

Unit-I

Introduction to organizational behavior, Foundation and background of OB, Contemporary Challenges-workforce diversity, cross-cultural dynamics, Foundations of Individual behavior, Individual difference, Values and Attitudes

What is organizational behavior? Discuss the impact work force diversity on organizational behavior?

Organizational behavior is field of study that illustrates the impact that individual, groups and structure have on behavior within organization for his purpose of applying such knowledge towards improving an organization affective ness i.e. OB is concussed with the study of what people do in an organization and how that behavior affects the performance of the organization. Underlying this systematic approach is the belief that behavior is not random. It stems from and is directed towards some and that individual believes, rightly or wrongly, is in his or her best interest.

Ob is an applied behavioral science that is built on contribution from a number of behavioral disciplines. The predominant areas are:-

- a) **Psychology:-** The science that sets to explain and sometimes change the behavior of human being. The contribution includes study of topics like Motivation, personality, Emotions, Job Satisfaction etc.
- b) **Sociology:-** The study people in relation to them human beings. The contribution includes study of topics like Group dynamics, work team, communication, power etc.
- c) **Anthropology:-** The study of societies to learn about human being and their activities. The contribution includes study of topics like organizational culture, organizational environment, cross-cultural analysis etc.
- d) **Political science:-** The study of individual and groups within a political environment. The contribution includes the study of topics like conflict, Intra-organizational politics, power etc.

One of the most important and broad based challenges currently facing organizations is adapting to people who are different. The term to describe this challenge is work force diversity. While globalization focuses on differences between people from different countries work force diversity addresses differences among people within given countries.

Work force means that organizations are becoming more heterogeneous in terms of gender, which varies from the so-called norm. It includes women, south Indians, Bengalines, Punjabis, physically disabled, elderly etc.

Work forces diversity has important implications for management practice. Managers have to shift their philosophy from treating everyone alike to recognizing differences and responding to

those differences in ways that ensure employee retention and greater productivity while at the same time, not (page no 7) discriminating. This shift includes, for instance, providing diversity training and revamping benefits programs to accommodate the different employees. Work force diversity if positively managed, can increase creativity and innovation in organizations as well as improve decision making by providing different perspectives on problems. When work diversity is not managed properly, there is potential for higher turnover, more difficult communication and more interpersonal conflicts.

Q1. Discuss the meaning and scope of organizational behavior what are the contemporary challenges to organizational behavior.

Ans. Organizational behavior is a field of study that investigates that impact that individuals, groups and structure have on behavior within organizations, for the purpose applying, such knowledge towards improving an organization's effectiveness.

OB is concerned with the study of what people do in an organizations and how that behavior affects the performance of an organization.

These are lot of challenges today for managers to use OB concepts. These include:

Responding to Globalization:- Globalization affects a manager's people skills in at least two ways. First, if a manager is transferred to his employer's operating division or subsidiary in another another country. Once there, he has to manage a work force that is likely to be very different in needs, aspirations, and attitudes from those he used to work back home. Second even in his own country a manager is going to find himself working with bosses, peers, and other employees who were born and raised in different culture what motivates one person may not motivate another person. Or the manager's style of communication may be straight forward and threatening. To work effectively with these people, the manager will need to understand their culture, how it is shaped, and how to adapt his management style to their differences.

b) Managing workforce diversity:- One of the most important and broad based challenges currently facing organizations is adapting people who are different. While globalization focuses on differences between people from different countries, workforce diversity addresses difference among people within given countries.

Workforce diversity means that organizations are becoming more heterogeneous in terms of gender, race and ethnicity. Employees don't set aside their cultural values and lifestyle preferences when they come to work. The challenge for organizations, therefore, is to make them more accommodating to diverse group of people by addressing their different lifestyle, family needs and work style.

Workforce diversity has important implications for management practice. Managers have to shift their philosophy from treating everyone alike to recognizing differences and responding to those differences in ways that ensure employee retention and greater productivity while, at the same

time, not discriminating. This shift includes for instance providing diversity training and revamping benefits programs to accommodate the different needs of different employees. Diversity if positively managed can increase creativity and innovation in organizations as well as improve decision making by providing different perspectives on problems. When diversity is not managed properly, there communication and more interpersonal conflicts.

Quality management is driven by constant attainment of customer satisfaction through the continuous improvement of all organizational processes. It has implications for OB because it requires employees to rethink what they do and become more involved in workplace decisions.

Today's managers understand that the success of any effort at improving quality and productivity must include their employees. These employees will not only be a major force in carrying out changes but increasingly participate in planning those changes. OB offers important insights into helping managers work through these changes.

Individual Behavior

Individual Behavior is influenced by factors such as biographical characteristics, ability and learning. Biographical characters include factors such as employee's age, gender, length of service with an organization.

The relationship between age and job performance is of increasing importance in the study of organization behavior. The reason for this is a widespread belief that job performance declines with increasing age. But at the same time, there are some positive qualities that older workers bring to their jobs, especially experience, strong work ethics and commitment to quality. But older workers are also perceived as lacking flexibility and as resistant to new technology.

The older worker gets, the less likely he is to quit his job. As workers get older, they have fewer alternative job opportunities. In addition, older workers are less likely to resign than are younger workers because their long tenure tends to provide them with higher wage rates, longer paid vacations and more attractive pension benefits.

The natural conclusion is that the demands of most jobs, even those with heavy manual labor requirement are not extreme enough for any decline in physical skills attributable to age to have an impact on productivity, or if there is some decay due to age, it is offset by aging due to experience.

INDIVIDUAL DIFFERENCES

Gender:- Important differences between men and women that will effect their job performance. There are no consistent male-female differences in problem-solving ability, analytical skills, competitive drive, and socio ability. Psychological studies have found that women are more willing to conform to authority and that men are more aggressive and more likely than women to have expectations of success, but those differences are minor. One issue that seems to differ between gender, especially when the employee has preschool-age children, is preference for

work schedules. Working mothers are more likely to prefer part time work, flexible work schedules and telecommunicating in order to accommodate their family responsibilities.

Marital Status:- Research consistently indicates that married employees have fewer absences, undergo less turnover and are more satisfied with their jobs than are their unmarried workers. Marriage imposes increased responsibilities that may make a steady job more valuable and important.

Tenure:- If we define seniority as time on a particular job, we can say that the most recent evidence demonstrates positive relationship between seniority and job productivity. So tenure, expressed as work experience, appears to be negatively related to absenteeism. Tenure is also a potent variable in explaining turnover. The longer a person is in a job, the less likely he or she is to quit. Consistent with research that suggests that past behavior is the best predictor of future behavior evidence indicates that tenure on an employee's previous job is a powerful predictor of that employee's future turnover. The evidence indicates that tenure and satisfaction are positively related.

VALUES

Values represent basic conviction that a specific mode of conduct or end- state of existence is personally or society preferable to an opposite mode of conduct. They contain a Judgmental element in that they carry an individual's ideas as to what is right, good or desirable. Values have both context and intensity attributes. The context attribute says that a mode of conduct is important. The intensity attributes specifies how important it is.

Values are important to the study of organizational behavior they lay the foundation for the understanding of attributes and motivation and because they influence our perception. Managers have to become capable of working with people from different cultures. Because values and attributes differ across cultures, an understanding of these differences should be helpful in explaining and predicting behavior of employees from different cultures. Nine dimensions on which cultures differ:-

Assertiveness:- The extent to which a society encourages people to be tough, assertive, confrontational and competitive versus modest and tender.

Future Oriented:- The extent to which a society encourages and rewards future oriented behaviors such as planning, investing in future and laying gratification.

Gender Differentiation:- The extent to which society maximizes gender role and differences.

Power Distance:- Degree to which members of society expect power to be unequally shared.

Performance Oriented:- This refers to the degree to which a society encourages and rewards group's members for performance improvement and excellence.

Individualism/collectivism:- This is the degree to which individuals are encouraged by societal institutions to be integrated groups within organizations and society.

ATTITUDES

Attitudes are evaluative statements or Judgment concerning objects, people or events. They reflect how one feel about something. These are three components of an attitude: cognition, affect and behavior.

- 1) Cognitive component of an attitude is opinion or belief segment of an attitude. E.g. discrimination is wrong. Such an opinion is the cognitive component of an attitude.
- 2) Affective component of an attitude is the emotional or feeling segment of an attitude e.g. I don't like Mr. X because he discriminates against minorities.
- 3) Behavioral component of an attitude is an intention to behave in a certain way towards someone or something.

These three component:- cognitive, affect and behavior- are helpful in understanding the potential relationship between attitudes and behavior. In contrast to values, attitudes are less stable. E.G. Advertising message attempt to alter your with feeling related to product/services. That attitude may lead to desirable response/behavior i.e. the purchase of product or service.

TYPES OF ATTITUDES

A person can have thousand of attitudes. The work related attitudes can positive or negative evaluation that employees hold about their work environment. Most of the research in organizational behavior is concerned with three attitudes: job satisfaction, job involvement and organizational commitment.

Job Satisfaction:- The term job satisfaction refers to an individuals general attitudes towards his or her job. A person with high level of job satisfaction holds positive attitudes about the job, while a person who is dissatisfied with his/ her job holds negative attitudes about the job.

Job Involvement:- Job involvement measures the degree to which a person identified psychologically with his/her job and considers his/her perceived performance level important to self work. Employees with high level of job involvement strongly identify with and really care about the kind of work they do.

Organization Commitment:- It is a degree to which an employee identifies with a particular organization and its goals, and wishes to maintain membership in the organization. The research demonstrates negative relationship between organizational negative relationship between organizational commitment and both absenteeism and turnover.

ATTITUDE-BEHAVIOR RELATIONSHIP

Attitudes effect behavior and vice-verse. Important attitudes are ones that reflect fundamental values, self interest or identification with individuals or groups that a person values. Attitudes

that individuals consider important tend to show a strong relationship to behavior. The more specific the attitude

and the more specific the behavior, the stronger the link between the two.

Discrepancies between attitudes and behavior are more likely to occur when social pressures to behave in a certain ways hold exceptional power. The attitude-behavior relationship is likely to be much stronger if an attitude refers to something with which the individual has direct personal experience.

Unit-II

Perception, Personality, Learning, Motivation-Concepts and applications, Individual decision making.

Perception

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

Attribution theory is used to develop explanations of the ways in which we judge people differently, depending on what meaning we attribute to a given behaviour. Basically the theory

suggests that when we observe an individual's behaviour we attempt to determine whether it was internally or externally caused. That determination depends largely on three factors:

- 1) Distinctiveness
- 2) Consensus
- 3) Consistency

Internally caused behaviors are those believed to be under the personal control of the individual. Externally caused behaviors are seen as resulting from outside causes, that is, a person is seen as having been forced into a behavior by the situation.

Distinctiveness refers to whether an individual displays different behaviors in different situations. What is to be determined is whether this behavior is unusual. If it is, the observer is likely to give the behavior an external attribution. If this action is not unusual, it will probably be judged as internal.

If everyone who is faced with a similar situation responds in the same way, we can say the behavior shows consensus.

Consistency refers to whether a person responds the same way over time. The more consistent the behavior, the more the observer is inclined to attribute it to internal causes.

A number of factors operate to shape and sometimes distort perception. These factors can reside in the perceiver, in the object or target being perceived, or in the contrast of the situation in which the perception is made.

When an individual looks at the target and attempts to interpret what he or she sees, that interpretation is heavily influenced by the personal characteristics of the individual perceiver. Personal characteristics that affect perception include a person's attitudes, personality motives, interests, past experiences and expectations.

Characteristics of the target being observed can affect what is perceived. Local people are more likely to be noticed in a group than quiet ones. So, too, are extremely attractive individuals because targets are not looked at in isolation, the relationship of a target to its background also influences perception, as does our tendency to group close things and similar things together.

The context in which we see objects or events is also important. The time at which an object or event is seen can influence attention as can location, light or any number of situational factors.

Frequently used shortcuts in judging others

Selective Perception: People selectively interpret what they see on the basis of their interests, background experience and attributes. People perceive aspects of a situation that were specifically

related to the activities and goals of the unit to which they are attached. A group's perception of organizational activities is selectively altered to align with the vested interests they represent.

Halo Effect: Halo effect refers to drawing a general impression about an individual on the basis of single characteristics such as intelligence, sociability or appearance.

Contrast Effect: We don't evaluate a person in isolation. Our reaction to one person is influenced by other person we have recently encountered. Contrast effect refers to evaluation of a person's characteristics that are affected by comparison with other people recently encountered who rank higher or lower on the same characteristics.

Projections: Projections refers to attributing one's own characteristics to other people. People who engage in projection tend to perceive others according to what they themselves are like rather than according to what the person being observed is really like.

Stereotyping: Stereotyping refers to judging someone on the basis of one's perception of the group to which that person belongs.

Specific Applications of Perception in Organizations

Employment Interviews: Interviews generally draw early impressions that become very quickly entrenched. If negative information is exposed early in the interview, it tends to be more heavily weighted than if that same information comes out later. Most interviewers' decisions change very little after the first four or five minutes of the interview. As a result, information elicited early in the interview carries greater weight than does information elicited later, and a "good applicant" is probably characterized more by the absence of unfavorable characteristics than by the presence of favorable characteristics.

Performance Evaluation: An employee's performance appraisal is very much dependent on the perceptual process. Many jobs are evaluated in subjective terms. Subjective measures are, by the definition, judge mental. To the extent the managers use subjective measures in appraising employee, what the evaluator perceives to be good or bad employee characterizes or behaviors will significantly influence the outcome of the appraisal.

PERSONALITY

Personality is defined as the sum total of ways in which an individual reacts and interacts with others. Adult personality is generally considered to be made up of hereditary and environmental factors, moderated by situational conditional.

Hereditary:- Hereditary refers to those factors that were determined by conception. Physical stature, facial alteration, gender temperament, energy level and biological rhythms are characteristics that are either completely or substantially influenced by parents. Evidence demonstrates that traits such as shyness, fear and distress are most likely caused by inherited genetic characteristics.

If personality characteristics were completely dictated by heredity, they would be fixed at birth and no amount of experience would alter them. If one is relaxed and easygoing as a child, for ex. that would be the result of one's genes, and it would not be possible to change those characteristics. But personality characteristics are not completely dictated by heredity.

Environment:- Among the factors that exact pressures on our personality formation are the cultures in which we are area raised; our earlier conditioning the norms among our family, friends and social groups and other influences that we experience. These environmental factors play a substantial role in shaping our personalities. Cultural establishes the norms attributes and values that are passed along from generations to the and create consistencies of time ideology that is only moderate intensely fostered in one culture may only have emphasis in another. It can be concluded that both heredity and environment are the primary determinations of personality.

Situations:- The third factor, the situation influences the effects of heredity and environment on personality. An individual's personality, although generally stable and consistent does change in different situations. The different demands of different situations call forth different aspects of one's personality. So we shouldn't look at personality patterns in isolation.

Determinations of personality that are more input than in others in shaping the personality of a manager include:-

1. Locus of control:- The degree to which people believe they masters of their own fate. Individuals who believe that they control what happens to them make more successful manager than those who believe that what happens to them is controlled by outside forces such as luck or chance.

2. Introvert and Extrovert:- Extrovert i.e. individuals who are gregarious and social are more successful as managers than Introverts i.e. individuals who are shy, quite and retiring.

LEARNING

Any relatively permanent change in behavior is called learning. Three theories have been offered explain the process of learning by which we acquire patter us of behavior. These are classical conditioning operant conditioning and social learning.

- a) **Classical Conditioning:-** deals with the association of one event with another desired event resulting in desired behavior or learning.
- b) **Operant Conditioning:-** A type of conditioning in which desired voluntary behavior leads to a reward or prevents punishment. The tendency to repeat such behavior is influenced by the reinforcement or lack of reinforcement about by the consequences of the behavior. Therefore, reinforcement strengthens a behavior and increases the like hood that it will be repeated.

- c) **Social learning**:- People can learn through observation and direct experience. The influence of this model is central to the social viewpoint. Four processes have been found to determine the influence that a model will have an individual.
- i) **Attention Processes**:- People learn from a model only when they recognize and pay attention to its critical features.
 - ii) **Retention Processes**:- A model's influence will depend on how well the individual remembers the model's action after the model is no longer readily available.
 - iii) **Motor Reproduction Process**:- After a person has a new behavior by observing the model the watching must be converted to doing. This process then demonstrates that their individual can perform the modeled activities.

Because learning takes place on the job as well as prior to it managers will be concerted with how they can teach employees to behave in ways that most benefit the organization and this change their attitude. When managers attempt to mold individuals by guiding their learning in graduated steps, they are "shaping behavior" and this changing their attitude.

There are four ways in which to shape behavior positive reinforcement negative reinforcement, punishment and extinction.

Following a response with something pleasant is called positive reinforcement Negative response happens when individuals learn to avoid or escape from unpleasant consequences. Punishment is causing an unpleasant condition in an attempt to eliminate an unpleasant behavior. Eliminating any reinforcement that is maintaining a behavior is called extinction.

Unit-III

Understanding and managing group processes-Interpersonal & group dynamics, Group cohesiveness, Group decision making, Emotional Intelligence-concept and applications, Understanding work teams, Power & Politics, Empowerment, Conflict & Negotiation.

Group

A group is defined as two or more individuals interacting and interdependent, who have come together to achieve particular objectives. Groups can either be formal or informal. Formal groups are designated work group defined by the organization's structure. Informal groups are network of personal and social relations not established or required by the formal organizations but arising spontaneously as people associate with on another.

Groups are further sub classified into command, task interest or friendship groups command and tasks groups are dictated by the formal organizations, while interest and friendship groups are informal alliances.

The organizational chart determines a command group. It is composed of individuals who report directly to a given manager.

Task groups are also organizationally determined. Represents those working together to complete the job task. However, as task groups' boundaries are not limited to its immediate hierarchical superior. It can cross command relationship. All command groups are also task groups, but because task groups can cut across the organization, the reverse need not be true.

Interest groups include those working together to attain a specific objective with each is concerned. Employees who band together to have their vacation schedules altered, to support a peer who has been forced, or to seek improvement in working conditions represents the formation of a unified body to further their common interests.

Friendship groups are formed by those who share one or more common characteristics.

People join groups for various reasons like:

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 the 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.

Affiliation: Groups can fulfill social needs. People enjoy the regular interactions that come with group membership. For many people, these on-the-job interactions are their primary source for fulfilling their needs for affiliation.

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

Good achievements: There are times it takes more than one person to accomplish a particular task- there is need to pool talents, knowledge or power in order to complete a job. In such instances, management will rely on the use of a formal group.

Groups generally pass through a standardized sequence in three eruditions. Groups pass through five stages in its developmental process.

The first stage forming is characterized by a great deal of uncertainty about the group's purpose, structure and leadership. Members are "testing the waters" to determine what types of behavior are acceptable. This stage is complete when members have begun to think of themselves as part of a group.

The storming stage is one of intra-group conflict. Members accept the existence of the group, but there is resistance to the constraints that the group imposes on the individuality. Furthermore, relatively clear hierarchy of leadership within the group.

The third stage is one in which close relationship develops and the group demonstrates cohesiveness. There is now a strong sense of group identity and camaraderie. This forming stage is complete when the group structure solidifies and the group assimilates a common set of expectations of what defines correct member behavior.

The fourth stage is performing. The structure at this point is fully functional and accepted. Group energy has moved from getting to know and understand each other to performing the task at hand.

For permanent work groups. Performing is the last stage in their development, however, for temporary committees, team, and task forces. And similar groups that have a limited task to perform, there is an adjourning stage. In this stage, the group prepares for its disbandment. High task performance is no longer the group's top priority. Instead, attention is directed towards wrapping up activities. Responses of group members vary in this stage. Some are upbeat, basking in the group's accomplishments. Others may be depressed over the loss of camaraderie and friendship gained the work group's life.

Group structure: Work groups are not unorganized. They have structure that shapes the behavior of members and makes it possible to explain and predict a large portion of individual behavior within the group as well as the performance of the group itself. They include formal leadership, roles, norms, status, size and the degree of group cohesiveness.

Formal leadership: Almost every group has a formal leader. He or she is typically identified by titles such as unit or department managers, supervisors etc. This leader can play an important role in the group success.

Role: Role is a set of expected behavior patterns attributed to someone occupying a given position in a social unit. Different groups impose different role responsibilities on individuals.

Role Perception: As individual's view of how he or she is supposed to act in a given situation.

Role Expectation: How others believe a person should act in a given situation. How a person believes is determined to a large extent by the role defined in the context in which a person is acting.

Role Conflict: When an individual is confronted by divergent role expectations, the result is role conflict. It exists when an individual finds compliance with one role requirement may make it more difficult to comply with another. At the extreme, it would include situations in which two or more role expectations are mutually contradictory.

Norms: Norms are acceptable standards of behavior within a group that are shared by the group's members.

Norms tell members what they ought and ought not to do under certain circumstances. From an individual's standpoint, they tell what is expected of a person in certain conditions. When agreed to and accepted by the group, norms act as a means of influencing the behavior of group member's with a minimum of external controls.

Common Classes of Norms:

a) Performance Norms: Most common classes of norms .Work groups provide their members with explicit cues on how hard they should they work, how to get job done , their level of output , appropriate level of tardiness and the like.

b) Appearance Norms: This includes things like appropriate dress, loyalty to the work group or organization, when to look busy and when it is acceptable to goal off.

Social Arrangements Norms: These norms come from informal work groups and primarily regulate social interactions within the group. With whom group members eat lunch, friendships on and off the job; social games and the like are influenced by these norms.

Allocation of Resources Norms: These norms cover things like pay, assignment of difficult jobs and allocation of new tools and equipments.

Conformity: It refers to adjusting one's behavior to align with the norms of the group. As a member of a group, a person desire acceptance by the group. Because of his desire for acceptance, person is susceptible to conforming to the group norms. There is considerable evidence that groups can place strong pressures on individual members to change their attributes and behavior to conform to the group's standards.

Status: A socially defined position or rank given to groups or group's members by others. Status is an important factor in understanding human behavior because it is a significant motivator and has major behavioral consequences. When individuals perceive a disparity between what they believe their status to be and what others perceive it to be.

Composition: Most group activities require a variety of skills and knowledge. Group is diverse in terms of personality, gender, age, education, functional specializations and experience. There is an increased probability that the group will possess the needed characteristics to complete its tasks effectively. The group may be more conflict laden and less expedient as varied positions are introduced and assimilated but the evidence generally supports the conclusion that heterogeneous groups perform more effectively than do those that are homogenous. Essentially diversity promotes homogenous. Essentially, diversity promotes conflict which stimulates creativity, which leads to improved decision making.

Cohesiveness: Cohesiveness refers to degree to which group members are attracted to each other and are motivated to stay in the group. For instance, some work groups are cohesive because the members have spent a great deal of time together, or the group small size of facilitates high

interaction or the group has experienced external threats that have brought the member together. Cohesiveness is important because it has been found to be related to the group's productivity.

Relationship of cohesiveness and productivity depends on the performance-related norms established by the group. If performance-related norms are high (for example high output, quality work, cooperation with individuals outside the group) a cohesive group will be more productive than will a less cohesive group.

Factors that encourage group cohesiveness

- 1) Make the group smaller
- 2) Encourage agreement with group goals
- 3) Increase the time members spend together
- 4) Increase the status of the group and the perceived difficulty of attaining membership in the group.
- 5) Stimulate competition with other groups.
- 6) Give rewards to the group rather than to individual members.

Group decision making

Strengths of Group Decision Making: Groups generate more complete information and knowledge. By aggregating the resources of several individuals, groups bring more input into the decision process. In addition to more input, groups can bring heterogeneity to the decision process. They offer increased diversity of views. This opens up the opportunity for more approaches and alternatives to be considered. The evidence indicates that a group will almost outperform even the best individuals. So groups generate high quality decisions. Finally, groups lead to increased acceptance of a solution. Many solutions fail after the final choice is made because people don't accept the solution. Group members who participated in making a decision are likely to enthusiastically support the decision and encourage others to accept it.

Weakness of Group Decision Making: Group decision making is time consuming. They typically take more time to reach a solution than would be the case if individuals were making the decision alone.

There are conformity pressures in groups. The desire by group members to be accepted and considered an asset to the group can result in squashing any overt disagreement. Group discussion can be dominated by one or few members. If this dominant coalition is composed of low and medium ability members, the group's overall effectiveness will suffer.

Finally, group decisions suffer from the ambiguous responsibility. In an individual decision, it's clear who is accountable for the final outcome. In a group decision, the responsibility of any single member is watered down.

Effectiveness and efficiency: In terms of accuracy, group decisions will tend to be more accurate. However, if decision effectiveness is defined in terms of speed, individual decision making is superior. Similarly, in terms of acceptance again group decision making is superior.

Group Think: Group think is a phenomenon in which the norms for consensus override the realistic appraisal of alternative course of an action. It describes situations in which group pressures for conformity deter the group from critically appraising unusual, minority or unpopular view. Individuals who hold a position that is different from that of the dominant majority are under pressure to suppress, withhold or modify their true feelings and beliefs. As a member of a group, a person finds it more pleasant to be in agreement – to be a positive part of the group- than to be a disruptive force, even if disruptive force is necessary to improve the effectiveness of the group's decision.

Symptoms of group think phenomenon

Members apply direct pressure on those who momentarily express doubts about any of the group's shared views or those who question the validity of arguments supporting the alternative favored by the majority.

Members who have doubts or hold the different point of view seek to avoid deviating from what appears to be group consensus by keeping silent about misgivings and even minimizing to themselves the importance about their doubts.

There appears to be an illusion of unanimity. If someone doesn't speak, it's assumed that he or she is in a full accord. In other words, abstention becomes viewed as "yes" vote.

Group Shift: A change in decision risk between the group's decision and the individual decision that members within the group would make; can be either towards conservatism or greater risks.

The group shift can be viewed as a special case of groupthink .The decision of the group reflects the dominant decision- making norm that develops during the group's discussion. Whether the shift in the group's decision is towards greater caution or more risk depends on the dominant pre discussion norm.

Group Decision Making Techniques

The most common form of group decision making takes place in interacting groups. In these groups, members meet face to face on rely on both verbal and non verbal interaction to communicate with each other.

Brain Storming: An ideal generating process that specifically encourage any or all alternatives while withholding any criticism of those alternatives .Brainstorming , however is merely a process for generating ideas.

Nominal Group Techniques: A group decision –making method in which individual members meet face to face to pool their judgment in a systematic but independent fashion. Specifically, a problem is presented and then the following steps take place:

1) Members meet as a group but before any discussion takes place, each member independently writes down his or her ideas on the problem.

After this silent period, each member presents an idea to the group. Each member takes his or her turn presenting a single idea until all ideas have been recorded. No discussion takes place until all ideas have been presented.

The group now discusses the idea for clarity and evaluates them.

Each group member silently and independently rank-orders the ideas. The idea with the highest aggregate ranking determines the final decision.

Electronics Meeting: A meeting in which members interact on computers, allowing for anonymity of comments and aggregation of votes.

EMOTIONS

Emotions are intense feeling that are directed at someone or something. In contrast to emotions, there is mood that refers to feelings that tend to be less intense than emotions and that lack emotional stimulus.

Both emotions and mood together form affect which is a generic term which covers a broad range of feelings that people experience.

Emotions are reactions to an object, not a trait. They are objecting specific. A person shows his emotions which he is happy about something angry at someone or afraid of something. Moods on the other hand are not directed to a n object. Emotions can turn into moods when one loses focus on the contextual object.

Related to emotions is emotional labor which refers to a situation in which an employee expresses organizationally desired emotions during interpersonal transactions. Emotional labor creates dilemmas for employees when their job requires them to exhibit emotions that are incongruous with their actual feelings. Hence there can be felt emotions and displayed emotion. Felt emotions are individuals actual emotions. In contrast, displayed emotions are those that are organizationally required and considered appropriate in a given job. They are not innate, they are learned e.g. We are expected to act sad at the funerals regardless of whether we consider the persons death to be a loss, and to pretend to be happy at weddings even if we don't feel like celebrating.

EMOTION DIMENSIONS

Variety:- Emotions can either be positive or negative. Positive emotions-like happiness and hope express a favorable evolution or feeling. Negative emotions like anger or hate express the opposite emotions can not be neutral. Being neutral is non emotional. Importantly, negative emotions seem to have a greater effect on individuals. Research has identified six universal emotion:- anger, fear, sadness, happiness, disgust and surprise.

Intensity:- People give different responses to identifiable emotion provoking stimuli. In some cases this can be attributed to the individual's personality. Other times it is result of the job requirements. People vary in their inherent ability to express intensity. There are some

individual who almost never show their feelings. They rarely get angry. They never show rage. In contrast, there are some individuals who seem to be on an emotional roller-coaster. When they are happy, they are ecstatic. When they are sad, they are deeply depressed. And two people can be in the same situation- one showing excitement and joy, the remaining calm and collected.

Jobs make different intensity demands in terms of emotions labor. For instance, judges and air traffic controllers are expected to be calm and controlled, even in stressful situations. Conversely the effectiveness of public address announcements at sporting events and lowers can depend on their ability to alter their displayed emotional intensity as the need arises.

Frequency and duration:- Emotional labor that requires high frequency or long durations is more demanding and requires more exertion by employees. So whether an employee can successfully meet the emotional demands of a given job depends not only on what emotions need to be displayed and their intensity, but also on how frequently and for how long the effort has to be made.

Gender and emotions:- The evidence does confirm differences between men and women when it comes to emotional reactions and ability to read others, In contrasting the genders, women show greater emotional expressions than men, they experience emotions more intensely and they display more frequent expressions of both positive and negative emotions except anger. In contrast to men, women also report more comfort in expressing emotions. Finally women cusses than are men. Women have more innate ability to read others and present their emotions than do men.

Emotional intelligence:- (EI) refers to an assortment of non cognitive skills, capabilities and competencies that influence a person's ability to succeed in coping with environmental demands and pressures. It is a compound of five dimensions.

- a) **Self awareness:-** Being aware of what you are feeling .
- b) **Self management:-** - The ability to manage one's own emotions and impulses.
- c) **Self motivation:-** The ability to persist in the face of setbacks and failures.
- d) **Empathy:-** The ability to sense how others are feeling.
- e) **Social skills:-** The ability to handle the emotions of others.

Several studies suggest that EI may play an important role in job performance. Top performance recruiters exhibit high levels of EI. The implications from the initial evidences on EI is that employers should consider it as a factor in selection, especially in jobs that demand a high degree of social interaction

Given the same objective data, we should expect people may make different choices when they are angry and stressed out then when they are calm and collected. Negative emotions can result in a limited search for new alternatives and less vigilant use of information. On the other hand, positive emotions can increase problem solving skills and facilitate the integrations of information.

WORK TEAMS

Group is defined as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives. Work group is a group that interacts primarily to share information and to make decisions to help each member perform within his or her area of responsibility.

Work Team:- Work team is defined as a group whose individual efforts result in a performance that is greater than the sum of the individual inputs.

Management looks for positive synergy that will allow their organization to increase performance. The extensive use of teams creates the potential for an organization to generate greater outputs with an increase in inputs.

Four most common types of work teams found in the organization:- 1) Problem solving teams ii) Self managed work teams iii) Cross functional teams and iv) Virtual teams

- 1) **Problems Solving Teams:-** Groups of 5 to 12 employees from the same department who meet for a few hours each week to discuss ways of improving quality, efficiency and the work environment. Rarely, however, are these teams given the authority to unilaterally implement any of their suggested actions.
- 2) **Self Managed work teams:-** Are a group of employees 10 to 15 who perform highly related or interdependent jobs and take on many of the responsibilities of their former supervisors. Typically this includes planning and scheduling of work, assigning tasks to members, taking action on problems, and working with suppliers and customers. Fully self-managed work teams even select their own members and have the members evaluate each other's performances. As a result, supervisory positions take on decreased importance and many even be eliminated.
- 3) **Cross functional teams:-** Employees from about the same hierarchical level but from different work areas who come together to accomplish a task.
- 4) **Virtual teams:-** Teams that use computers to tie together physically dispersed members in order to achieve a common goal.
Three primary factors that differentiate virtual teams from face to face teams are
 - 1) The absence of preverbal and non verbal cues.
 - 2) Limited social context
 - 3) The ability to overcome time and space constraints.

The key components making up effective teams can be subsumed into four general categories:-

- 1) **Work design:-** Effective teams need to work together and take collective responsibility to complete significant tasks. The work design category includes variables like freedom and autonomy, the opportunity to use different skills and talents, the ability to complete a

whole and identifiable task or product and working on a task or project that has a substantial impact on others.

- 2) **Composition:-** This category includes variables that related to how teams should be staffed. It includes the ability and personality of team members, allocating roles and diversity, size of the team, member's flexibility and member's preference for team work.

Ability of members:- To perform effectively, a team requires three different types of skills. First it need people with technical skills, second, people with problem solving and decision making skills and finally people with good listening, feedback conflict resolution and other interpersonal skills.

Personality:- Personality of members has a significant influence on the individual employee behavior. This can also be extended to team behavior. Hence, five basic dimensions i.e. extroversion, agreeableness, conscientiousness; emotional stability and openness to experience are relevant for the success of a work team.

Allocating roles and diversity:- Nine potential team roles have been identified. These are:-

- 1) Organizer(Provides structure)
- 2) Producer(Provide direction and follow through)
- 3) Controller(Examines details and enforce rules)
- 4) Maintainer(Fights external batter)
- 5) Advisor(Encourages the search for more information)
- 6) Linker(Coordinates and integrates)
- 7) Creator (Initiates creative ideas)
- 8) Promoter (Champions ideas after they are initiated)
- 9) Assessor (offers insightful analysis of options)

Successful work teams have people to fill all these roles and have selected people to play in these roles based on their skills and preferences.

Size of teams:- Ideally a team should have seven to nine people. Generally speaking, the most effective teams have fewer then 10 people. minimum four to five members may be necessary to develop diversity of views and skills. When teams have excess members, cohesiveness and mutual accountability declines, social loafing increases and more and more people do less, talking more with others.

Member flexibility:- Teams made up of flexible individuals have members who can complete each others tasks. This makes it less reliant on any single member.

Member preference:- Not every employee is a team player. When people who would prefer to work alone are required to team-up, there is a direct threat to the team's moral and to individual member satisfaction. Hence when selecting team members individual preferences should be considered.

Context:- Four contextual factors that appear to be most significantly related to team performance are the presence of adequate resources; effective leadership, a climate of trust and a performance and reward system that reflects team contribution.

Process:- The final category related to effectiveness is process variables. These include member commitment to a common purpose, establishment of special team goal, team efficacy, a managed level of conflict and minimizing social loading.

POWER AND POLITICS

Power is the ability of individuals or groups to induce or influence the beliefs or actions of other persons or groups.

A person can have power over the other person only if the first person has something which other person desires.

Bases of Power: -

Power can be of two types- **formal** and **personal**.

Formal Power:-

Formal power is based on an individual's position in an organization. Formal power can come from the ability to coerce or reward, from formal authoring or from control of information.

Coercive power: -

The coercive power base is dependent on fear. One reacts to this power out of fear of the negative results that might occur if one failed to comply. It rests on the application, or the threat of application, of physical sanctions such as the infliction of pain, the generation of frustration through restriction of movement, or the controlling by force of basic physiological or safety needs.

EMPOWERMENT

Empowerment is putting employees in charge of what they do. Decision making is pushed down to the operating level, where workers are given the freedom to make choices about schedules and procedures and to solve work related problems. Employees are allowed full control and their work. An increasing numbers of organizations are using self managed teams, in which workers operate largely without bosses. Empowerment is necessary component of a customer responsive culture because it allows service employees to make on the spot decisions to satisfy customer completely.

In empowering employees managers have to learn how to give up control and employees have to learn how to take responsibility for their work and make appropriate decisions.

There are several barriers to empowerment. Some managers are very reluctant to delegate authority and many sub-ordinates avoid taking on the responsibility and authority. The causes for such reluctance are based upon certain beliefs and attitudes which are personal and behavioral in nature.

A. Reluctance of executive.

- a. A manager may believe that he can do this work better than his subordinate. He subordinates are not capable enough. Delegation may take a lot of time in explaining the responsibility to the subordinate and the managers may not have the patience to explain supervise and correct any mistake.
- b. Lack of confidence and trust in subordinate: since the manager is responsible for the action of his subordinates he may not be willing to take chances with the subordinates in case the job is not done right.
- c. Sense of insecurity : some managers feel very insecure in delegating authority specially when the subordinate is capable of doing the job. The manager in such a situation may feel his loss of power and competition from the subordinates.

B. Reluctance of subordinates.

- a. Many subordinates are reluctant to accept authority and make decisions for fear that they would be criticized or dismissed for making wrong decisions. This is especially true in situations where subordinates had made a mistake earlier.
- b. The subordinates may not be given sufficient incentives for assuming extra responsibility which could mean working harder under pressure. Accordingly in the absence of adequate compensation in the form of higher salary or promotional opportunities a subordinate may avoid additional responsibility.
- c. The subordinate may lack self confidence in doing the job and may fear the supervisor will not be available for guidance once the delegation is made and this makes them feel uncomfortable with additional responsibility.
- d. Some subordinates hesitate to accept new and added assignment when there is lack of necessary information and when the available resources are not adequate or proper.

Facilitators of empowerment.

Since empowerment results in several organizational advantages, it becomes necessary for the management to identify any barriers to effective empowerment.

Arbitrator's decision. Therefore, the conflict might surface at a later time.

A) **CONCILIATOR**: A conciliator is a third party who provides an informal communication link between the negotiator and the opponent. In practice, conciliators typically act as more than mere communication conduits. They also engage in fact finding, interpreting messages and persuading disputants to develop agreements.

B) **CONSULTANT**: A consultant is a skilled and impartial third party who attempts to facilitate problem solving through communication and analysis, aided by his or her knowledge of conflict management. The consultant's role is not to settle the issues but, rather, to improve relations between the conflicting parties so that they can reach a

settlement themselves. Instead of putting forward specific solutions, the consultant tries to help the parties learn to understand and work with each other.

Conflict

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

The parties to it must perceive conflict; whether or not the conflict exists is a perception issue. If no one is aware of a conflict, then it is generally agreed that no conflict exists.

Conflict can either be functional or dysfunctional. Functional Conflicts supports the goals of the group and improves its performance. It is constructive in nature. Functional conflict can be either a task conflict or process conflict. Task conflict is over the context and goals of the work. Process conflicts are over how work gets done.

Dysfunctional conflicts hinder group performance. It is destructive in nature. It includes relationship conflict, which is based on interpersonal relationships.

There are various conflicts resolution techniques. These include:

- 1) Problem Solving: Face to face meeting of the conflicting parties for the purpose of identifying the problem and resolving it through open discussion.
- 2) Super ordinate goals: Creating a shared goal that cannot be attained without the cooperation of each of the conflicting parties.
- 3) Expansion of resources: When a conflict is caused by the scarcity of a resources- say –money. Promotion opportunities, office space- expansion of the resource can create win- win solutions.
- 4) Avoidance: Withdraw from or suppression of, the conflict.
- 5) Smoothing: Playing down differences while emphasizing common interest between the conflicting parties.
- 6) Compromise: Each party to the conflicts gives up something of value.
- 7) Authoritative Command: Management uses its formal authority to resolve the conflict and then communicates its desires to the parties involved.
- 8)Altering the human variables: Using behavioral change technique such as human relations training to alter attitudes and behaviors that cause conflict.
- 9)Altering the structural variables: Changing the formal organization structure and interaction patterns of conflicting parties through job redesign, transfers, creation of coordination positions and the like.

In order to differentiate functional and dysfunctional conflict, it is necessary to look into type of conflict. Specifically, there are three types: tasks relationship and process

Task conflict : relates to the contents and goals of the work

Relationship Conflict: focuses on interpersonal relationship.

Process conflict relates to how work gets done.

Studies demonstrate that relationship conflicts are almost always dysfunctional. It appears that the friction and interpersonal hostilities inherent in relationship conflicts increase personality clashes and decrease mutual understanding which hinders the completion of organizational tasks. On the other hand, low level of process conflict and low to moderate level of tasks conflicts are functional.

The conflict process

The conflict process can be seen as comprising five stages (1) potential opposition or incompatibility (2) Cognition and personalization (3) intentions (4) Behavior (5) Outcome.

Potential opposition or incompatibility: The first step in the conflict process is the presence on conditions that create opportunities for conflict to rise. These cause or create opportunities for conflict to rise. These causes or sources of conflict have been condensed into three general categories (1) Communications (2) Structure (3) Personal Variables.

(1) **Communications:** Different words connotations, jargon insufficient exchange of information and noise in communication channel are all antecedent conditions to conflict. Too much communication as well as too little communication can rely foundation for conflict.

(2) **Structure:** The term structure is used, in this context to include variables such as size, degree of specialization in the tasks assigned to group members, jurisdictional clarity, members/ goal compatibility, leadership styles, reward systems and the degree of dependence between groups. The size and specialization act as forces to stimulate conflict. The larger the group and the more specialized its activities, the greater the likelihood of conflict. Tenure and conflict have been found to be inversely related,. The potential for conflicts tends to be greatest when group members are younger and when turnover is high. The greater the ambiguity in defining where responsibility for action lies, the greater the potential for conflict to emerge. Such Jurisdictional ambiguity increases inter group fighting for control or resources and territory.

(3) **Personal Variables:** Certain personality types- for example individuals who are highly authoritarian and dogmatic- lead to potential conflict. Another reason for conflict is difference in value systems. Value differences are the best explanations of diverse issues such as prejudice disagreements over one's contribution to the group and rewards one deserves.

Stage 2) Cognition and personalization: conflict must be perceived by the parties to it whether or not conflict exists is a perception issue. If no one is aware of a conflict, then it is generally agreed that no conflict exists. Because conflict is perceived does not mean that is personalized.

For e.g. "A may be aware that B and A are in serious disagreements but it may not make A tense or nervous and it may have no effect whatsoever on A's affection towards B" It is the felt level, when individuals become emotionally involved that parties experience anxiety, tension or hostility.

Stage 2 is the place in the process where the parties decide what the conflict is about and emotions play a major role in shaping perception.

Stage 3 Intentions: Intentions are decisions to act in a given way intentions intervene between people's perception and emotions and their overt behavior.

Using two dimensions cooperativeness (the degree to which one party attempts to satisfy the other party's concerns) and assertiveness (the degree to which one party attempts to satisfy his or her own concerns)- five conflict handling intentions can be identified.

1) **Competing:** when one person seeks to satisfy his or her own interests regardless of the impact on the other parties to the conflict, he is competing.

2) **Collaborating:** A situation in which the parties to a conflict each desire to satisfy fully the concerns of all the parties. In collaborating, the intention of the parties are to solve the problem by clarifying differences rather than by accommodating various points of view.

3) **Avoiding:** a person may recognize that a conflict exists and want to withdraw from it or suppress it. Avoiding included trying to just ignore a conflict and avoiding others with whom you disagree.

4) **Accommodating:** The willingness of one partying a conflict to place the opponent's interest above his or her own.

5) **Compromising:** A situation in which each party to a conflict is willing to give up something.

Intentions provide general guidelines for parties in a conflict situation. They define each party's purpose. Yet people intention is not fixed. During the course of conflict, they might change because of reconceptualization or because of an emotional reaction to the behavior of other party.

Stage 4: Behavior: This is a stage where conflict becomes visible. The behavior stage includes the statements, actions and reactions made by the conflicting parties. These conflict behaviors are usually overt attempt to implement each party's intentions.

Stage 5 Outcomes: The action reaction interplay between the conflicting parties result in consequences. These outcomes may be functional in that the conflict results in an improvement in the group's performance, or dysfunctional in that it hinders group performance.

Conflict is constructive when it improves the quality of decisions stimulates creativity and innovations encourages interest and curiosity among group members provides the medium

through which problems can be aired and tensions released and fosters an environment of self evaluation and change.

Conflict is dysfunctional when uncontrolled opposition breeds discontent, which acts to dissolve common ties and eventually leads to the destruction of the group. Among the more undesirable consequences are a retarding of communication, reductions in group cohesiveness and subordination of group goals to the primacy of infighting between members.

NEGOTIATION

Negotiation is defined as a process in which two or more parties exchange goods or services and attempt to agree on the exchange rate for them.

There are two general approaches to negotiation- distributive bargaining and integrative bargaining.

Distributive Bargaining:- Distributive bargaining is defined as negotiations that seeks to divide up a fixed amount of resources, a win lose situation. Its most identifying feature is that it operates under zero sum conditions i.e. each party bargains aggressively and treats the other as an opponent who must be defeated.

The essence of distributive bargaining is that each party has a target point that defines what he/she would like to achieve. Each also has a resistance point, which marks the lowest outcome that is acceptable the point below which they would break off negotiations rather than accept a less favorable settlement. The area between these two points makes up each one's aspiration range. As long as there is some overlap between the aspiration ranges, there exists a settlement range in which each one's aspiration can be met.

When engaged in distributive bargaining one's tactics focus on try to get one's opponent to agree to one's specific target point or to get as close to it as possible. Examples of such tactics are persuading to his/her target point and the advisability of accepting a settlement near yours arguing that your target is fair, which your opponent's is not and attempting to get you opponent to feel emotionally generous toward you and thus accept an outcome close to your target point.

B) Integrative Bargaining :- Negotiation that seeks one or more settlements than create win-win situation.

In terms of intra-organizational behavior all things being equal integrative bargaining is preferable to distributive bargaining. Integrative bargaining builds long term relationships and facilitates working together in the future. It bonds negotiators and allows each to leave the bargaining table feeling that he/she has achieved a victory. Distributive bargaining on the other hand, leaves one party a loser. It tends to build animosities and deeper divisions when people have to work together on an ongoing process.

The Negotiation Process :- Negotiation is made up of five steps:- preparation and planning, Definition of ground rules, Clarification and justification, bargaining and problem solving and closure and implementation.

- a) **Preparation and planning:-** 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.
- b) **Definition of ground rules:-** Once the planning and strategy is development 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 take place? What time constraints, if any will apply? To what issues will negotiations be limited? Will there be a specific procedure to follow in an impasse is reached? During this phase the parties will also exchange their initial proposals or demands.
- c) **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.
- d) **Bargaining and problem solving :-** 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.
- e) **Closure and Implementation:-** 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.

Third Party Negotiations:-

If the group or parties reach a stalemate and are unable to resolve their differences through direct negotiation they may turn to a third party to help them find a solution. The different third party roles are:-

- a) **Mediator:-** Mediator is a neutral third party who facilitates a negotiated solution by using reasoning and persuasion, suggesting alternatives and like. Mediators are widely used in labor-management negotiations and in civil court disputes. To be effective the mediator must be perceived as neutral and non-coercive.
- b) **Arbitrator:-** An arbitrator is a third party with the authority to dictate an agreement. Arbitration can be voluntary (requested) or compulsory. The authority of the arbitrator varies according to the rules set by the negotiators

Unit-IV

Leadership and Influence process, Understanding and managing organisational system- Organisational structure, Work design, Work stress, Organisational culture, Organisational change.

ORGANISATION STRUCTURE

An organization structure defines how job tasks are formally divided, grouped and coordinated. There are six elements that managers need to address when they design their organization's structure. These are :- a) Work specialization. b) Departmentalization. c) Chain of command. d) Span of control. e) Centralisation & Decentralization. f) Formalisation

- A) **Work Specialization:** - refers to the degree to which tasks in the organization are subdivided into separate jobs. The essence of work specialization is that, rather than an entire job being done by one individual, it is broken down into a number of steps, with each step being completed by a separate individual.
- B) **Departmentalisation:-** Once the jobs have been divided through work specialization, these jobs have to be grouped together so that common tasks can be coordinated. The basis by which jobs are grouped together is called departmentalization.

The activities can be grouped by functions performed. A Manufacturing manager might organize his plant by separating engineering, accounting, manufacturing, personnel and supply specialists into common departments. Functional departmentalization seeks to achieve economics of scale by placing people with common skills and orientations into common units.

Tasks can also be departmentalized by the type of product the organization produces. Each major product is placed under the authority of an executive who has complete global responsibility for that product. The major advantage of this type of grouping is increased accountability for product performance, since all the activities related to a product are under the direction of a single manager.

Another way to departmentalize is on the basis of geography or territory. The sales function, for instance, may have western, southern, eastern region. Each of these regions is in effect, a department organized around geography. If an organisation's customers are scattered over a large geographic area and have similar needs based on their location, then this form of departmentalization.

A final category of departmentalization is to use the particular type of customer. An organization can organize itself around customer groups like corporates, retail, government etc.

C) **Chain of Command** is an unbroken line of authority that extends from the top of the organization to the lowest level and clarifies who reports to whom. It answers questions for employees such as "To whom do I go if I have a problem?" and "To whom am I responsible?"

The unity of command principle helps preserve the concept of an unbroken line of authority. It states that a person should have one and only one superior to whom

he or she is directly responsible. If the unity of command is broken, an employee might have to cope with conflicting demands or priorities from several superiors.

D) **Span of control** refers to the number of subordinates a manager can efficiently and effectively direct. Span of control is important because, to a large degree, it determines the number of levels and managers and organization has all things being equal the wider or larger the span, the more efficient the organization. Narrow span has three major drawbacks. First, they are expensive because they add to the levels of management. Second, they make vertical communication in the organization more complex. The added levels of hierarchy slow down decision making and tend to isolate upper management. Third, narrow spans of control encourage overly tight supervision and discourage autonomy.

E) **Centralisation and Decentralisation** Centralisation refers to the degree to which decision making is concentrated at a single point in the organization. The concept includes only formal authority that is, the rights inherent to one's position. Typically, it's said that if top management makes the organisation's key decision with little or no input from lower-level personnel, then the organization is centralized. In contrast, the actually given the discretion to make decision, the more decentralisation there is.

An organization characterized by centralization is an Inherently different structural entity from one that is an inherently different structural entity from one that is decentralized. In a decentralized organization, action can be taken more quickly to solve problem, more people provide input into decisions and employees are less likely to feel alienated from those who make the decisions that effect their work lives.

Consistent with recent management efforts to make organization more flexible and responsive, there has been a marked trend toward decentralizing decision making. In large companies, lower-level managers are closer to "the action" and typically have more detailed knowledge about problems than do top management.

F) **Formalisation** refers to the degree to which job within the organization are standardized. If a job is highly formalized then the job incumbent has a minimum amount of discretion

Over what is to be done, when it is to be done and how it is to be done. Employees can be expected always to handle the same input in exactly same way, resulting in a consistent and uniform output. There are explicitly job description lots of organizational rules, and dearly defined procedures covering work processes in organizations in which thee is high formalization. Where formalization is low, job behaviors are relatively non-programmed and employees have a great deal of freedom to exercise discretion in their work. Because an individual's discretion on the job is inversely related to the amount of behavior in that job that is preprogrammed by the organization, the greater the standardization and the less input the employee has into how his or her work is to be done. Standardization not his/her work is to be done. Standardization not only eliminates the possibility of employees engaging in alternative behaviors, but it even removes the need for employees to consider alternatives.

Common organizational Designs:-

There are three common organizational designs- Simple structure, bureaucracy and the matrix structure.

C) **Simple Structure:-** Simple structure is characterized by a low degree of departmentalization, wide span of control, authority centralized in a single person and little formalization. The simple structure is a “felt ” organization, it usually has only two or three vertical levels, a lower body of employees and one individual in whom the decision making authority is centralized. The simple structure is most widely practiced in small businesses in which the manager and the owner are one and the same. The strength of the simple structure lies in its simplicity. It’s fast flexible and inexpensive to maintain and accountability is clear.

D) **Bureaucracy:-** The key concept that underlies all bureaucracy is standardization. It is a structure with highly routine operating tasks achieved through specialization very formalized rules and regulations, tasks that are grouped into functional departments, centralized authority, narrow span of control and decision making the chain of command. The primary strength of bureaucracy lies in its ability to perform standardized activities in a highly efficient manner. Putting like specialties together in functional departments results in economies of scale, minimum duplications of personnel and equipment. Furthermore bureaucracy gives opportunity to less talented and hence less costly middle and lower level managers. The pervasiveness of rules and regulations substitutes for managerial discretion. Standardized operations, coupled with high formalization allow decision making to be centralized. There is little need therefore for innovative and experienced decision makers below the level of senior executives.

c) **Matrix Structure:-** Matrix structure creates dual line of authority and combines functional and product departmentalization .

The strength of functional departmentalization lies in putting like specialists together, which minimizes the number necessary while allowing the pooling and sharing of specialized resources across products. Its major disadvantage is the difficulty of coordinating the tasks of diverse functional specialists so that their activities are completed on time and within budget. Product departmentation, on the other hand, has exactly the opposite benefits and disadvantages. It facilitates coordination among specialties to achieve on-time completion and meet budgets targets. Further more, it provides clear responsibility for all activities related to a product, but with duplication of activities and costs. The matrix attempts to gain the strength of each, while avoiding their weaknesses.

The most obvious structural characteristics of the matrix is that it breaks the unity of command concept. Employees in the matrix have two bosses-their functional department managers and their product managers. Therefore, the matrix has a dual chain of command.

The strength of the matrix lies in its ability to facilitate coordination when the organization has a multiplicity of complex and interdependent activities. As an organization gets larger, its information processing capacity can become overloaded. In a bureaucracy, complexity results in increased formalization. The direct and frequent contact between different specialists in the matrix can make for better communication and more quickly reaches the people who need to take account of it.

Stress Management:

Stress is the "wear and tear" our bodies experience as we adjust to our continually changing environment; it has physical and emotional effects on us and can create positive or negative feelings. As a positive influence, stress can help compel us to action; it can result in a new awareness and an exciting new perspective. As a negative influence, it can result in feelings of distrust, rejection, anger, and depression, which in turn can lead to health problems such as headaches, upset stomach, rashes, insomnia, ulcers, high blood pressure, heart disease, and stroke. With the death of a loved one, the birth of a child, a job promotion, or a new relationship, we experience stress as we readjust our lives. In so adjusting to different circumstances, stress will help or hinder us depending on how we react to it.

Factor causing Stress:

Three sets of factor (a) environmental, (b) organizational and (c) individual – that act as potential cause of stress. Whether they become actual stress depends on individual differences such as job experience and personality when stress is experienced an individual, its symptoms can surface as physiological, psychological and behavioral outcomes.

- (a) **Environmental factors** – just as environmental uncertainty influences the design of an organization's structure, it also changes in the business cycle create economic uncertainties. When company B is contractive, for example, people become increasingly anxious about their job security. Similarly political instability is a cause of stress. Political crisis like civil war, riots, hostilities with neighboring countries etc can lead to stress. Technology uncertainties are a third type of environmental factor that can cause stress. New innovations can make employee's skills and experience obsolete in a very short time, computers, robotics, automation and similar forms of technology innovations are a threat to many people and cause them stress.
- (b) **Organizational factors** – organizational factors that cause stress include task, role, and Interpersonal demands, organizational structure and organizational leadership. Task demands are factors related to a person's job. They include the design of individual's job (autonomy task variety, degree of automation), working conditions and physical work layout.

Role demands relate to pressures placed on a person as a function of the particular role he or she plays in the organization. Role conflicts create expectations that may be hard to reconcile or satisfy. Role overload is experienced when the employee is expected to do more than time permits.

Interpersonal demands are pressures created by other employees, lack of social support from colleagues and poor interpersonal relationships can cause considerable stress, especially among employees with a high social needs.

Organizational structure defines the level of differentiation in the organization, the degree of rules and regulation and where decisions are made. Excessive rules and lack of participation in decisions that might be potential is sources of stress.

Organizational leadership represents the managerial style of the organization's senior managers. One chief executive officer creates a cultural characterized by tension, fear and anxiety. They establish unrealistic pressures to perform in the short run, impose excessively tight controls, and routinely fire employees for poor – performance.

- (c) **Individual factors** - Primarily, these factors are family issues, personal economic problems and inherent personality characteristics. People hold family and personal relationships dear. Marital difficulties, the breaking off of a relationship and discipline troubles with children are examples of relationship problems that create stress for employees. Economic problems created by individuals overextending their financial resources is another set of personal troubles that can create stress for employees and distract their attention from their work. Some people may have an inherent tendency to accentuate negative aspect of the world in general i.e. stress symptoms expressed on the job may actually originate in the person's personality.

Stress can be removed by the following method:

Strength: Physical, emotional, intellectual and spiritual. Physical and emotional weakness leads to irritability. A strong, healthy body developed through proper diet, exercise and pranayama techniques helps reduce stress at the physical level. Through satsang and appropriate learning gained therein, the mind can be strengthened. Love, compassion and friendship are valuable strength-givers that help us cope with stress.

The scriptures say that knowledge of the Self cannot be gained without inner strength. Rabindranath Tagore, in a poem, prays to the Lord not to remove all obstacles, but instead, he asks for strength to bear them. Before the start of the Mahabharata war Arjun was seized with a bout of emotional weakness and he refused to fight the war. Lord Krishna rescued him by giving him emotional strength.

Traffic control: We need to regulate and control our thoughts. We can cope with stress best if our thoughts are orderly and methodical. Unnecessary accumulation leads to clogging of the mind. The key lies in being able to live one moment at a time. Eat while eating, work while working, leave the home at home and the office in the office. Remember, however long we have to travel we can only take one step at a time. Worrying only reduces efficiency and then even simple tasks cannot be completed correctly and in time.

Re-design: We tend to view life and ourselves through our own philosophy. A readjustment or reorientation in this philosophy increases our capacity to bear heavier loads.

Erase the ego: The ego, anger, fear and jealousy are negative emotions that reduce efficiency, leading to mental weakness, causing stress. Too much emphasis on the ego, or abrogation of doer ship is responsible for increasing stress. Sri Rama asked Sri Hanuman how he was able to cause so much havoc in Lanka and yet return unscathed. Hanuman disclaimed all responsibility. He said, “I did not do it, you did it through me”. There is a higher power or strength working through us.

Sharing your feeling: Share your wealth, knowledge, workload or anything else you have. By and large people do not know how to share or delegate. Lord Vishnu as the manager of the world is the best example of delegation of work. Everything happens under his stewardship but he remains free and at-ease.

Surrender to the Lord. Free your mind from the weight of worries and become an instrument, adopting an attitude of service. This attitude will ensure efficiency, success, and freedom from stress.