MANAGEMENT TECHNIQUES

WE GET INTO A CONFLICT WHEN THE PERSON OPPOSITE TO US HAS A DIFFERENT MINDSET. IT IS VERY COMMON IN A WORKPLACE TO GET INTO DIFFERENCES OF OPINION. SOMETIMES THERE IS A CONFLICT BETWEEN TWO OR MORE EMPLOYEES, SOMETIMES EMPLOYEES HAVE A CONFLICT WITH THEIR MANAGERS AND SO ON. NOW THE QUESTION IS, HOW CAN WE MANAGE DISAGREEMENTS IN WAYS THAT BUILD PERSONAL AND COLLEGIAL RELATIONSHIPS?

HERE ARE FIVE STRATEGIES FROM CONFLICT MANAGEMENT THEORY FOR MANAGING STRESSFUL SITUATIONS. NONE OF THEM IS A "ONE-SIZE-FITS-ALL" ANSWER. WHICH ONE IS THE BEST IN A GIVEN SITUATION DEPENDS ON VARIETY OF FACTORS, INCLUDING AN APPRAISAL OF THE LEVELS OF CONFLICT.

1.COLLABORATING

THIS TECHNIQUE FOLLOWS THE RULE "I WIN, YOU WIN". COLLABORATING MEANS WORKING TOGETHER BY INTEGRATING IDEAS SET OUT BY MULTIPLE PEOPLE. THE OBJECTIVE HERE IS TO FIND A CREATIVE SOLUTION ACCEPTABLE TO EVERYONE. IT CALLS FOR A SIGNIFICANT TIME COMMITMENT BUT IS NOT APPROPRIATE FOR ALL CONFLICTS.

This technique is used in situations where -

- THERE IS A HIGH LEVEL OF TRUST
- WE DON'T WANT TO TAKE COMPLETE RESPONSIBILITY
- WE WANT OTHERS TO ALSO HAVE "OWNERSHIP" OF SOLUTIONS
- People involved are willing to change their thinking
- WE NEED TO WORK THROUGH ANIMOSITY AND HARD FEELINGS

<u>Example</u> – A Businessman should work collaboratively with the manager to establish policies, but collaborative decision-making regarding office supplies wastes time better spent on other activities.

2. COMPROMISING

THIS TECHNIQUE FOLLOWS THE RULE "YOU BEND, I BEND". COMPROMISING MEANS ADJUSTING WITH EACH OTHER'S OPINIONS AND IDEAS, AND THINKING OF A SOLUTION WHERE SOME POINTS OF BOTH THE PARTIES CAN BE ENTERTAINED. SIMILARLY, BOTH THE PARTIES NEED TO GIVE UP ON SOME OF THEIR IDEAS AND SHOULD AGREE WITH THE OTHER.

THIS TECHNIQUE CAN BE USED IN SITUATIONS WHERE -

- People of equal levels are equally committed to goals
- TIME CAN BE SAVED BY REACHING INTERMEDIATE SETTLEMENTS ON INDIVIDUAL PARTS OF COMPLEX MATTERS
- GOALS ARE MODERATELY IMPORTANT

<u>Example</u> – Two friends had a fight and they decide to compromise with each other through mutual understanding.

3. ACCOMMODATING

This technique follows the rule "I lose, you win". Accommodating means giving up of ideas and thoughts so that the other party wins and the conflict ends. This technique can be used when –

- AN ISSUE IS NOT THAT IMPORTANT TO US AS IT IS TO THE OTHER PERSON
- WE REALIZE WE ARE WRONG
- WE ARE WILLING TO LET OTHERS LEARN BY MISTAKE
- WE KNOW WE CANNOT WIN
- IT IS NOT THE RIGHT TIME AND WE WOULD PREFER TO SIMPLY BUILD CREDIT FOR THE FUTURE
- HARMONY IS EXTREMELY IMPORTANT
- What the parties have in common is a good deal more important than their differences

EXAMPLE – WHEN WE FIGHT WITH SOMEONE WE LOVE WE CHOOSE TO LET THEM WIN.

4. COMPETING

THIS TECHNIQUE FOLLOWS THE RULE "I WIN, YOU LOSE". COMPETING MEANS WHEN THERE IS A DISPUTE A PERSON OR A GROUP IS NOT WILLING TO COLLABORATE OR ADJUST BUT IT SIMPLY WANTS THE OPPOSITE PARTY TO LOSE. THIS TECHNIQUE CAN BE USED WHEN —

- WE KNOW YOU ARE RIGHT.
- TIME IS SHORT AND A QUICK DECISION IS TO BE MADE.

- A STRONG PERSONALITY IS TRYING TO STEAMROLL US AND WE DON'T WANT TO BE TAKEN ADVANTAGE OF.
- WE NEED TO STAND UP FOR OUR RIGHTS.

EXAMPLE - WHEN IN A DEBATE THE PARTY WITH MORE FACTS WINS.

5. AVOIDING

THIS TECHNIQUE FOLLOWS THE RULE "NO WINNERS, NO LOSERS". AVOIDING MEANS THE IDEAS SUGGESTED BY BOTH THE PARTIES ARE REJECTED AND A THIRD PERSON IS INVOLVED WHO TAKES A DECISION WITHOUT FAVORING ANY OF THE PARTIES. THIS TECHNIQUE CAN BE USED WHEN —

- THE CONFLICT IS SMALL AND RELATIONSHIPS ARE AT STAKE
- WE ARE COUNTING TO TEN TO COOL OFF
- MORE IMPORTANT ISSUES ARE PRESSING AND WE FEEL WE DON'T HAVE TIME TO DEAL WITH THIS PARTICULAR ONE
- WE HAVE NO POWER AND WE SEE NO CHANCE OF GETTING OUR CONCERNS MET
- WE ARE TOO EMOTIONALLY INVOLVED AND OTHERS AROUND US CAN SOLVE THE CONFLICT MORE SUCCESSFULLY

EXAMPLE – RAHUL AND ROHIT HAD A FIGHT, THEIR MOTHER CAME AND PUNISHED BOTH OF THEM.

NEGOTIATION:

NEGOTIATION IS PROCESS IN WHICH TWO OR MORE PARTIES EXCHANGE GOODS OR SERVICES AND ATTEMPT TO AGREE ON THE EXCHANGE RATE FOR THEM. IN AN ORGANIZATIONAL CONTEXT, NEGOTIATIONS MAY TAKE PLACE BETWEEN TWO PEOPLE, WITHIN A GROUP, BETWEEN GROUPS AND OVER THE INTERNET.

NEGOTIATIONS ARE CATEGORIZED BY FOUR ELEMENTS:

- 1. SOME DISAGREEMENT OR CONFLICT EXISTS, WHICH MAY BE PERCEIVED, FELT OR MANIFEST.
- 2. THERE IS SOME DEGREE OF INTERDEPENDENCE BETWEEN THE PARTIES.
- 3. THE SITUATION MUST BE CONDUCIVE TO OPPORTUNISTIC INTERACTION. EACH PARTY MUST HAVE BOTH THE MEANS AND IN THE INCLINATION TO ATTEMPT TO INFLUENCE THE OTHER.
- 4. THERE EXISTS SOME POSSIBILITY OF AGREEMENT, WITHOUT WHICH THE NEGOTIATION CANNOT BRING ABOUT A POSITIVE RESOLUTION.

NEGOTIATION PROCESS:

- 1. <u>Preparation and Planning:</u> Before the start of negotiations one must be aware of conflict the history leading to the negotiation the people involved and their perception of the conflict expectations from the negotiations etc.
- 2. <u>DEFINITION</u> OF GROUND RULES: ONCE THE PLANNING AND STRATEGY IS DEVELOPED, ONE HAS TO BEGIN DEFINING THE GROUND RULES AND PROCEDURES WITH THE OTHER PARTY OVER THE NEGOTIATION ITSELF THAT WILL DO THE NEGOTIATION. WHERE WILL IT HAPPEN? WHAT TIME CONSTRAINS, IF ANY WILL APPLY? TO WHAT ISSUES WILL NEGOTIATIONS BE LIMITED? WILL THERE SPECIFIC PROCEDURE TO FOLLOW IN AN IMPASSE IS REACHED? DURING THIS PHASE THE PARTIES WILL ALSO EXCHANGE THEIR INITIAL PROPOSALS OR DEMANDS.
- 3. CLARIFICATION AND JUSTIFICATION: WHEN INITIAL POSITIONS HAVE BEEN EXCHANGED, BOTH THE PARTIES WILL EXPLAIN AMPLIFY, CLARIFY, BOLSTER AND JUSTIFY THEIR ORIGINAL DEMANDS. THIS NEED NOT BE CONFRONTATIONAL. RATHER IT IS AN OPPORTUNITY FOR EDUCATING AND INFORMING EACH OTHER ON THE ISSUES WHY THEY ARE IMPORTANT AND HOW EACH ARRIVED AT THEIR INITIAL DEMANDS. THIS IS THE POINT WHERE ONE PARTY MIGHT WANT TO PROVIDE THE OTHER PARTY WITH ANY DOCUMENTATION THAT HELPS SUPPORT ITS POSITION.
- 4. <u>BARGAINING AND PROBLEM SOLVING:</u> THE ESSENCE OF THE NEGOTIATION PROCESS IS THE ACTUAL GIVE AND TAKE IN TRYING TO HASH OUT AN AGREEMENT. IT IS HERE WHERE CONCESSIONS WILL UNDOUBTEDLY NEED TO BE MADE BY BOTH PARTIES.
- 5. <u>CLOSURE AND IMPLEMENTATION:</u> THE FINAL STEP IN THE NEGOTIATION PROCESS IS FORMALIZATION THE AGREEMENT THAT HAS BEEN WORKED OUT AND DEVELOPING AND PROCEDURES THAT ARE NECESSARY FOR IMPLEMENTATION AND MONITORING. FOR MAJOR NEGOTIATIONS, THIS WILL REQUIRE HAMMERING OUT THE SPECIFICS IN A FORMAL CONTRACT.

ORGANIZATIONAL CHANGE:

CHANGE IS A PART OF LIFE WHICH IS INEVITABLE AND PROVIDES OPPORTUNITY FOR GROWTH.

ORGANIZATIONAL CHANGE REFERS TO A MODIFICATION OR TRANSFORMATION OF THE ORGANIZATION'S STRUCTURE, PROCESSES OR GOODS

ORGANISATIONAL CHANGE REFERS TO THE PROCESS OF GROWTH, DECLINE AND TRANSFORMATION WITHIN THE ORGANISATION. IT IS A CONSCIOUS DECISION BY THE MANAGEMENT OF ORGANISATION.

TYPES:

1. PROACTIVE CHANGE

PROACTIVE CHANGE IS THE CHANGE THAT IS INITIATED BY AN ORGANISATION BECAUSE IT IS DESIRABLE TO DO SO. PROACTIVE CHANGES OCCUR WHEN SOME FACTORS MAKE REALIZE ORGANIZATION THINK OVER AND FINALLY DECIDE THAT IMPLEMENTATION OF A PARTICULAR CHANGE IS NECESSARY.

2. REACTIVE CHANGE

REACTIVE CHANGE IS CHANGE INITIATED IN AN ORGANISATION BECAUSE IT IS MADE NECESSARY BY OUTSIDE FORCES. REACTIVE CHANGES OCCUR WHEN FORCES COMPEL ORGANIZATION TO IMPLEMENT CHANGE WITHOUT DELAY. IN OTHER WORDS, WHEN DEMANDS MADE BY THE FORCES ARE COMPILED IN A PASSIVE MANNER, SUCH A CHANGE IS CALLED REACTIVE CHANGE.

FOR INSTANCE, INTRODUCTION OF A NEW EMPLOYEE BENEFIT SCHEME IS PROACTIVE AS THE MANAGEMENT STRONGLY BELIEVES THAT IT ENHANCES THE SATISFACTION AND MOTIVATION OF EMPLOYEES. THE CHANGE WOULD BE REACTIVE IF THE BENEFIT PLAN WAS INTRODUCED BECAUSE OF DEMANDS MADE BY THE EMPLOYEES.

REASONS:

ALL THE REASONS FOR ORGANIZATIONAL CHANGE CAN BE CLASSIFIED INTO TWO CATEGORIES EXTERNAL REASONS AND INTERNAL REASONS:

A. EXTERNAL REASONS:

1. GOVERNMENT RULES AND REGULATIONS:

ONE CAN CATALOGUE A LONG LIST OF THE GOVERNMENT'S RULES AND REGULATIONS NECESSITATING CHANGES IN ORGANIZATIONS.

2. COMPETITION:

THE PRESENT TIME IS THE SURVIVAL OF THE FITTEST. ORGANIZATIONS NEED TO COME UP THE CHALLENGES POSED BY THE COMPETITORS TO SUSTAIN AND SURVIVE.

3. TECHNOLOGICAL ADVANCES:

TECHNOLOGY HAS BECOME THE BUZZWORD OF THE TIME. RAPID CHANGES IN TECHNOLOGY HAS POSED A QUESTION BEFORE THE ORGANIZATION — EITHER RUN OR RUIN.

4. CHANGE IN PEOPLE REQUIREMENTS:

CUSTOMERS DICTATE ORGANIZATION WHAT THEY ACTUALLY REQUIRE. WITH CHANGING REQUIREMENTS OF CUSTOMERS, THE FIVE-STAR-HOTELS HAVE, OF LATE, STARTED TO OFFER NEW SERVICES, SUCH AS BUSINESS CENTRES, CONFERENCE HALL FACILITIES, SECRETARIAL SERVICES, ETC.

B. Internal Reasons:

1. THE DOMINO EFFECT:

THE SOURCE OF CHANGE IS CHANGE ITSELF. THE DOMINO EFFECT MEANS ONE CHANGE TRIGGERS OFF A SERIES OF RELATED CHANGES. FOR EXAMPLE, ESTABLISHING A NEW DEPARTMENT, E.G., THE DEPARTMENT OF BUSINESS ADMINISTRATION MAY CAUSE THE CREATION OF TEACHING AND NON-TEACHING POSITIONS, BUDGETING ALLOCATION, BUILDING CONSTRUCTION ETC.

2. FOR MEETING CRISES:

JUST LIKE HUMAN LIFE, SOME UNFORESEEN HAPPENING, SAY, CRISIS IN THE ORGANIZATION MAKES CONTINUATION OF THE STATUS QUO UNTHINKABLE AND DIFFICULT. SUDDEN DEATH OF A CEO, THE RESIGNATION OF THE EXECUTIVES HOLDING KEY POSITIONS, LOSS OF MAJOR SUPPLIERS ARE THE EXAMPLES OF UNFORESEEN CRISES. THESE MAKE THE ORGANIZATIONAL CONDITION UNSTABLE.

3. ORGANIZATIONAL LIFE-CYCLE:

AS HUMAN BEINGS PASS THROUGH CERTAIN SEQUENTIAL STAGES OF LIFE-CYCLE, SO DO THE ORGANIZATIONS ALSO. AS AN ORGANIZATION GROWS FROM TINY SIZED TO GIANT SIZED OR FROM YOUNG TO MATURE STAGE. EACH STAGE CREATES NEW DEMANDS FOR ADJUSTMENT FOR THE ORGANIZATION AND SO, ACT AS A POTENT SOURCES OF ORGANIZATIONAL CHANGE.

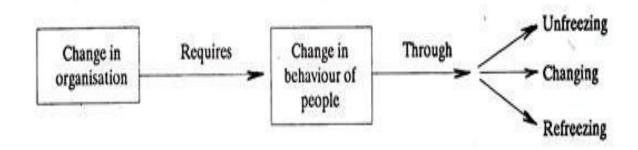
ORGANISATIONAL CHANGE:

ORGANIZATIONAL CHANGE REFERS TO ANY ALTERNATIVES THAT OCCURS IN TOTAL WORK ENVIRONMENT. ORGANIZATIONAL CHANGE IS INEVITABLE IN A PROGRESSIVE CULTURE.

ORGANIZATIONAL CHANGE IS AN IMPORTANT CHARACTERISTIC OF MOST ORGANIZATIONS.

PROCESS:

KURT LEWIN OPINED THAT CHANGE SHALL PROCEED THROUGH 3 STAGES AND IT IS SHOWN BELOW;



(1) Unfreezing:

UNFREEZING IS THE STAGE WHEN TOE OLD AND EXISTING NORMS ARE PRESENT IN A SYSTEM AND THERE ARE PRESSURES/ RESISTANCES FROM THE INDIVIDUALS AS WELL AS GROUPS AS TO NOT TO CHANGE.

THE ESSENCE OF UNFREEZING PHASE IS THAT THE INDIVIDUAL IS MADE TO REALIZE THAT HIS BELIEFS, FEELINGS AND BEHAVIOUR ARE NO LONGER APPROPRIATE OR RELEVANT TO THE CURRENT SITUATION IN THE ORGANISATION. ONCE CONVINCED, PEOPLE MAY CHANGE THEIR BEHAVIOUR.

(2) **CHANGING:**

CHANGING SUCCEEDS UNFREEZING WHEN THE INDIVIDUALS AS WELL AS GROUP MEMBERS ARE IN A STAGE OF TRANSFORMATION AND THEY START ACCEPTING THE NEW NORMS.

ONCE CONVINCED AND READY TO CHANGE, AN INDIVIDUAL, UNDER THIS PHASE, LEARNS TO BEHAVE IN NEW WAYS. HE IS FIRST PROVIDED WITH THE MODEL IN WHICH HE IS TO IDENTIFY HIMSELF. GRADUALLY HE WILL ACCEPT THAT MODEL AND BEHAVE IN THE MANNER.

(3) REFREEZING:

RE FREEZING IS THE FINAL STAGE IN THE LIFE CYCLE OF A CHANGE PROCESS, WHERE CHANGE AND NEW ENVIRONMENT ARE REINFORCED IN THE SYSTEM.

DURING THIS PHASE, A PERSON HAS TO PRACTICE AND EXPERIMENT WITH THE NEW METHOD OF BEHAVIOUR AND SEE THAT IT EFFECTIVELY BLENDS WITH HIS OTHER BEHAVIOURAL ATTITUDES.

ORGANISATIONAL CHANGE FAILS MAINLY DUE TO THE FOLLOWING REASONS

• TRUST:

IF PEOPLE ARE NOT PROVIDED WITH AN OPPORTUNITY FOR INVOLVEMENT THEY WORK FOR THEMSELVES.

• IMMEDIATE RESULTS:

Managers prefer action, immediate solutions and tough words rather than asking questions and reflecting;

• **AUTOCRATIC STYLE:**

SENIOR MANAGEMENT AS EVER TELL/ COMMAND/ DIRECT; HOWEVER MUCH OF IT IS DRESSED UP IN FANCY WORDS AND SPECTACULAR LAUNCHES, IT IS STILL "DO AS I SAY"

• CHANGE IS A JOURNEY, NOT A DESTINATION:

CHANGE IS VIEWED AS A SINGLE EVENT WHEN IT IS REALLY A FUNDAMENTAL ATTITUDE, AN ONGOING PROCESS.

• FEAR OF FAILURE:

THE FEAR THAT NEXT QUARTER'S FIGURES WILL BE BAD, THE SHARE PRICE WILL FALL AND WE WILL BE BLAMED: THIS CLOSES DOWN OPTIONS SO NOTHING INNOVATIVE IS EXPLORED.

Ask Questions:

SENIOR MANAGEMENT FAIL TO ASK QUESTIONS AND WHEN THEY DO ASK A QUESTION THEY DON'T EVEN LISTEN TO THE ANSWER, THIS LEADS TO THEIR OWN ASSUMPTIONS ABOUT REALITY

RESISTANCE TO CHANGE

ONE OF THE MOST IMPORTANT TASKS OF MANAGERS IS TO FACILITATE CHANGES SMOOTHLY. CHANGE IS ALWAYS INEVITABLE BUT SO IS RESISTANCE TO CHANGE.

REASONS FOR RESISTANCE TO CHANGE

IN ORDER TO FACILITATE TRANSITIONS AND CHANGES, MANAGERS MUST FIRST BE ABLE TO IDENTIFY THE EXACT REASON FOR RESISTANCE. SUCH RESISTANCE TO CHANGE IS COMMON IN ALL ORGANIZATIONS. THE FOLLOWING ARE SOME COMMON REASONS FOR THIS:

- PEOPLE GENERALLY FIND IT CONVENIENT TO CONTINUE DOING SOMETHING AS THEY HAVE ALWAYS BEEN DOING. MAKING THEM LEARN SOMETHING NEW IS DIFFICULT.
- CHANGES ALWAYS BRING ABOUT ALTERATIONS IN A PERSON'S DUTIES, <u>POWERS</u>, AND INFLUENCE. HENCE, THE PEOPLE TO WHOM SUCH CHANGES WILL AFFECT NEGATIVELY WILL ALWAYS RESIST.
- People who are adamant on maintaining customs instead of taking risks and doing new things will always resist changes.

Types of Resistance to Change

- A) LOGICAL RESISTANCE: THIS KIND OF RESISTANCE BASICALLY ARISES FROM THE TIME PEOPLE GENUINELY TAKE TO ADAPT AND ADJUST TO CHANGES. FOR EXAMPLE, WHEN COMPUTERS BECAME COMMON, ACCOUNTANTS HAD TO SHIFT FROM ACCOUNTING ON PAPER TO DIGITAL ACCOUNTING. THIS NATURALLY TAKES TIME TO ADAPT TO.
- B) <u>PSYCHOLOGICAL RESISTANCE:</u> UNDER THIS CATEGORY, THE RESISTANCE OCCURS PURELY DUE TO MENTAL AND PSYCHOLOGICAL FACTORS. INDIVIDUALS OFTEN RESIST CHANGES FOR REASONS LIKE FEAR OF THE UNKNOWN, LESS TOLERANCE TO CHANGE, DISLIKE TOWARDS THE MANAGEMENT, ETC.
- C) <u>SOCIOLOGICAL RESISTANCE</u>: THIS RESISTANCE RELATES NOT TO INDIVIDUALS BUT RATHER TO THE COMMON VALUES AND CUSTOMS OF GROUPS. INDIVIDUALS MAY BE WILLING TO CHANGE BUT WILL NOT DUE TO PEER PRESSURE FROM THE GROUP THEY ARE MEMBERS OF. FOR EXAMPLE, IF A WORKERS' UNION PROTESTS AGAINST NEW MANAGEMENT POLICIES, ALL WORKERS FACE PRESSURE TO PROTEST TOGETHER.

OVERCOMING RESISTANCE

WHILE CHANGE WILL ALMOST ALWAYS FACE RESISTANCE, IT IS CERTAINLY POSSIBLE TO OVERCOME IT.

MANAGERS MUST STRIVE TO HELP THEIR EMPLOYEES ADJUST TO CHANGES AND FACILITATE NEW VARIATIONS IN FUNCTIONING.

1. EDUCATION AND COMMUNICATION

TO MITIGATE RESISTANCE TO CHANGE YOU CAN EDUCATE AND COMMUNICATE YOUR TEAM ABOUT THE CHANGE BEFORE IT BEGINS. THIS WILL HELP TEAM MEMBERS TO UNDERSTAND THE LOGICAL NEED FOR THE CHANGE.

It is better to over-communicate than to under-communicate. Because of this, consider using a range of techniques from one-to-one meetings, Q&A sessions, <u>town hall meetings</u>, and presentations.

ADVANTAGES

ONCE ON BOARD WITH THE CHANGE PEOPLE WILL BE MORE WILLING TO GET INVOLVED WITH ITS IMPLEMENTATION.

DISADVANTAGES

IT IS VERY TIME-CONSUMING TO REPEATEDLY COMMUNICATE WITH EVERY MEMBER OF AN ORGANIZATION.

2. Participation and involvement

TO MITIGATE RESISTANCE TO CHANGE YOU CAN INVOLVE TEAM MEMBERS LIKELY TO RESIST THE CHANGE TO BE INVOLVED IN SOME ASPECT OF DESIGNING THE CHANGE. BY HELPING TO DESIGN PART OF THE CHANGE PEOPLE WILL FEEL MUCH MORE BOUGHT INTO IT. THEY WILL HAVE OWNERSHIP. YOU GET THEIR COMMITMENT, NOT JUST THEIR COMPLIANCE.

ADVANTAGES

WITH MORE INPUT FROM MORE PEOPLE, THE QUALITY OF YOUR CHANGE PLAN WILL IMPROVE. POTENTIAL RESISTORS TO CHANGE WILL BE BOUGHT INTO THE PLAN.

DISADVANTAGES

YOU NEED TO BE CAREFUL THAT TEAM MEMBERS DON'T DESIGN AN INAPPROPRIATE CHANGE. THIS CAN BE TIME-CONSUMING.

3. FACILITATION AND SUPPORT

TO MITIGATE RESISTANCE TO CHANGE YOU CAN SUPPORT PEOPLE THROUGH THE CHANGE. THIS COULD MEAN PROVIDING THEM WITH TRAINING AND EDUCATION, OR IT COULD MEAN PROVIDING THEM WITH EMOTIONAL SUPPORT. THIS CAN BE PARTICULARLY CHALLENGING FOR TOUGH, DRIVEN MANAGERS.

FAMILIARIZE YOURSELF WITH THE CHANGE CURVE, TO UNDERSTAND WHAT KIND OF SUPPORT IS NEEDED AT EACH STAGE OF THE CURVE.

ADVANTAGES

THIS IS THE BEST APPROACH TO USE WITH FEAR AND ANXIETY.

DISADVANTAGES

THIS APPROACH CAN BE TIME-CONSUMING, EXPENSIVE, AND YET STILL FAIL.

4. NEGOTIATION AND AGREEMENT

TO MITIGATE RESISTANCE TO CHANGE YOU CAN COME TO A NEGOTIATED AGREEMENT WITH POTENTIAL RESISTORS. A FINANCIAL INCENTIVE COULD BE OFFERED, FOR EXAMPLE, TO ENCOURAGE PEOPLE TO CHANGE THEIR WAYS OF WORKING. ANY AGREEMENT REACHED SHOULD BE WRITTEN DOWN AND FORMAL SO IT CAN BE REFERRED TO LATER.

ADVANTAGES

IT CAN BE A QUICK AND EASY WAY TO AVOID RESISTANCE.

DISADVANTAGES

IT CAN BE EXPENSIVE IF EVERYONE WANTS COMPENSATION TO ACCEPT THE CHANGE.

5. EXPLICIT AND IMPLICIT COERCION

TO MITIGATE RESISTANCE TO CHANGE YOU CAN USE EXPLICIT OR IMPLICIT COERCION. HERE YOU ESSENTIALLY, IMPLICITLY OR EXPLICITLY, THREATEN TEAM MEMBERS TO ACCEPT THE CHANGE. THIS COULD MEAN THAT YOU THREATEN THEY WILL LOSE THEIR JOB, OR IT COULD MEAN YOU THREATEN TO TRANSFER THEM TO A DIFFERENT PART OF THE ORGANIZATION.

ADVANTAGES

THIS METHOD IS QUICK. IT CAN OVERCOME ALL TYPES OF RESISTANCE.

DISADVANTAGES

IT CAN BE RISKY. TEAM MEMBERS CAN BE FURIOUS AT NOT JUST THE CHANGE BUT ALSO HOW THEY ARE BEING HANDLED.

ORGANISATIONAL DEVELOPMENT:

ORGANISATIONAL (OR ORGANIZATION) DEVELOPMENT OR SIMPLY O.D. IS A TECHNIQUE OF PLANNED CHANGE. IT SEEKS TO CHANGE BELIEFS, ATTITUDES, VALUES AND STRUCTURES-IN FACT THE ENTIRE CULTURE OF THE ORGANIZATION—SO THAT THE ORGANIZATION MAY BETTER ADAPT TO TECHNOLOGY AND LIVE WITH THE PACE OF CHANGE.

O.D. IS A COMPREHENSIVE STRATEGY FOR ORGANIZATION IMPROVEMENT.

O.D. IS A LONG RANGE EFFORT TO IMPROVE AN ORGANIZATION'S PROBLEM SOLVING AND RENEWAL PROCESSES, PARTICULARLY THROUGH A MORE EFFECTIVE AND COLLABORATIVE MANAGEMENT CULTURE.

OBJECTIVES:

- (A) IMPROVEMENT IN THE PERFORMANCE OF THE ORGANISATION.
- (B) IMPROVEMENT IN THE ABILITY OF THE ORGANISATION TO ADAPT TO ITS ENVIRONMENT, AND
- (C) IMPROVEMENT IN INTER-PERSONAL AND INTER-GROUP BEHAVIOUR TO SECURE TEAM WORK.

CHARACTERISTICS:

- 1. Organisational development is an educational strategy for bringing a planned change.
- 2. It is related to real problems of the organisation.
- 3. LABORATORY TRAINING METHODS BASED ON EXPERIENCED BEHAVIOUR ARE PRIMARILY USED TO BRING CHANGE.
- **4.** There is a close working relationship between change agents and the people who are being changed.

PROCESS:

1. PROBLEM IDENTIFICATION—DIAGNOSIS:

O.D. PROGRAM STARTS WITH THE IDENTIFICATION OF THE PROBLEM IN THE ORGANISATION. CORRECT DIAGNOSIS OF THE PROBLEM WILL PROVIDE ITS CAUSES AND DETERMINE THE FUTURE ACTION NEEDED.

2. PLANNING STRATEGY FOR CHANGE:

O.D. CONSULTANT ATTEMPTS TO TRANSFORM DIAGNOSIS OF THE PROBLEM INTO A PROPER ACTION PLAN INVOLVING THE OVERALL GOALS FOR CHANGE, DETERMINATION OF BASIC APPROACH FOR ATTAINING THESE GOALS AND THE SEQUENCE OF DETAILED SCHEME FOR IMPLEMENTING THE APPROACH.

3. IMPLEMENTING THE CHANGE:

O.D. CONSULTANTS PLAY AN IMPORTANT ROLE IN IMPLEMENTING CHANGE.

4. EVALUATION:

0. D. IS A LONG-TERM PROCESS. SO THERE IS A GREAT NEED FOR CAREFUL MONITORING TO GET PROCESS FEEDBACK WHETHER THE **0.D.** PROGRAMME IS GOING ON WELL AFTER ITS IMPLEMENTATION OR NOT. THIS WILL HELP IN MAKING SUITABLE MODIFICATIONS, IF NECESSARY.

ORGANIZATIONAL CULTURE IS THE SET OF ASSUMPTIONS, BELIEFS, VALUES AND NORMS THAT ARE SHARED BY AN ORGANIZATION'S MEMBERS. ORGANIZATIONAL CULTURE IS THE INVISIBLE POWER WHICH IS ACCUMULATED THROUGH THE CONSTANT EFFORTS OF ITS PEOPLE.

CHARACTERISTICS OF ORGANIZATIONAL CULTURE:

1. Prescriptive

IT PRESCRIBES THE KINDS OF BEHAVIOR CONSIDERED ACCEPTABLE IN THE SOCIETY.

2. SOCIAL SHARED

CULTURE OUT OF NECESSITY MUST BE BASED ON SOCIAL INTERACTION AND CREATION. IT CANNOT EXIST BY ITSELF. IT MUST BE SHARED BY THE MEMBERS OF SOCIETY.

3. LEARNED

CULTURE IS NOT INHERITED GENETICALLY IT MUST BE LEARNED AND ACQUIRED SOCIALIZATION OCCURS WHEN A PERSON ABSORBS OR LEARNS THE CULTURE IN WHICH HE OR SHE IS RAISED.

4. SUBJECTIVE

PEOPLE IN DIFFERENT CULTURES OFTEN HAVE DIFFERENT IDEAS ABOUT THE SAME OBJECT. WHAT IS ACCEPTABLE IN ONE CULTURE MAY NOT NECESSARILY BE SO IN ANOTHER.

CREATING ORGANIZATIONAL CULTURE

1. BE A ROLE MODEL AND BE VISIBLE.

YOUR EMPLOYEES LOOK TO THE BEHAVIOR OF TOP MANAGEMENT AS A MODEL OF WHAT'S ACCEPTABLE BEHAVIOR IN THE WORKPLACE. WHEN SENIOR MANAGEMENT IS OBSERVED (BY SUBORDINATES) TO TAKE THE ETHICAL HIGH ROAD, IT SENDS A POSITIVE MESSAGE FOR ALL EMPLOYEES.

2. COMMUNICATE ETHICAL EXPECTATIONS.

ETHICAL AMBIGUITIES CAN BE REDUCED BY CREATING AND DISSEMINATING AN ORGANIZATIONAL CODE OF ETHICS. IT SHOULD STATE THE ORGANIZATION'S PRIMARY VALUES AND THE ETHICAL RULES THAT EMPLOYEES ARE EXPECTED TO FOLLOW.

REMEMBER, HOWEVER, THAT A CODE OF ETHICS IS WORTHLESS IF TOP MANAGEMENT FAILS TO MODEL ETHICAL BEHAVIORS.

3. OFFER ETHICS TRAINING

SET UP SEMINARS, WORKSHOPS, AND SIMILAR ETHICAL TRAINING PROGRAMS. USE THESE TRAINING SESSIONS TO REINFORCE THE ORGANIZATION'S STANDARDS OF CONDUCT, TO CLARIFY WHAT PRACTICES ARE AND ARE NOT PERMISSIBLE, AND TO ADDRESS POSSIBLE ETHICAL DILEMMAS.

4. VISIBLY REWARD ETHICAL ACTS AND PUNISH UNETHICAL ONES.

PERFORMANCE APPRAISALS OF MANAGERS SHOULD INCLUDE A POINT-BY-POINT EVALUATION OF HOW HIS OR HER DECISIONS MEASURE UP AGAINST THE ORGANIZATION'S CODE OF ETHICS.

PEOPLE WHO ACT ETHICALLY SHOULD BE VISIBLY REWARDED FOR THEIR BEHAVIOR. JUST AS IMPORTANTLY, UNETHICAL ACTS SHOULD BE PUNISHED.

5. Provide protective mechanisms.

THE ORGANIZATION NEEDS TO PROVIDE FORMAL MECHANISMS SO THAT EMPLOYEES CAN DISCUSS ETHICAL DILEMMAS AND REPORT UNETHICAL BEHAVIOR WITHOUT FEAR OF REPRIMAND. THIS MIGHT INCLUDE CREATION OF ETHICAL COUNSELORS, OMBUDSMEN, OR ETHICAL OFFICERS.

STRESS IS AN INDIVIDUAL'S RESPONSE TO A DISTURBING FACTOR IN THE ENVIRONMENT AND THE CONSEQUENCE OF SUCH REACTION. STRESS OBVIOUSLY INVOLVES INTERACTION OF THE PERSON AND THE ENVIRONMENT. IT IS AN ADAPTIVE RESPONSE TO AN EXTERNAL SITUATION THAT RESULTS IN PHYSICAL, PSYCHOLOGICAL AND BEHAVIORAL DEVIATIONS FOR ORGANIZATIONAL PARTICIPANTS.

FORMS OF STRESS

1.EUSTRESS:

EU STRESS THE SOURCES OF STRESS NEED NOT BE BAD FOR EXAMPLE RECEIVING A BONUS AND THEN HAVING TO DECIDE WHAT TO DO WITH THE MONEY CAN BE STRESSFUL.

EUSTRESS CAN LEAD TO A NUMBER OF POSITIVE OUTCOMES FOR THE INDIVIDUAL HE IS STRESS IS OFTEN VIEWED AS A MOTIVATOR SINCE IN ITS ABSENCE THE INDIVIDUAL LACKS THAT EDGE, WHICH IS NECESSARY FOR PEAK PERFORMANCE.

2. DISTRESS:

DISTRESS IS A NEGATIVE STRESS AND THIS IS WHAT MOST PEOPLE THINK OF WHEN THEY HEAR THE WORD STRESS.

SOURCES OF STRESS

1. INDIVIDUAL FACTORS

FAMILY STRESS—MARRIAGES THAT ARE ENDING, ISSUES WITH CHILDREN, AN AILING PARENT—THESE ARE STRESSFUL SITUATIONS THAT AN EMPLOYEE REALLY CAN'T LEAVE AT HOME WHEN HE OR SHE COMES TO WORK.

FINANCIAL STRESS, LIKE THE INABILITY TO PAY BILLS OR AN UNEXPECTED NEW DEMAND ON A PERSON'S CASH FLOW MIGHT ALSO BE AN ISSUE THAT DISTURBS AN EMPLOYEE'S TIME AT WORK.

FINALLY, AN INDIVIDUAL'S OWN PERSONALITY MIGHT ACTUALLY CONTRIBUTE TO HIS OR HER STRESS. PEOPLE'S DISPOSITIONS—HOW THEY PERCEIVE THINGS AS NEGATIVE OR POSITIVE—CAN BE A FACTOR IN EACH PERSON'S STRESS AS WELL.

2. Organizational Factors

- A. TASK OR ROLE DEMANDS: THESE ARE FACTORS RELATED TO A PERSON'S ROLE AT WORK, INCLUDING THE DESIGN OF A PERSON'S JOB OR WORKING CONDITIONS. A STRESSFUL TASK DEMAND MIGHT BE A DETAILED, WEEKLY PRESENTATION TO THE COMPANY'S SENIOR TEAM
- B. ORGANIZATIONAL STRUCTURE: THIS REFERS TO THE LEVEL OF DIFFERENTIATION WITHIN AN ORGANIZATION, THE DEGREE OF RULES AND REGULATIONS, AND WHERE DECISIONS ARE MADE. IF EMPLOYEES ARE UNABLE TO PARTICIPATE IN DECISIONS THAT AFFECT THEM, THEY MAY EXPERIENCE STRESS.

- C. ORGANIZATIONAL LEADERSHIP: THIS REFERS TO THE ORGANIZATION'S STYLE OF LEADERSHIP, PARTICULARLY THE MANAGERIAL STYLE OF ITS SENIOR EXECUTIVES. LEADERS CAN CREATE AN ENVIRONMENT OF TENSION, FEAR AND ANXIETY AND CAN EXERT UNREALISTIC PRESSURE AND CONTROL. IF EMPLOYEES ARE AFRAID THEY'LL BE FIRED FOR NOT LIVING UP TO LEADERSHIP'S STANDARDS, THIS CAN DEFINITELY BE A SOURCE OF STRESS.
- 3. ENVIRONMENTAL FACTORS: THE ECONOMY MAY BE IN A DOWNTURN, CREATING UNCERTAINTY FOR JOB FUTURES AND BANK ACCOUNTS. THERE MAY BE POLITICAL UNREST OR CHANGE CREATING STRESS. FINALLY, TECHNOLOGY CAN CAUSE STRESS, AS NEW DEVELOPMENTS ARE CONSTANTLY MAKING EMPLOYEE SKILLS OBSOLETE, AND WORKERS FEAR THEY'LL BE REPLACED BY A MACHINE THAT CAN DO THE SAME.

MANAGEMENT OF STRESS

1. ORGANIZATIONAL ROLE CLARITY:

PEOPLE EXPERIENCE STRESS WHEN THEY ARE NOT CLEAR ABOUT WHAT THEY ARE EXPECTED TO DO IN THE ORGANIZATION .THIS MAY HAPPEN BECAUSE EITHER THERE IS AMBIGUITY WHICH CAN BE OVERCOME BY DEFINING EACH ROLE MORE CLEARLY.

2. JOB REDESIGN:

JOB MAYBE A SOURCE OF STRESS FOR TOO MANY INDIVIDUALS. PROPERLY DESIGNED JOBS AND WORKSHEETS CAN HELP IN EASING THE STRESS IN THE INDIVIDUALS UNDER ORGANIZATION.

3. STRESS REDUCTION AND STRESS MANAGEMENT PROGRAMS

STRESS REDUCTION PROGRAMS AIM TO IDENTIFY RELEVANT ORGANIZATIONAL STRESSORS AND TO REDUCE THEIR EFFECTS BY REDESIGNING WORKLOADS .

STRESS MANAGEMENT SCHEMES USUALLY FOCUS ON TRAINING OF INDIVIDUAL EMPLOYEES OR THEIR WORK GROUPS TO MANAGE THEIR STRESS SYMPTOMS IN MORE EFFECTIVE WAYS.

4. COLLATERAL PROGRAMS

IT IS AN ORGANIZATIONAL PROGRAM SPECIFICALLY CREATED FOR THE WELL-BEING OF THE EMPLOYEES. ORGANIZATIONS HAVE ADOPTED STRESS MANAGEMENT PROGRAMS SAY FOR EXAMPLE HEALTH PROMOTION PROGRAMS CAREER DEVELOPMENT PROGRAMS COUNSELING AND OTHER KINDS OF PROGRAMS.

5. SUPPORT TO ORGANIZATIONAL CULTURE

MANY ORGANIZATIONAL STRESSORS EMERGE BECAUSE OF FAULTY
ORGANIZATIONAL POLICIES AND PRACTICES. TO A GREAT EXTEND THESE CAN BE
CONTROLLED BY CREATING SUPPORT TO ORGANIZATIONAL CLIMATE, WHICH DEPENDS
UPON MANAGERIAL LEADERSHIP AND THE FOCUS IS PRIMARILY ON PARTICIPATION AND
INVOLVEMENT OF EMPLOYEES IN DECISION MAKING PROCESS.

6. COUNSELLING

COUNSELLING IS A DISCUSSION OF A PROBLEM BY AN EMPLOYER (COUNSELOR) WITH AN EMPLOYEE (COUNSELEE) WITH A VIEW TO HELP THE EMPLOYEE TO COPE UP WITH IT BETTER.

COUNSELING SEEKS TO IMPROVE EMPLOYEES MENTAL HEALTH BY THE RELEASE OF EMOTIONAL TENSION WHICH IS ALSO KNOWN AS EMOTIONAL CATHARSIS.

ORGANIZATIONAL EFFECTIVENESS:

ORGANIZATIONAL EFFECTIVENESS IS THE EXTENT TO WHICH AN ORGANIZATION ACHIEVE ITS GOALS WITH THE GIVEN RESOURCES AND MEANS.

AN ORGANIZATION IS SET TO BE EFFECTIVE IF IT IS ABLE TO ACHIEVE ITS GOALS.

THE LEVEL OF OUTPUT AN ORGANIZATION ACHIEVES WITH ITS LIMITED RESOURCES DETERMINES IT'S EFFICIENCY AND THE EXTENT TO WHICH IT IS SUCCESSFUL IN DOING WHAT IS SET OUT TO DO DETERMINE ITS EFFECTIVENESS.

IT IS THE ABILITY OF AN ORGANIZATION TO MOBILIZE ITS POWER FOR ACTION PRODUCTION AND ADOPTION.

LEVELS:

1. INDIVIDUAL EFFECTIVENESS

INDIVIDUAL EFFECTIVENESS DEPENDS UPON THE EMPLOYEES POSITIVE ATTITUDE, COMMITMENT AND INVOLVEMENT IN ORGANIZATIONAL ACTIVITIES.

INDIVIDUALS CONTRIBUTIONS TO ORGANIZATION DEPENDS ON INDIVIDUAL SKILLS, ABILITIES, EMOTIONS, KNOWLEDGE, MOTIVATION AND STRESS.

2. GROUP EFFECTIVENESS

EMPLOYEES TODAY PREFER TO WORK ALONG WITH OTHERS IN ORDER TO SATISFY THEIR INDIVIDUAL NEEDS & ORGANIZATIONAL GOALS THROUGH THE IMPACT OF SYNERGY.

GROUP CONTRIBUTION TO ORGANIZATIONAL EFFECTIVENESS DEPENDS UPON GROUP COHESION, LEADERSHIP, GROUPS STRUCTURE, STATUS, ROLES AND NORMS.

3. ORGANIZATIONAL EFFECTIVENESS:

EFFECTIVE CONTRIBUTIONS OF INDIVIDUAL EMPLOYEES AND GROUPS RESULT IN ORGANIZATIONAL EFFECTS IT DEPENDS UPON INDIVIDUALS CONTRIBUTION GROUP CONTRIBUTION IN ADDITION TO ENVIRONMENT TECHNOLOGY ETC.

APPROACHES:

1. GOAL ATTAINMENT APPROACH

TODAY ON ORGANIZATIONS HAVE TO BE EFFECTIVE, OTHERWISE THEY WILL FALL SICK AND ULTIMATELY PERISH. TO MEASURE THE EFFECTIVENESS OF THE ORGANIZATION, THE GOAL ATTAINMENT APPROACH HAS BEEN PRACTICED SINCE LONG.

ACCORDING TO THIS APPROACH, AN ORGANIZATION EXISTS TO ACCOMPLISH THE GOALS SET. EVEN INDIVIDUALS HOW THEIR PERSONAL GOALS AND THEIR TRY TO ATTAIN THEM GOALS OR SET FOR THE ORGANIZATION DEPARTMENTS GROUPS AND INDIVIDUALS THESE ARE QUANTIFIABLE AND CAN BE MEASURED.

2. SYSTEMS APPROACH

A SYSTEM IS A SET OF INTERRELATED BUT SEPARATE PARTS WORKING TOWARDS A COMMON PURPOSE. THE ARRANGEMENT OF ELEMENTS MUST BE ORDERLY AND THERE MUST BE PROPER COMMUNICATION FACILITATING INTERACTION BETWEEN THE ELEMENTS AND FINALLY THE INTERACTION SHOULD LEAD TO A COMMON GOAL.

OPEN SYSTEM HAS FLOWS OF INFORMATION, MATERIALS AND ENERGY. THESE ENTER THE SYSTEM FROM THE ENVIRONMENT AS INPUTS UNDERGO TRANSFORMATION PROCESS WITHIN THE SYSTEM AND EXIT THE SYSTEM AS OUTPUT.

3. STRATEGIC CONSTITUENCIES APPROACH:

WITH THE INCREASE IN SIGNIFICANCE OF STRATEGIC MANAGEMENT, STRATEGY CONSTITUENCIES APPROACH TO ORGANIZATIONAL EFFECTIVENESS HAS EMERGED.

UNDER THIS APPROACH, THE ORGANIZATIONS UNDERSTAND THE ENVIRONMENTAL OPPORTUNITIES SELECT THE APPROPRIATE PRODUCT OR SERVICES AND PROVIDE THE SAME TO ENVIRONMENT.

4. COMPETING VALUES APPROACH

IT PRESENTS AN INTEGRATE FRAMEWORK FOR ESTIMATING ORGANIZATIONAL EFFECTIVENESS. THE ENTIRE CONCEPT IS BASED ON A FUNDAMENTAL FACT, WHICH IS CLEAR FROM ITS TITLE THAT DIFFERENT PEOPLE COMPRISING THE ORGANIZATION SUCH AS STOCKHOLDERS, CREDITORS, WORKERS, THINKERS, AREA SPECIALISTS WILL EVALUATE EFFECTIVENESS OF ORGANIZATION FROM THEIR OWN POINT OF VIEW.