MANAGEMENT ORGANIZATION BEHAVIOUR

MBA

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As a process, management refers to a series of inter-related functions. It is the process by which management creates, operates and directs purposive organization through systematic, coordinated and co-operated human efforts, according to George R. Terry, "Management is a distinct process consisting of planning, organizing, actuating and controlling, performed to determine and accomplish stated objective by the use of human beings and other resources". As a process, management consists of three aspects:

1. **Management is a social process -** Since human factor is most important among the other factors, therefore management is concerned with developing relationship among people. It is the duty of management to make interaction between people - productive and useful for obtaining organizational goals.

2. **Management is an integrating process -** Management undertakes the job of bringing together human physical and financial resources so as to achieve organizational purpose. Therefore, is an important function to bring harmony between various factors.

Management is a continuous process - It is a never ending process. It is concerned with constantly identifying the problem and solving them by taking adequate steps. It is an on-going process.

Management as an Activity Like various other activities performed by human beings such as writing, playing, eating, cooking etc, management is also an activity because a manager is one who accomplishes the objectives by directing the efforts of others. According to Koontz, "Management is what a manager does". Management as an activity includes -

1.Informational activities - In the functioning of business enterprise, the manager constantly has to receive and give information orally or in written. A communication link has to be maintained with subordinates as well as superiors for effective functioning of an enterprise.

1. **Decisional activities -** Practically all types of managerial activities are based on one or the other types of decisions. Therefore, managers are continuously involved in decisions of different kinds since the decision made by one manager becomes the basis of action to be taken by other managers. (E.g. Sales Manager is deciding the media & content of advertising).

2. **Inter-personal activities -** Management involves achieving goals through people. Therefore, managers have to interact with superiors as well as the sub-ordinates. They must maintain good relations with them. The inter-personal activities include with the sub-ordinates and taking care of the problem. (E.g. Bonuses to be given to the sub-ordinates).

- **KINDS OF MANAGERS**
- Levels of Management
  - First-line managers
    - Responsible for day-to-day operations. Supervise people performing activities required to make the good or service.
  - Middle managers
    - Supervise first-line managers. Are responsible to find the best way to use departmental resources to achieve goals.
  - Top managers
    - Responsible for the performance of all departments and have cross-departmental responsibility.
    - Establish organizational goals and monitor middle managers.
    - Form top management team along with the CEO and COO

Management Functions Management has been described as a social process involving responsibility for economical and effective planning & regulation of operation of an enterprise in the fulfilment of given purposes. It is a dynamic process consisting of various elements and activities. These activities are different from operative functions like marketing, finance, purchase etc. Rather these activities are common to each and every manger irrespective of his level or status.

Planning: It is the basic function of management. It deals with chalking out a future course of action & deciding in advance the most appropriate course of actions for achievement of pre-determined goals.

According to KOONTZ, "Planning is deciding in advance - what to do, when to do & how to do. It bridges the gap from where we are & where we want to be". A plan is a future course of actions. It is an exercise in problem solving & decision making. Planning is determination of courses of action to achieve desired goals. Thus, planning is a systematic thinking about ways & means for accomplishment of pre-determined goals. Planning is necessary to ensure proper utilization of human & non-human resources. It is all pervasive, it is an intellectual activity and it also helps in avoiding confusion, uncertainties, risks, wastages etc.

THE RECRUITMENT MESSAGE

Message credibility is fundamental to a successful recruitment effort. To strengthen candidates' perceptions of credibility, recruiting managers should consider three factors. First, recruitment communications have greater credibility if they provide some negative information about a job opening, for example "evening and weekend work required". Second, credibility is enhanced if what is said about a job by different sources (e.g., a prospective supervisor, co-workers) is consistent. Finally, credibility is increased if some of the information comes from sources external to the organization.53 For example, positive reviews on third-party websites are generally seen as being more objective than employer-provided testimonials. Awards from external sources (e.g., Fortune) may be seen as very credible sources for judging an employer as a good place to work. Even small organizations can compete for awards, as there are often categories for small businesses

Organizing:

It is the process of bringing together physical, financial and human resources and developing productive relationship amongst them for achievement of organizational goals. According to Henry Fayol, "To organize a business is to provide it with everything useful or its functioning i.e. raw material, tools, capital and personnel's". To organize a business involves determining & providing human and non-human resources to the organizational structure. Organizing as a process involves:

- Identification of activities.

- Classification of grouping of activities.

- Assignment of duties.

- Delegation of authority and creation of responsibility.

- Coordinating authority and responsibility relationships.

Staffing:

It is the function of manning the organization structure and keeping it manned. Staffing has assumed greater importance in the recent years due to advancement of technology, increase in size of business, complexity of human behavior etc. The main purpose o staffing is to put right man on right job i.e. square pegs in square holes and round pegs in round holes. According to Kootz & O'Donell, "Managerial function of staffing involves manning the organization structure through proper and effective selection, appraisal & development of personnel to fill the roles designed un the structure". Staffing involves:

Manpower Planning .

Recruitment, Selection & Placement.

Training & Development.

Remuneration.

Performance Appraisal.

Promotions & Transfer.

Directing

It is that part of managerial function which actuates the organizational methods to work efficiently for achievement of organizational purposes. It is considered life-spark of the enterprise which sets it in motion the action of people because planning, organizing and staffing are the mere preparations for doing the work. Direction is that inert-personnel aspect of management which deals directly with influencing, guiding, supervising, motivating sub-ordinate for the achievement of organizational goals. Direction has following elements

Supervision- implies overseeing the work of subordinates by their superiors. It is the act of watching & directing work & workers.

 Motivation- means inspiring, stimulating or encouraging the sub-ordinates with zeal to work. Positive, negative, monetary, non-monetary incentives may be used for this purpose.

Leadership- may be defined as a process by which manager guides and influences the work of subordinates in desired direction.

Communications- is the process of passing information, experience, opinion etc from one person to another. It is a bridge of understanding.

- As salespeople have sales cycle, which depends upon the complexity of the product (and various other factors), proactive recruitment also has candidate interest cycle, duration of which depends upon the difficulty of filling a position. A junior-level business position will have a shorter candidate interest cycle than a senior data scientist position.

- Nurturing your relationship with candidates is really important during the candidate interest cycle. It keeps you as a recruiter always at the front whenever they are considering a job change.

- Nurture your relationship with candidates using content, occasional emails, sharing interesting insights, recent achievement or any other campaign idea which strengthens your relationship. Use a candidate relationship management software like Recruiter flow to create talent pools and nurture your relationships with them.

Controlling: It implies measurement of accomplishment against the standards and correction of deviation if any to ensure achievement of organizational goals. The purpose of controlling is to ensure that everything occurs in conformities with the standards. An efficient system of control helps to predict deviations before they actually occur. According to Theo Haimann, "Controlling is the process of checking whether or not proper progress is being made towards the objectives and goals and acting if necessary, to correct any deviation". According to Koontz & O'Donell "Controlling is the measurement & correction of performance activities of subordinates in order to make sure that the enterprise objectives and plans desired to obtain them as being accomplished". Therefore controlling has following steps: Establishment of standard performance.

Measurement of actual performance.

Comparison of actual performance with the standards and finding out deviation if any.

Corrective action.

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Manager roles

To meet the many demands of performing their functions, managers assume multiple roles. A role is an organized set of behaviours. Henry Mintzberg has identified ten roles common to the work of all managers

Interpersonal roles:

The interpersonal roles link all managerial work together. The three interpersonal roles are primarily concerned with interpersonal relationships. Figurehead Role: The manager represents the organization in all matters of formality. The top level manager represents the company legally and socially to those outside of the organization. The supervisor represents the work group to higher management and higher management

Liaison Role: The manger interacts with peers and people outside the organization. The top level manager uses the liaison role to gain favours and information, while the supervisor uses it to maintain the routine flow of work.

Informational Roles

The informational roles ensure that information is provided. The three informational roles are primarily concerned with the information aspects of managerial work. Monitor Role: The manager receives and collects information about the operation of an enterprise.

Disseminator Role: The manager transmits special information into the organization. The top level manager receives and transmits more information from

- **Spokesperson role** : The manager disseminates the organization's information into its environment. Thus, the top level manager is seen as an industry expert, while the supervisor is seen as a unit or departmental expert

- **Decisional Roles:** The decisional roles make significant use of the information and there are four decisional roles.

- **Entrepreneur Role**: The manager initiates change, new projects; identify new ideas, delegate idea responsibility to others.

- **Resource Allocator Role**: The manager decides who gets resources; schedule, budget set priorities and chooses where the organization will apply its efforts.

Disturbance Handler Role: The manager deals with threats to the organization. The manager takes corrective action during disputes or crises; resolve conflicts among subordinates; adapt to environmental crisis

Negotiator Role: The manager negotiates on behalf of the organization. The top level manager makes the decisions about the organization as a whole, while the supervisor makes decisions about his or her particular work unit

Management Skills Technical skills The ability to apply specialized knowledge or expertise. Human skills The ability to work with, understand, and motivate other people, both individually and in groups. Conceptual Skills The mental ability to analyze and diagnose complex situations

Classical management theory was introduced in the late 19th century. It became widespread in the first half of the 20th century, as organizations tried to address issues of industrial management, including specialization, efficiency, higher quality, cost reduction and management-worker relationships. While other management theories have evolved since then, classical management approaches are still used today by many small-business owners to build their companies and to succeed.

One of the advantages of the classical management structure is a clear organizational hierarchy with three distinct management levels. Each management group has its own objectives and responsibilities. The top management is usually the board of directors or the chief executives who are responsible for the long-term goals of the organization. Middle management oversees the supervisors, setting department goals according to the approved budget.

Hierarchical structure – Under classical management theory, workplaces are divided under three distinct layers of management. At the very top are the owners, board of directors and executives that set the long-range objectives for a firm. Middle management takes on the responsibility of overseeing supervisors while setting goals at the department level to fit within the confines of the managers' budget. At the lowest level of the chain are supervisors, who manage day-to-day activities, address employee problems and provide training

Specialization – The classical management theory involves an assembly line view of the workplace in which large tasks are broken down into smaller ones that are easy to accomplish. Workers understand their

Incentives – This theory believes that employees are motivated by financial rewards. It proposes that employees will work harder and be more productive if they are awarded incentives based on their work. Employers who can motivate their employees using this tactic may be able to achieve increased production, efficiency and profit.

Fayal's principles of management: – In addition, Fayal a listed out fourteen principles of management.   They are:

Division of labour: – The more people specialize, the more efficiently they can perform their work. This principle is epitomized by the modern assembly line.

Authority: – Managers must give orders so that they can get things done. While their formal authority gives them the right to command, managers will not always compel obedience unless they have personal authority (such as relevant expertise) as well.

 Discipline: – Members in an organization need to respect the rules and agreements that govern the organization. To Fayal, discipline results from good leadership at all levels of the organization, fair agreements

Unity of command: – Each employee must receive instructions from only one person. Fayola belied that when an employee reported to more than one manager, conflicts in instructions and confusion of authority would ultimately result.

Unity of direction: – Those operations within the organization that have the same objective should be directed by only one manager using one plan.

Subordination of individual interest to the common goal: – In any undertaking, the interests of employees should not take precedence over the interests of the organization. As a whole.

Remuneration: – Compensation for work done should be fair to both employees and employers.

Centralization: – Decreasing the role of subordinates in decision making is centralization, increasing their roles is decentralization.

The hierarchy: – The lines of authority in an organization are often represented today by the neat boxes and lines of the organization chart that runs in order of rank from the top management to the lowest level of the enterprise.

Order: – Materials and people should be in the right place at the right time. People in particular, should be in the jobs or positions in which they are most suited.

Equity: – Manager should be both friendly and fair to their subordinates .

Stability of staff: - A high employee turnover rate undermines the efficient functioning of an organization.

Initiative: - Subordinates should be given the freedom to conceive and carry out their plans, even though some mistakes may result.

Esprit de corps: - Promoting team spirit will give the organization a sense of unity.

Taylor's scientific management

The concept of scientific management was introduced by Fredric Winslow Taylor in USA in the beginning Of 20^{the}Century. "Scientific management is concerned with knowing exactly what you want men to do and Then see in that they do it in the best and cheapest way**.**

Scientific management theory is important because its approach to management is found in almost every industrial business operation across the world. Its influence is also felt in general business practices such planning, process design, quality control, cost accounting, and ergonomics. Your knowledge of the theory will give you a better understanding of industrial management. You'll also understand how a manager can use quantitative analysis, an examination of numbers and other measurable data, in management to improve the efficiency and effectiveness of business operations.

1. **Separation of planning and doing: -** Taylor emphasized the separation of planning aspect from actual doing of the work. Before Taylor's scientific management, a work used to plan about how he had to work and what instruments were necessary for that. The worker was put under the supervision of a supervisor commonly known as gang boss.

2. **Functional foremanship: -** Separation of planning from doing resulted into development of supervision system which could take planning work adequately besides keeping supervisions on workers.

3. **Job analysis: -** Job analysis is undertaken to find out the one best way of doing the thing. The best way of doing a job is one which requires the last movements, consequently less time and cost. The best way of doing the thing can be determined by taking up time- motion fatigue studies

4. Standardization:- As far as possible, standardization should be maintained in respect of instruments and tools, period of work, amount of work, work conditions, cost of production cet.

5. Scientific selection & Training of workers: - Taylor has suggested that workers should be selected on scientific basis taking into account their education, work experience, aptitude, physical strength.

6. Financial incentives: - Financial incentives can motivate workers to put in their maximum efforts. If provisions exist to earn higher wages by putting in extra effort, workers will be motivated to earn more

7. Economy: - While applying scientific management, not only scientific & technical aspects should be considered but adequate consideration should be given to economy & profit. For this purpose, techniques of cost estimates and control should be adopted.

8. Mental revolution: - scientific management depends on the mutual co-operation between management and workers. For this co-operation, there should be mental change in both parties from conflict to co-operation.

Principles of scientific management

1.**Science, but not rule of the thumb: -** Scientific management organized knowledge should be applied which will replace rule of thumb. While the use of scientific method denotes precision in determining any aspect of work.

2.**Group harmony: -** Group harmony suggests that there should be mutual given and takes situation and proper understanding so that group as a whole contributes to the maximum.

3.**Cooperation: -** scientific management involves achieving co-operation rather than chaotic individualism. Scientific management is based on mutual confidence, co- operation and good will. Co-operation between management and workers can be developed through mutual understanding and a change in thinking.

1. **Maximum output:** - Scientific management involves continuous increase in production and productivity instead of restricted production either by management or by worker.

2. **Development of workers: -** In scientific management, all workers should be developed to the fullest extent possible for their own and for the company's prosperity.

CLASSICAL THEORY OF MANAGEMENT:

There are several theories which explain the organization and its structure Classical organization theory includes the

1. Scientific management approach

2. Weber's bureaucratic approach and

3. Administrative theory

<u>Scientific management approach</u>:

The scientific management approach is based on the concept of planning of work to achieve efficiency, standardization, specialization and simplification. The approach to increased productivity is through mutual trust between management and workers. Taylor (1947) proposed four principles of scientific management:

a. Science not rule of thumb
b. Scientific selection of the worker
c. Management and labor cooperation rather than conflict and
d. Scientific training of workers.

Weber's bureaucratic approach:

Weber's ***bureaucratic approach*** considers the organization as a part of broader society. The organization is based on the principles of:

1. Structure

2. Specialization

3.Predictability and stability

4. Rationality and

5. Democracy.

ADMINISTRATIVE THEORY:

Henry fail (1841-1925) was a French industrialist who was considered as the founder of classical management school. He believed that for effective management of any organization systematic scientific management principles should be followed.

Henry defined management as, "a social process of all function" and believed that "to manage is to forecast and plan to organize, to command, to coordinate and control". He was a popular management guru, like F.W.Taylor. The only difference is that Taylor studied and emphasized on organizational functions, whereas Henry took into consideration the whole organization. Further, Henry proposed 14principles of management based on his personal experience as a manager. The principles proposed by him changed the traditional belief that "manager" are born, not made".

<u>Behavioral Management Theory</u>

As management research continued in the 20th century, questions began to come up regarding the interactions and motivations of the individual within organizations. Management principles developed during the classical period were simply not useful in dealing with many management situations and could not explain the behavior of individual employees. In short, classical theory ignored employee motivation and behavior

As a result, the behavioral school was a natural outgrowth of this revolutionary management experiment. The behavioral management theory is often called the human relations movement because it addresses the human dimension of work. Behavioral theorists believed that a better understanding of human behavior at work, such as motivation, conflict, expectations, and group dynamics, improved productivity.

Abraham Maslow, a practicing psychologist, developed one of the most widely recognized need theories, a theory of motivation based upon a consideration of human needs. His theory of human needs had three assumptions:

1. Human needs are never completely satisfied.

2. Human behavior is purposeful and is motivated by the need for satisfaction.

Needs can be classified according to a hierarchical structure of importance, from the lowest to highest

Management sciences theories: Concept of management theory:

During 1950, management science approach came into existence which is also known as mathematical or quantities measurement approach, management is viewed as a logical entity which tends to represent its activities in terms of mathematical symbols relationships and measurement data. Such approach acts as a systematic and scientific evolutionary method for providing an appropriate solution for the problems faced by managers. Management science approach is a systematic approach which uses the computer aided technology in different fields such as production, finance, costing transportation and storage, etc. in other words, operations research may be considered as a mathematical method where in scientific techniques are used to solve the problems.

The following are the stages involved in scientific methods,

(a)A problem is divided into its constituent elements.

(b)Information related to its respective components is collected.

(c)Analysis of the collected data

(d)Identifying the alternatives to solve the problems.

The approach of management science is a highly developed approach in evaluating and understanding the concepts of management theory and practice. Different mathematical tools such as sampling, game theory, simulation, linear programming, time series analysis, waiting line theory, etc. are used for solving the managerial problems with more accuracy.

Various techniques used in management science approach: management science approach makes use of several techniques which are explained below:

- Linear programming
- Integer linear programming
- Waiting line or queuing models
- Simulation
- Goal programming
- Dynamic programming
- Network models

<u>Systems approach to management</u>

Systems approach is based on the generalization that everything is inter-related and inter-dependent. A system is composed of related and dependent element which when in interaction, forms a unitary whole. A system is simply an assemblage or combination of things or parts forming a complex whole. One its most important characteristic is that it is composed of hierarchy of sub-systems. That is the parts forming the major system and so on.

Features of Systems Approach:

(I) a system consists of interacting elements. It is set of inter-related and inter-dependent parts arranged in a manner that produces a unified whole.

(ii) The various sub-systems should be studied in their inter-relationships rather, than in isolation from each other.

(iii) An organizational system has a boundary that determines which parts are internal and which are external.

(iv) A system does not exist in a vacuum. It receives information, material and energy from other systems as inputs. These inputs undergo a transformation process within a system and leave the system as output to other systems.

(v) An organization is a dynamic system as it is responsive to its environment. It is vulnerable to change in its environment.

In the systems approach, attention is paid towards the overall effectiveness of the system rather than the effectiveness of the sub-systems. The interdependence of the sub-systems is taken into account. The idea of systems can be applied at an organizational level. In Appling system concepts, organizations are taken into account and not only the objectives and performances of different departments (sub-systems).

Evaluation of System Approach:

The systems approach assists in studying the functions of complex organizations and has been utilized as the base for the new kinds of organizations like project management organization. It is possible to bring out the inter-relations in various functions like planning, organizing, directing and controlling. This approach has an edge over the other approaches because it is very close to reality. This approach is called abstract and vague. It cannot be easily applied to large and complex organizations. Moreover, it does not provide any tool and technique for managers.

Contingency approach:

Definition:

A **contingency approach to management** is based on the theory that management effectiveness is contingent, or dependent, upon the interplay between the application of management behaviors and specific situations. In other words, the way you manage should change depending on the circumstances. One size does not fit all.

The contingency approach to management finds its foundation in the contingency theory of leadership effectiveness developed by management psychologist Fred Fielder..

The theory states that leadership effectiveness, as it relates to group effectiveness, is a component of two factors: task motivation, or relation

Motivation and circumstances. You measure task motivation, or relation motivation, by the least preferred co-worker (LPC) scale

The LPC scale asks the manager to think of the person they least like working with and then rate that person on a set of questions, each involving an 8-point scale. For example, a score of one would be uncooperative, and a score of eight would be cooperative.

✓ **Leader-member relations** - This factor addresses the manager's perception of his cooperative relations with his subordinates. In other words, is the cooperation between you and your employees good or bad?

✓ **Task structure** - This factor relates to whether the structure of the work task is highly structured, subject to standard procedures, and subject to adequate measures of assessment. Certain tasks are easy to structure, standardize and assess, such as the operation of an assembly line.

✓ **Position power** - This factor asks if the manager's level of authority is based on punishing or rewarding behavior. For example, does the manger derive his authority from providing bonuses for meeting sales goals or terminating employees for failure to meet the goals?

Limitations of contingency approach

Some of the major limitations of contingency approach are as follows:

1. Inadequate Literature
2. Complex
3. Difficult Empirical Testing
4. Reactive not Proactive.

These limitations are of following nature:

1. Inadequate Literature*:*

Contingency approach suffers from inadequately of literature. Therefore, it has not adequately spelled out various types of actions which can be taken under different situations. It is not sufficient to say that 'a managerial action depends on the situation.'

2. Complex:

The suggestion of the approach is very simple, that is, managers should do according to the needs of the situation. However, when put into practice, this becomes very complex. Determination of situation in which managerial action is to be taken involves analysis of a large number of variables with multifarious dimensions. Therefore, there is a possibility that managers, who are always short of time, may ignore the thorough analysis of all these variables and may resort to short-cut and easier way.

3. Difficult Empirical Testing:

Contingency approach being complex, presents problems in testing the percepts of the theory. For empirical testing of the theory, it is necessary that some methodology is available. No doubt, methodology is available but because of the involvement of too many factors, testing becomes difficult

4. Reactive not Proactive:

Contingency approach is basically reactive in nature. If nearly suggests what managers can do in a given situation. For a given organization, super system constitutes environment and management can be applied to supra-system also. Therefore, managers are responsible to manage the environment in such a way that they avoid the undesirable aspects of environment.

UNIT- 2

PLANNING, DECISION-MAKING AND GOAL SETTING

Decision- making is the process of choosing the best from among the alternative solutions under a given set of circumstances.

Now we shall discuss the meaning of decision – making based on this analysis.

Decision making is the process of choosing the best among the available alternatives with a purpose under a given set of circumstances.

DECESSION MAKING PROCESS:

1. The analyses of these definitions present the following facts.
2. Identify the purpose or goal, based on which decision has to be made.
3. Analyze the set of circumstances, conditions or ground realities which set the norms for decision- making.
4. Decision – making is a process of identifying the issues, collecting information and data, analyze the, and generate or develop necessary inputs for developing alternative solutions.
5. Develop alternative solutions to solve the problem or ways to deal with the situation.
6. Evaluate the alternative solutions and choose the best solution.
7. Implement the selected solution.

Importance of Decision- Making

• Managers perform all their functions and activities through decision-making.

• In addition, making the decision in right time values much to the organization rather than making a right decision in the wrong time.

• Managers in the business world, often fail to make a decision in the right time and allow the competitors to grab the opportunities.

• As such, managers have to make not only the right decisions but make them in right time.

• Otherwise, the problems remain or magnify and culminate into a crisis.

• Decision- making process helps the management to procure necessary data and information.

• Decision- making further helps in the formulation of strategies and implement them.

Process of Decision- Making

I. Problem Awareness

II. Problem diagnosis

III. Development of alternative solutions

IV. Evaluation of alternative solutions

V. Selection of the best solution

VI. Implementation of the decision

Problem awareness

Mostly individual employees identify the problems in various areas.

Individuals, when they get a 'gut feeling' that something is wrong, they identify the problem.

The awareness of a problem mostly occurs to employees at the grass- root level like sales people, machine operator, finance assistants, human resource assistant's act.

Internal performance measurements like level of turnover or profit performance.

Problem diagnosis

After the individual employees are aware of the problem and it is informed to the managers, managers will gather the information and define the problem.

Information may be explored to determine the facts of the problem in detail.

Such information may be gathered on a verbal and informal basis.

Rationalize the information and stimuli relevant to the problem so as to classify the situation.

Act diplomatically to establish peer groups or those of political support for individual views of the problem.

Development of alternative solutions

- After the problem is diagnosed clearly, the tendency of managers is that of searching for readymade solutions.

- Through memory search in which the managers seek for known, existing or attempted solutions.

- Passive search which entails waiting for possible solutions to be offered.

- This process of developing solutions takes place through discussions, debates, consultations and brainstorming sessions and by sharing management wisdom and experience.

Evaluation of alternative solutions

- After the alternative solutions are developed, the solutions have to be formally evaluated based on their inherent strengths and weaknesses and also based on the environmental threats and opportunities for implementations.

- The solutions are to be ranked on the basis of their weights in terms of strengths and opportunities after eliminating the non- viable solutions in view of their weaknesses and environmental threats for implementation.

Selection of the best solution

After the formal evaluation and ranking is completed, the managers tend to re- evaluate the solution based on the managerial judgment followed by political bargaining as the formal evaluation is not the predominant criterion for assessing the feasibility in practice.

Therefore, the techniques for evaluation of solutions also include social and political process.

Implementation of the decision

Implementation of the selected solutions is a part of the decision- making process as the process may be required to be recycled due to impediments in the process of implementation.

The managers should secure the support of the top management for allocation of resources; time act, regarding the implementation of the decision.

Decision Levels

We all recognize that some decisions are more important than others, whether in their immediate impact or long term significance. As a means of understanding the significance of a decision so that we can know how much time and resources to spend on it, three levels of decision have been identified:

1. Strategic. Strategic decisions are the highest level. Here a decision concerns general direction, long term goals, philosophies and values. These decisions are the least structured and most imaginative; they are the most risky and of the most uncertain outcome, partly because they reach so far into the future and partly because they are of such importance.

For example: Decisions about what to do with your life, what to learn, or what methods to use to gain knowledge (travel, work, and school) would be strategic. Whether to produce a low priced product and gain market share or produce a high priced product

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2. Tactical. Tactical decisions support strategic decisions. They tend to be medium range, medium significance, with moderate consequences.

For example: If your strategic decision were to become a forest ranger, a tactical decision would include where to go to school and what books to read. Or if your company decided to produce a low priced product, a tactical decision might be to build a new factory to produce them at a low manufacturing cost.

3. Operational. These are every day decisions, used to support tactical decisions. They are often made with little thought and are structured. Their impact is immediate, short term, short range, and usually low cost. The consequences of a bad operational decision will be minimal, although a series of bad or sloppy operational decisions can cause harm. Operational decisions can be preprogrammed, pre-made, or set out clearly in policy manuals.

Defining Planning

Before a manager can tackle any of the other functions, he or she must first devise a plan.   A plan is a blueprint for goal achievement that specifies the necessary resource allocations, schedules, tasks, and other actions. A goal is a desired future state that the organization attempts to realize. Goals are important because an organization exists for a purpose, and goals define and state that purpose. Goals specify future ends; plans specify today's means.

The word planning incorporates both ideas: It means determining the organization's goals and defining the means for achieving them. Planning allows managers the opportunity to adjust to the environment instead of merely reacting to it. Planning increases the possibility of survival in business by actively anticipating and managing the risks that may occur in the future.

In short, planning is preparing for tomorrow, today. It's the

Not only does planning provide direction and a unity of purpose for organizations, it also answers six basic questions in regard to any activity:

a. What needs to be accomplished?

b. When is the deadline?

c. Where will this be done?

d. Who will be responsible for it?

e. How will it get done?

f. How much time, energy, and resources are required to accomplish this goal?

The various stages in the process of planning are as follows:

Goal setting:

Plans are the means to achieve certain ends or objectives. Therefore, establishment of organizational or overall objectives is the first step in planning. Setting objectives is the most crucial part of planning. The organizational objectives should be set in key areas of operations.

Developing the planning premises:

Before plans are prepared, the assumptions and conditions underlying them must be clearly defined these assumptions are called planning premises and they can be identified through accurate forecasting of likely future events

Reviewing Limitations:

In practice, several constraints or limitations affect the ability of an organization to achieve its objectives. These limitations restrict the smooth operation of plans and they must be anticipated and provided for.

Deciding the planning period:

Once the broad goals, planning premises and limitations are laid down, the next step is to decide the period of planning. The planning period should be long enough to permit the fulfillment of the commitments involved in a decision.

Formulation of policies and strategies:

After the goals are defined and planning premises are identified, management can formulate pole- ices and strategies for the accomplishment of desired results. The responsibility for laying down policies and strategies lies usually with management. But, the subordinates should be consulted as they are to implement the policies and strategies.

Preparing operating plans:

After the formulation of overall operating plans, the derivative or supporting plans are prepared. Several medium range and short-range plans are required to implement policies and strategies.

Main Steps Involved in Planning Process:

Eight main steps involved in the planning process of an organization. The steps are:

Perception of opportunities
↓
Establishing Objectives
↓
Planning premises
↓
Identification of alternatives
↓
Evaluation of alternatives
↓
Choice of alternative plans
↓
Formulating of supporting
↓
Establishing sequence of activities.

FIGURE 3.1 PLANNING PROCESS

1. Perception of Opportunities:

Perception of opportunities is not strictly a part of the planning process. But this awareness of opportunities in the external environment as well as within the organization is the real starting point for planning. It is important to take a preliminary look at possible future opportunities and see them clearly and completely.

All managers should know where they stand in the light of their strengths and weaknesses, understand the problems they wish to solve and know what they gain. Setting objectives depends on the awareness. Planning requires realistic diagnosis of the opportunity situation.

2. Establishing Objectives:

This is the second step in the planning process. The major organizational and unit objectives are set in this stage. This is to be done for the long term as well as for the short range. Objective specify the expected results and indicate the end points of what is to be done, where the primary emphasis is to be placed and what is to be accomplished by the various types of plans.

3. Planning Premises:

After determination of organizational objectives, the next step is establishing planning premises that is the conditions under which planning activities will be undertaken. Planning premises are planning assumptions the expected environmental and internal conditions

Thus planning premises are external and internal. External premises include total factors in task environment like political, social, technological, competitors, plans and actions, government policies. Internal factors include organization's policies, resources of various types, and the ability of the organization to withstand the environmental pressure. The plans are formulated in the light of both external and internal factors.

The nature of planning premises differs at different levels of planning. At the top level, it is mostly externally focused. As one moves down the organizational hierarchy the composition of planning premises changes from external to internal. The major plans both old and new will materially affect the future against which the managers at lower units must plan.

4. Identification of Alternatives:

The fourth step in planning is to identify the alternatives. Various alternatives can be identified based on the organizational objectives and planning premises. The concept of various alternatives suggests that a particular objective can be achieved through various actions.

For example, if an organization has set its objectives to grow further, it can be achieved in several ways like expanding in the same field of business or product line diversifying in other areas, joining hands with other organizations, or taking over another organization and so on. Within each category, there may be several alternatives

The most common problem is not finding alternatives but reducing the number of alternatives so that the most promising may be analyzed. Even with mathematical techniques and the computer, there is a limit to the number of alternatives that can be thoroughly examined. The planner must usually make a preliminary examination to discover the most fruitful possibilities.

5. Evaluation of Alternatives:

The various alternative course of action should be analyzed in the light of premises and goals. There are various techniques available to evaluate alternatives. The evaluation is to be done in the light of various factors. Example, cash inflow and outflow, risks, limited resources, expected pay back etc.; the alternatives should give us the best chance of meeting our goals at the lowest cost and highest profit.

6. Choice of Alternative Plans:

This is the real point of decision-making. An analysis and evaluation of alternative courses will disclose that two or more .ire advisable and beneficial. The fit one is selected.

7. Formulation of Supporting Plan:

After formulating the basic plan, various plans are derived so as to support the main plan. In an organization there can be various derivative plans like planning for buying equipment, buying raw materials, recruiting and training personal, developing new product etc. These derivative plans are formulated out of the basic or main plan and almost invariably required to support the basic plan.

8. Establishing Sequence of Activities:

After formulating basic and derivative plans, the sequence of activities is determined so those plans are put into action. After decisions are made and plans are set, budgets for various periods and divisions can be prepared to give plans more concrete meaning for implementation. The overall budgets of an enterprise represent the sum total of income and expenses, with resultant profit or surplus, and budgets of major balance sheet items such as cash and capital expenditures.

UNIT- 3

ORGANIZING AND CONTROLLING

Controlling is one of the managerial functions like planning, organizing, staffing and directing. It is an important function because it helps to check the errors and to take the corrective action so that deviation from standards are minimized and stated goals of the organization are achieved in a desired manner.

According to modern concepts, control is a foreseeing action whereas earlier concept of control was used only when errors were detected. Control in management means setting standards, measuring actual performance and taking corrective action. Thus, control comprises these three main activities.

Definition

According to Henri Fayola,

Control of an undertaking consists of seeing that everything is being carried out in accordance with the plan which has been adopted, the orders which have been given, and the principles which have been laid down. Its object is to point out mistakes in order that they may be rectified and prevented from recurring.

According to EFL Breach,

Control is checking current performance against pre-determined standards contained in the plans, with a view to ensure adequate progress and satisfactory performance.

According to Harold Koontz,

Controlling is the measurement and correction of performance in order to make sure that enterprise objectives and the plans devised to attain them are accomplished.

According to Stafford Beer, Management is the profession of control

Characteristics of Control

- Control is a continuous process
- Control is a management process
- Control is embedded in each level of organizational hierarchy
- Control is forward looking
- Control is closely linked with planning
- Control is a tool for achieving organizational activities
- Control is an end process

Open- and Closed-Loop Control

A Street-lighting system controlled by a timing device is an example of an open-loop system. At a certain time each evening, a mechanical device closes the circuit and energy flows through the electric lines to light the lamps. Note, however, that the timing mechanism is an independent unit and is not measuring the objective function of the lighting system.

Man and Machine Control

The elements of control are easy to identify in machine systems. For example, the characteristic to be controlled might be some variable like speed or temperature, and the sensing device could

Be a speedometer or a thermometer. An expectation of precision exists because the characteristic is quantifiable and the standard and the normal variation to be expected can be described in exact terms.

Organizational and Operational Control

The concept of organizational control is implicit in the bureaucratic theory of Max Weber. Associated with this theory are such concepts as "span of control", "closeness of supervision", and "hierarchical authority". organizational control, the approach used in the program of review and evaluation depends on the reason for the evaluation that is, is it because the system is not effective (accomplishing its objectives)? Is the system failing to achieve an expected standard of efficiency? Is the evaluation being conducted because of a breakdown or failure in operations? Is it merely a periodic audit- and-review process?

Controlling Process

The control process involves carefully collecting information about a system, process, person, or group of people in order to make necessary decisions about each. Managers set up control systems that consist of four key steps:

Establish standards to measure performance. Within an organization's overall strategic plan, managers define goals for organizational departments in specific, operational terms that include standards of performance to compare with organizational activities.

Measure actual performance. Most organizations prepare formal reports of performance measurements that manager's review regularly. These measurements should be related to the standards set in the first step of the control process. For example, if sales growth is a target, the organization should have a means of gathering and reporting sales data.

Compare performance with the standards. This step compares actual activities to performance standards. When managers read computer reports or walk through their plants, they identify whether actual performance meets, exceeds, or falls short of standards. Typically, performance reports simplify such comparison by placing the performance standards for the reporting period alongside the actual performance for the same period and by computing the variance—that is, the difference between each actual amount and the associated standard.

Take corrective actions. When performance deviates from standards, managers must determine what changes, if any, are necessary and how to apply them. In the productivity and quality-centered environment, workers and managers are often empowered to evaluate their own work. After the evaluator determines the cause or causes of deviation, he or she can take the fourth step—corrective action. The most effective course may be prescribed by policies or may be best left up to employees' judgment and initiative.

Controlling Techniques

10 Types of Traditional Control Techniques

Direct Supervision and Observation

'Direct Supervision and Observation' is the oldest technique of controlling. The supervisor himself observes the employees and their work. This brings him in direct contact with the workers. So, many problems are solved during supervision.

Financial Statements

All business organizations prepare Profit and Loss Account. It gives a summary of the income and expenses for a specified period. They also prepare Balance Sheet, which shows the financial position of the organization at the end of the specified period. Financial statements are used to control the organization.

Budgetary Control

A budget is a planning and controlling device. Budgetary control is a technique of managerial control through budgets. It is the essence of financial control. Budgetary control is done for all aspects of a business such as income, expenditure, production, capital and revenue. Budgetary control is done by the budget committee

Break Even Analysis

Break Even Analysis or Break Even Point is the point of no profit, no loss. For e.g. when an organization sells 50K cars it will break even. It means that, any sale below this point will cause losses and any sale above this point will earn profits.

Return on Investment (ROI)

Investment consists of fixed assets and working capital used in business. Profit on the investment is a reward for risk taking. If the ROI is high then the financial performance of a business is good and vice-versa.

ROI is a tool to improve financial performance. It helps the business to compare its present performance with that of previous years' performance. It helps to conduct inter-firm comparisons. It also shows the areas where corrective actions are needed.

Management by Objectives (MBO)

MBO facilitates planning and control. It must fulfill following requirements:-

- Objectives for individuals are jointly fixed by the superior and the subordinate.

- Periodic evaluation and regular feedback to evaluate individual performance.

- Achievement of objectives brings rewards to individuals.

Management Audit

Management Audit is an evaluation of the management as a whole. It critically examines the full management process, i.e. planning, organizing, directing, and controlling. It finds out the efficiency of the management.

Management Information System (MIS)

In order to control the organization properly the management needs accurate information. They need information about the internal working of the organization and also about the external environment...

PERT and CPM Techniques

Program me Evaluation and Review Technique (PERT) and Critical Path Method (CPM) techniques were developed in USA in the late 50's. Any programme consists of various activities and sub-activities. Successful completion of any activity depends upon doing the work in a given sequence and in a given time.

Self-Control

Self-Control means self-directed control. A person is given freedom to set his own targets, evaluate his own performance and take corrective measures as and when required. Self-control is especially required for top level managers because they do not like external control.

Introduction to organizational behavior

What is an organization? - An organization is a consciously coordinated social unit, composed of two or more people that functions on a relatively continuous basis to achieve a common goal or set of goals.

What is organizational behavior?:- Organizational behavior is a field of study that investigates the impact that individuals, groups, and structure have on behavior within organization, for the purpose of applying such knowledge toward improving an organizations effectiveness.

Organizational behavior:

•   The behavior of people

•   The process of management

•   Organizational processes and the execution of work

•   Interactions with the external environment of which the organization is a part

•   Organizational implications in terms of performance and effectiveness

Management Skills

• Technical skills: - The ability to apply specialized or expertise.

• Human skills: - The ability to work with, understands, and motivates other people, both individually and in groups.

• Conceptual skills: - The mental ability to analyze and diagnose complex situations. This includes looking at relationships, attempting to attribute causes looking at relationships, conclusions on scientific evidence.

Basic concept related to organization

The following concepts provide an insight into the functioning of organizations.

1.   Organizational hierarchy: - The hierarchy in a business refers to the layers of management from the top management down to managers or supervisors of the lowest rank. In small business, usually, there are few layers of hierarchy.

2.   Authority and responsibility: - Authority is the power to give command and to use discretion vested in that particular position or job. If the person is removed from the job he or she loses the authority. Responsibility is the obligation on the part of the subordinate to complete the given job.

3.   Delegation of authority: - The process of transferring authority from the top to the lower levels in the organization is called delegation.

Principles of organization

Align departmental objectives to corporate goals: - It is to be ensured that the objectives of different departments in the organization are unified and aligned to the corporate goals.

Cost- effective operations: - An organization is said to be efficient if it can achieve the goals at the lowest costs and with minimum undesirable consequences.

Optimum number of subordinates: - In each managerial position, there is a limit to the number of persons an individual can effectively manage.

Specialization: - Similar activities are grouped together to ensure better performance of the work and efficiency at each level.

Define authority: - The authority and responsibility relationships underlying each position in the organization have to be defined clearly to avoid confusion or misinterpretation.

Flow of authority: - This refers to the line of authority from the top management in an enterprise to other levels. If this is clear, then the terms of responsibility also can be understood.

Types of Organization

An organization can be classified on the basis of authority relationships or on the basis of its departments.

Line Organization: - Line organization also called military or scalar organization. It is said to be the oldest and most traditional type of organization, which is widely used even today.

Merits	Demerits
A. It sets clearly the direct lines of authority and responsibility of a line manager	A. It is likely that the line manager is overburden with all tasks relating to a particular section
B. It is simple to understand	B. There no scope for specialization
C. Each section are department can be treated as a unit for control purposes	C. There is more scope for favoritism and Nepotism
D. It is flexible	D. It may lead to low morale in the organization
E. It facilitates quick decisions and prompt actions	E. Instability is likely, due to lack of continuity

Principles of organization

Manage via exceptional cases: - An organization should be geared in such a way that manager's attention is drawn only to exceptional problems.

Ensure one employee, one superior: - Each subordinate should have only one superior. There should not be any room for conflict of command.

One head and one plan: - Every group of activities with common objective should be handled by one person and one plan. If handled by different persons, the organization may lose direction.

Define responsibility: - A superior is responsible for the omissions of his subordinates and at the same time the subordinates must be held responsible to their superiors for the performance of the work assigned.

Attain balance: - Every organization needs to be a balance one. There are several factors such as decentralization of authority, delegation of authority, departmentation, span of control, and others, that have to be balanced to ensure the overall effectiveness of the structure in meeting the organizational objectives.

Modern trends in organizational structure design

Organization in the recent times have been gearing themselves to suit to the growing demands from their stakeholders in terms of responsiveness, flexible, agility, adaptability act. In this process, they are following organic structures which are more agile, flexible and adaptable to the changing circumstances. Virtual organizations, cellular organizations, team structure, boundary less organization and inverted pyramid organizations.

Virtual Organization: - Virtual organization facilitates competitiveness particularly when these organizations are part of the global economy. Here, there can be alliances and partnerships with other organizations almost all over world. It is a flexible organization structure that removes the traditional boundaries. It allows easy reassignment and reallocation of resources to take quick advantage of shifting opportunities in global markets.

Cellular Organization: - Organization structured around the units / cells that complete the entire assembly processes are called cellular organizations. In the modern organizations, cellular organizations have been replacing the continuous line or linear production process systems. In cellular organizations, workers manufacture total product or sub- assemblies in teams [cells].

Team structure: - A structure in which the entire organization is made up of work groups or teams is known as team structure. Team structures are both permanent and also temporary in nature as situation demands. In team structures, we find cross functional

Teams meant for improving lateral relations, solving problems, completing special projects and accomplishing routine tasks.

Boundary less Organization: - As the name indicates, a boundary less organization eliminates internal boundaries among subsystems and external boundaries with external environment. It is a combination of team and net work structures with the addition of temporariness. Such type of organization structure is characterized by spontaneous team work and communication.

Inverted pyramid: - This is an alternative to the traditional chain of command. This is a structure which narrows at the top and wide at the base. It includes a few levels of management. For instance, sales people and sale support staff sit on the top as the key decision makers for all the issues related to sales and dealing with the customers.

Perception

Perception (from the Latin perception, perception) is the process of attaining awareness or understanding of the environment by organizing and interpreting sensory information. All perception involves signals in the nervous system, which in turn result from physical stimulation of the sense organs. For example, vision involves light striking the retinas of the eyes, smell is mediated by odor molecules and hearing involves pressure waves. Perception is not the passive receipt of these signals, but can be shaped by learning, memory and expectation. Perception involves these "top-down" effects as well as the "bottom-up" process of processing sensory input. Perception depends on complex functions of the nervous system, but subjectively seems mostly effortless because this processing happens outside conscious awareness.

Types

- Sound
- Touch
- Taste

Learning

Learning is acquiring new or modifying existing knowledge, behaviors, skills, values, or preferences and may involve synthesizing different types of information. The ability to learn is possessed by humans, animals and some machines. Progress over time tends to follow learning curves.

Play has been approached by several theorists as the first form of learning. Children play, experiment with the world, learn the rules, and learn to interact. Vygotsky agrees that play is pivotal for children's development, since they make meaning of their environment through play.

Nature of Learning

- Learning is Growth
- Learning is Adjustment
- Learning is Organizing Experience
- Learning involves Acquiring of Knowledge and Skills
- Learning involves Change
- Learning is Transferable

Learning Pyramid
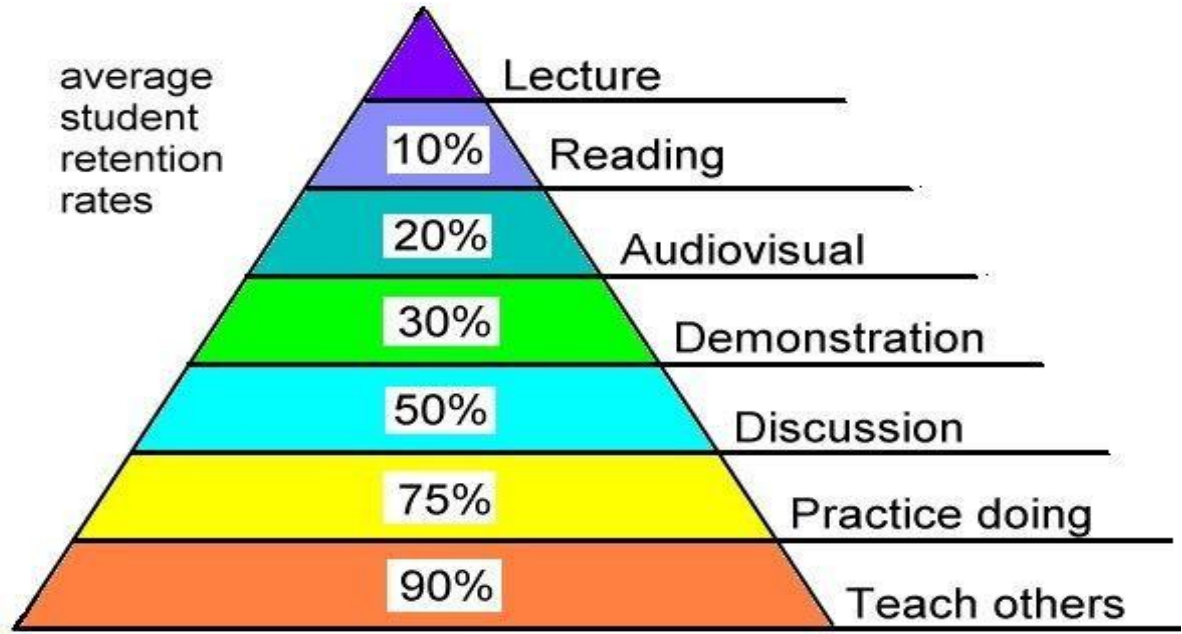
Source: National Training Laboratories, Bethel, Maine

Characteristics of learning: - Learning has the following characteristics.

Learning involves change: - As indicated earlier, people acquire new information which is processed in their condition. This process produces new knowledge. This knowledge brings changes in their existing pattern of behavior.

Change must be relatively permanent: - When the information acquired is converted into knowledge and wisdom, people change their behavior more or less permanently.

Behavioral issues: - The change in the knowledge and wisdom should produce different attitudes and values. These new attitudes and values should change the behavior. Then only it is called learning. In other words, the new attitudes and values not accompanied by change in behavior are not called learning.

Experience- based: - learning is based on experience. Experience may be direct or indirect, personal or through observation or through reading.

Personality

What does personality mean? People use different terms like good, popular, strong, honest, weak, polite, ECT. to denote personality. Behavioral scientists and common people define personality from different perspective.

The world personality can be traced to the Latin words 'per sonar' which are translated as "to speak through." According to Gordon all port, personality is "the dynamic organization within the individual of those psychological systems that determine his unique adjustments to his environment."

Fred Lufthansa defines the term personality as, "how people affect others and how they understand and view themselves, as well as their pattern of inner and outer measurable traits and the person- situation intervention."

Robbins defines personality as, "the sum total of ways in which an individual reacts to and interacts with others."

Components of Personality

While there are many different theories of personality, the first step is to understand exactly what is meant by the term personality. A brief definition would be that personality is made up of the characteristic patterns of thoughts, feelings and behaviors that make a person unique. In addition to this, personality arises from within the individual and remains fairly consistent throughout life.

Some of the fundamental characteristics of personality include:

Consistency - There is generally a recognizable order and regularity to behaviors. Essentially, people act in the same ways or similar ways in a variety of situations.

Psychological and physiological - Personality is a psychological construct, but research suggests that it is also influenced by biological processes and needs.

Impact behaviors and actions - Personality does not just influence how we move and respond in our environment; it also causes us to act in certain ways.

Multiple expressions - Personality is displayed in more than just behavior. It can also be seen in our thoughts, feelings,   close relationships and other social interactions.

Theories of Personality

There are a number of different theories about how personality develops. Different schools of thought in psychology influence many of these theories. Some of these major perspectives on personality include:

Type theories are the early perspectives on personality. These theories suggested that there are a limited number of "personality types" which are related to biological influences.

Trait theories viewed personality as the result of internal characteristics that are genetically based.

Psychodynamic theories of personality are heavily influenced by the work of Sigmund Freud, and emphasize the influence of the unconscious on personality. Psychodynamic theories include Sigmund Freud's psychosexual stage theory and Erik Erikson's stages of psychosocial development.

Behavioral theories suggest that personality is a result of interaction between the individual and the environment. Behavioral theorists study observable and measurable behaviors, rejecting theories that take internal thoughts and feelings into account. Behavioral theorists include B. F. Skinner and John B.

Humanist theories emphasize the importance of free will and individual experience in the development of personality. Humanist theorists include Carl Rogers and Abraham Maslow

Johor window

• The Johor window is a technique created by Joseph Loft and Harrington Ingham in 1955 in the United States, used to help people better understands their relationship with self and others. It is used primarily in self-help groups and corporate settings as a heuristic exercise.

• When performing the exercise, subjects are given a list of 56 adjectives and pick five or six that they feel describe their own personality. Peers of the subject are then given the same list, and each pick five or six adjectives that describe the subject. These adjectives are then mapped onto a grid.

• An alternative mechanism for determining an individual's Johor Window is to plot the scores from the Personal Effectiveness Scale (PES). The Scale comprises three factors: Self- Disclosure, Openness to Feedback & Perceptiveness.

• The Self-Disclosure score is to be plotted horizontally, whereas the Openness to Feedback score is to be plotted vertically. The Johor Window formed naturally displays the sizes of the Open, Hidden, Blind Spot & Unknown areas, the Dream Johor Window. The sizes of the areas in the Dream Johor Window may be different from the sizes of the same areas in the current Johor Window. The Dream Johor Window represents what an individual wants his/her personality to be like. The individual having a Dream Johor Window identical to the current Johor Window may have a balanced personality. The Perceptiveness score from the PES indicates how likely it is for the individual to achieve the Dream Johor Window.

- Open: Adjectives that are selected by both the participant and his or her peers are placed into the Open quadrant. This quadrant represents traits of the subjects that both they and their peers are aware of.

- Hidden: Adjectives selected only by subjects, but not by any of their peers, are placed into the Hidden quadrant, representing information about them their peers are unaware of. It is then up to the subject to disclose this information or not.

- Blind Spot: Adjectives that are not selected by subjects but only by their peers are placed into the Blind Spot quadrant. These represent information that the subject is not aware of, but others are, and they can decide whether and how to inform the individual about these "blind spots".

- Unknown: Adjectives that were not selected by either subjects or their peers remain in the Unknown quadrant, representing the participant's behaviors or motives that were not recognized by anyone participating. This may be because they do not apply or because there is collective ignorance of the existence of these traits.

g) Generic competency Questions

Here are the top five common competencies used in the most common competency-based interview questions followed by an example:

• Teamwork – "Tell me about a time you led or worked in a team."

• Problem solving – "Describe a situation where you solved a problem."

These are 10 of the key competencies which interviewers often focus on:

Communication. Regardless of the position or industry, the way we interact with others is crucial and you need to be able to build and maintain excellent relationships with clients and colleagues. Example question: 'Tell us about a time you had to adjust your communication approach to suit a particular audience.'

UNIT- 4

INDIVIDUAL AND GROUP BEHAVIOR

Meaning and Definition of Group

A group consists of two or more persons who interact with each other, consciously for the achievement of certain common objectives. The member of the independent and are aware that they are part of a group. Group consists in every organization and they affect the behavior of their members.

According to Stephen Robbins, "A group may be defined as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives

According to Stephen Robbins, "A group may be defined as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives".

According to Marvin Shaw, "A group comprises, of two or more persons who interact with one another in such a manner that each person influences and is influenced by each other persons".

Nature of Group

• Two or more persons

• Collective Identity

• Interaction

• Shared goal interest

Commercial Awareness. A skill that illustrates intelligence, professionalism and commitment to the firm. Example question: 'Desc**According to Stephen Robbins,** "A group may be defined as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives".

According to Marvin Shaw, "A group comprises, of two or more persons who interact with one another in such a manner that each person influences and is influenced by each other persons".

Nature of Group

- Two or more persons
- Collective Identity
- Interaction
- Shared goal interest

Reasons for Joining Group

- Personal attraction
- Group activities
- Group goals
- Security and social affiliations
- Status and self-esteem
- Power

Need or Benefits for Forming a Group

- Security

- Empowerment through sharing of resources

- Becoming a leader

- Synergy

- Goal achievement

- Status

- Affiliation needs

- Self-esteem

Need for Power: - The need for power defined as the need to control the environment, to influence the behavior of others, and to be responsible for them.

•A desire to direct and control someone else, and

•A concern for maintaining leader-follower relations.

Need for Affiliation: - The need for affiliation defined as an "attraction to another organism in order to feel reassumed from the other that the self is acceptable".

•A strong desire for approval and reassurance from others.

•A tendency to conform to the wishes and norms of others when pressured by people whose leadership they value.

•A sincere interest in the feelings of others.

GROUP ROLE

A role earns a set of expected behavior pattern attached to a position or post in a social unit. In an organization, an employee's role is briefly indicated by a position title and elaborately specified by a job description. As regards group roles, these are designated and assigned in formal groups. These roles are prescribed by the organization with a view to make division among workers and assign them responsibility. But, group roles are usually not explicitly prescribed in informal groups. That is why in informal groups, one group member may perform several roles or several members may also perform the same role.

Types of Group Roles

In practice, the group members may be expected to perform a variety of different roles. A complete listing of these group roles would be very lengthy. However, the three most relevant group roles are discussed as follows:

(i) Work Roles: These roles relate to task-oriented activities involved in accomplishing the group tasks or group goals. Developing a strategy for accomplishing the task, assigning jobs, evaluating work progress and clarifying the group goals are the examples of work roles related to task-oriented activities.

Maintenance Role:

These roles relate to social-emotional activities of group members that help maintain their involvement and commitment to group. Examples of these roles may be encouraging other fellow members to participate, praising and rewarding other members for their excellent contribution and similar other activities designed to maintain a friendly group atmosphere.

Blocking Roles: These are the activities that disrupt or destroy the group. These activities may

Include such things as dominating the discussion, attacking other group members, disagreeing unreasonably with other group members and distracting group by unnecessary humour

GROUP PROPERTIES

A norm is accepted by group members. It is a rule of conduct that has been established by group members. They are standardized generalizations concerning expected behavior in matters that are of some importance of the group. A rule dictates what must be done by another whereas norm refers to what should be done. Group norm is a standard of behavior. In other words, group norm is a rule that tells the individual how to behave in a particular group. Thus, group norms identify the standards against which behavior of group members will be evaluated and help the group members know what they should not do. Norms could be formal or could be informal.

Identify your mission or message.

For example, maybe the main message of your talk is to argue for the creation of after school programs at your child's school. You may then identify the mission of your speech as: "The mission of my speech is to convince the school board to provide after school programming at my child's school."

If the main message of your interview is to discuss the latest product released by your company, you may write out the mission as: "The mission of my interview is to promote the 2016 release of the lightweight hover board by my company, Hover, Inc."
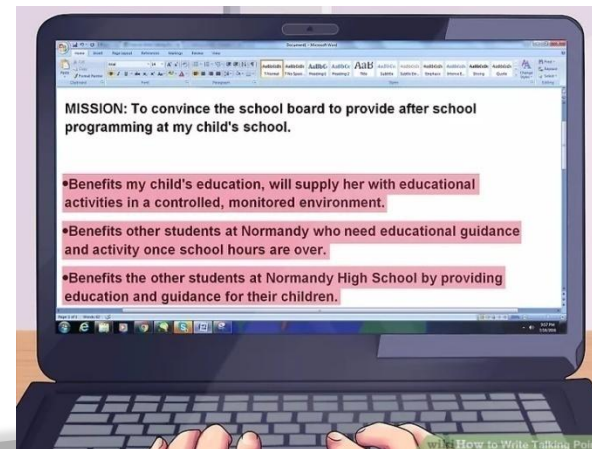
Outline two to three talking points.

Once you have identified your main message, you can then create two to three main talking points to support your main message. You will then use these main points to develop supporting arguments or examples to ensure your main message is well supported. Focus on talking points that will help you prove your main message or expand further on your main message.

Your talking points should be clear, short, and to the point. Think of your talking points as your elevator pitch, made up of keywords or short sentences.

There are two types of groups an individual forms.

•Formal groups and

•Informal groups.

Let us know about these two groups. Formal Groups

These are the type of work groups created by the organization and have designated work assignments and rooted tasks. The behavior of such groups is directed toward achieving organizational goals

.

- **Command group** − It is a group consisting of individuals who report directly to the manager.

- **Interest group** − It is a group formed by individuals working together to achieve a specific objective.

Example − A group of workers working on a project and reporting to the same manager is considered as a command group. A group of friends chilling out together is considered as interest group or say members of a club

Informal Groups

These groups are formed with friendships and common interests.

These can be further classified into two sub-groups −

•**Task group** − those working together to finish a job or task is known as task group.

•**Friendship group** − those brought together because of their shared interests or common characteristics is known as friendship group.

Why Do People Join Groups

There is no particular reason answering why individuals join groups. Group helps individual to feel stronger, have fewer self-doubts, and be more contrary to threats.

The following points help us understand the need of joining a group by individuals −

.**Security mirrors strength in numbers**. Status pinpoints a prestige that comes from belonging to a specific group. Inclusion in a group is considered as important because it provides recognition and status.

- **Self-esteem transmits people's feelings of self-worth**. Membership can sometimes raise feelings of self-esteem like being accepted into a highly valued group.

- **Affiliation with groups can meet one's social needs**. Work groups significantly contribute to meet the need for friendships and social relations.

- **Groups represent power**. What mostly cannot be achieved individually becomes possible with group effort. Power might be aimed to protect themselves from unreasonable demands. Informal groups provide options for individuals to practice power.

- **People may join a group for goal achievement**. Sometimes it takes more than one person to accomplish a particular task.

Group Roles

The concept of roles is applicable to all employees within an organization as well as to their life outside the organization. A role is a set of expected behavior patterns attributed to the one who occupies the position demanded by the social unit.

Individuals play multiple roles at the same time. Employees attempt to understand what kind of behavior is expected from them. An individual when presented by divergent role expectations experiences role conflict.

 Group roles are divided into three types –

Task-oriented Roles

Relationship-oriented Roles

Individual Roles

Task-oriented Roles

Roles allotted to individuals according to their work and eligibility is known as task-oriented roles. Task-oriented roles can broadly divide individuals into six categories initiator, informer, clarifier, summarizer, reality tester and information seekers or providers respectively.

- **Initiator** − the one who proposes, suggests, defines.

- **Informer** − the one who offers facts, expresses feelings, gives opinions.

- **Clarifier** − the one who interprets, defines, clarifies everything.

- **Summarizer** − the one who links, restates, concludes, summarizes.

- **Reality Tester** − the one who provides critical analysis.

- **Information seekers or providers** − the one who gives information and data.

Dis-advantages of employment tests

• If you are not a brand, experienced candidate may be reluctant to appear for test, behavioral problem.

• Follow up to the candidates to take the tests.

• You need to spend some money initially to save more money, time, efforts and hassles.

- **Harmonizers** − the one who limits tension and reconciles disagreements.

- **Gatekeeper** − the one who ensures participation by all.

- **Consensus Tester** − the one who analyzes the decision-making process.

- **Encourager** − the one who is warm, responsive, active, shows acceptance.

  Compromiser − the one who admits error, limits conflict

Individual Roles

Roles that classify a person according to the measure of individual effort put in the project aimed is known as individual roles. Five types of individuals fall into these roles: aggressor, blocker, dominator, cavalier, and avoidance.

- **Aggressor** − the one who devalues others, attacks ideas.

- **Blocker** − the one who disagrees and rebels beyond reason.

- **Dominator** − the one who insists superiority to manipulate.

- **Cavalier** − the one who takes part in a group non-productively.

- **Avoidance** − the one who shows special interest to avoid task.

These are the various roles a person plays in an organization.

Well-Functioning Groups

We know what a group is, why it is important to form a group, and what the group-oriented roles are. Now we need to know how to mark a group as a well-functioning group, what features are necessary for a group to mark it as efficient

A group is considered effective when it has the following characteristics.

- Relaxed, comfortable, friendly atmosphere.
- Task to be executed are well understood and accepted.
- Members listen well and actively participate in given assignments.
- Assignments are made clear and are accepted.
- Group is acquainted of its operation and function.
- People express their feelings and ideas openly.
- Consensus decision-making process is followed.
- Conflict and disagreement center regarding ideas or method.
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Cultural Diversity Definition

C-Transport is an aviation company that manufactures airplanes. The reason for the company's success has to do with their employees. C-Transport depends on worker diversity to bring the aircraft to fruition. Diversity consists of all the different factors that make up an individual, including age, gender, culture, religion, personality, social status and sexual orientation.

Cultural diversity (also known as multiculturalism) is a group of diverse individuals from different cultures or societies. Usually, cultural diversity takes into account language, religion, race, sexual orientation, gender, age and ethnicity. Companies started to embrace corporate diversity in the early 2000s. This was due to many trends in demographics and a changing workforce. .

Cultural Diversity Trends and Examples

1. The growth of a minority workforce.

Today's workforce is made up of a very diverse population of individuals from every part of the world, which creates dynamic multiracial and multicultural organizations. Such diversity brings with it many differences in skills, abilities and experiences. Because C-Transport values having a very diverse workforce themselves, they ensured that human resources recruited a minority representation within the corporation. This created an atmosphere where different viewpoints and ideas came out of brainstorming sessions and were welcomed.

The second trend is a growth of stereotyping and prejudices.

This can be hard to avoid when so many different cultures come together in a work environment. For example, many of C-Transport's executives were against hiring female engineers. Many executives were from the old school and thought that the female engineers would not be as dependable due to possible maternity breaks.

. Another trend companies are embracing is the addition of sensitivity or diversity training.

This type of training educates all employees about cultural differences so that they can understand and appreciate each other. The purpose of sensitivity training is to teach employees how to properly act and communicate in a corporate environment. Topics covered in a sensitivity training session will include learning proper etiquette, appropriate terminology, improvement of communication skills, anti-bullying management styles and how to eliminate sexual harassment within a company. C-Transport ran a sensitivity training class for employees who were not accepting of female engineers

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Personality Theory

As we pointed out earlier, the primary criterion for a useful theory is its ability to generate research. We also noted that theories and research data have a cyclic relationship: Theory gives meaning to data, and data result from experimental research designed to test hypotheses generated by the theory. Not all data, however, flow from experimental research. Much of it comes from observations that each of us make every day. To observe simply means to notice something, to pay attention. You have been observing human personalities for nearly as long as you have been alive. You notice that some people are talkative and outgoing; others are quiet and reserved. You may have even labeled such people as extraverts and introverts.

reliability

of a measuring instrument is the extent to which it yields consistent results. Personality inventories may be reliable and yet lack validity or accuracy.

Validity

is the degree to which an instrument measures what it is supposed to measure. Personality psychologists are primarily concerned with two types of validity—construct validity and predictive validity. Construct validity is the extent to which an instrument measures some hypothetical construct. Constructs such as extraversion, aggressiveness, intelligence, and emotional stability have no physical existence; they are hypothetical constructs that should relate to observable behavior. Three important types of construct validity are

convergent validity, divergent validity,

Theories of Personality

validity if it correlates with future behaviors, such as smoking cigarettes, performing well on scholastic achievement tests, taking risks, or any other independent criterion. The ultimate value of any measuring instrument is the degree to which it can predict some future behavior or condition. Most of the early personality theorists did not use standardized assessment inventories. Although Freud, Adler, and Jung all developed some form of projective tool, none of them used the technique with sufficient precision to establish its reliability and validity. However, the theories of Freud, Adler, and Jung have spawned a number of standardized personality inventories as researchers and clinicians have sought to measure units of personality proposed by those theorists.

PERCEPTION

Perception is defined as process of one's ultimate experience of the world and involves further processing of sensory input. Sensation and perception are virtually impossible to separate, because they are part of one continuous process. Perception in human processes sensory stimulation and translated into organized experience. The world is full of stimuli that can attract our attention through various senses. Thus we are able to describe systematically the sights, sound, smell and taste that populate our conscious experience. It is a fundamental process in all interpersonal communication encounters. Stimulation, organization, interpretation-evaluation, memory and recall (Devito, 2009). These five stages of how we perceive people and the processes that influence our perceptions. In Gestalt's theory, he believed that complex is very important in perception.

. Stimulation

The occurrence of sensory stimulation basically this part of perception process involves in contact with a particular stimulus. The world is full of stimuli that can attract our attention through various senses. Thus we are able to describe systematically the sights, sound, smell and taste that populate our conscious experience. Stimulation includes selective attention and selective exposure

Organization

The capacity to identify and recognize objects and events is crucial for normal perception. Without that capacity, people cannot effectively use their senses. Perception which organized by rules, schemata and scripts. Organized by rules, people perceive things that are physically close together constitute a unit. People developed schemata from actual experiences as well as vicarious experience from daily activities or from television, reading or hearsay (Devito , 2009) Some familiarity represented in mind will be some kind of schema. This would help one's perception to categories into number of categories. However, it may cause perception errors as it influences one's to perceive non existence things or miss seeing things in presence.

Interpretation-Evaluation

In this interpretation-evaluation stage it is two process of stimuli by individual experiences, needs, wants, values, expectations, physical and emotional state, gender and beliefs meaning based on by individual's rules, schemata and scripts. For example meeting a new person who is a doctor, one's tend to view this person as someone serious, successful, health conscious, academic strong. In other words, evaluating individuals depending on one's own script the way individual behave and perform the action appropriate or inappropriate (Devito, 2009).

Memory

After undergoing the stages of stimulation, organization and interpretation-evaluation, this leads us to another stage called memory. It is a storage of both perception and interpretation-evaluation that are kept according to scripts and schemas Events or experiences is not the objective of recollection but is more likely heavily influenced by individuals preconceptions and individuals schemata (Russell, 1976

Recall

After some time, the memory that are stored individuals want to recall certain information. Recall stage reconstruct what individual heard in a way that are meaningful. Recall information that consistent with schemas. However failure to do so, it is inconsistent with schemas. Recall information drastically contradicts one's schema because it forces individual to think or even rethink (Devito,2009).

Group Properties

A norm is accepted by group members. It is a rule of conduct that has been established by group members. They are standardized generalizations concerning expected behaviour in matters that are of some importance of the group.

A rule dictates what must be done by another whereas norm refers to what should be done. Group norm is a standard of behaviour. In other words, group norm is a rule that tells the individual how to behave in a particular group

Types of Group Roles

In practice, the group members may be expected to perform a variety of different roles. A complete listing of these group roles would be very lengthy. However, the three most relevant group roles are discussed as follows :

(i) Work Roles : These roles relate to task-oriented activities involved in accomplishing the group tasks or group goals. Developing a strategy for accomplishing the task, assigning jobs, evaluating work progress and clarifying the group goals are the examples of work roles related to task-oriented activities.

Maintenance Role : These roles relate to social-emotional activities of group members that help maintain their involvement and commitment to group. Examples of these roles may be encouraging other fellow members to participate, praising and rewarding other members for their excellent contribution and similar other activities designed to maintain a friendly group atmosphere.

Blocking Roles : These are the activities that disrupt or destroy the group. These activities may include such things as dominating the discussion, attacking other group members, disagreeing unreasonably with other group members and distracting group by unnecessary humor

Group Cohesiveness

Imagine you are on a work project with three co-workers and aren't able to make progress because of conflict. Or maybe you are in a therapy group for depression and feel connected to, and safe with, the other group members. These are examples of group cohesion types that one can experience while being a member of a group.

Group cohesiveness can be defined as a bond that pulls people toward membership in a particular group and resists separation from that group. In addition, group cohesion generally has three characteristics. They include the following:

Interpersonal Attraction

This means group members have a preference or want to interact with each other. Group members enjoy this interaction and seek it out.

Group Pride

This involves group members viewing their membership to a specific group with fondness. They feel proud of their group membership, and staying in the group feels valuable

Commitment to the Work of the Group

Group members value the work of the group and believe in its goals. They are willing to work together to complete tasks which are aligned with these group goals, even through adversity.

UNIT- 5

LEADERSHIP, MOTIVATION AND ORGANIZATIONAL STRUCTURE

Leadership is defined as "the process whereby one individual influences other group members towards the attainment of defined group or organizational goals."

According to Hollander, "Leadership is a process of influence between a leader and those who are followers".

According to Hemphill and Coons, "Leadership is the behavior of an individual when he is directing the activities of a group toward a share goal".

Qualities of a Leader

- Intelligence

- Sound Physique

- Responsibility

- Trustworthy

- Spirit of Enthusiasm

- Confidence

- Must do Things in Systematic manner

- Significant Level of Tolerance

- Focused

- Committed to Excellence

Effectiveness of leaders

- Task achievement

- Development of individuals

- Building the team

- Make the vision tangible

Leader's power

- Reward power

- Coercive power

- Legitimate power

- Expert power

- Referent power

Leadership styles: - leadership is practiced by its styles which may be positive or negative. The style used by the military officers and traditional managers are mostly negatives whereas those of the modern and high technology organizations are positive.

- Autocratic/ Dictator Leadership style
- Democratic/ Participative leadership style
- Bureaucratic leadership style
- Diplomatic leadership style
- Laicize- fair leadership style

Theories of a Leadership

Traditional theory

- Trait theory

- Group and exchange theory

Behavioral theory

- Continuous theory

- Liker's four systems

- Managerial grid

Leader- participation model

Contingency/ situation theories

- Fielder's contingency theory

- Path- goal theory

- Hersey and Blanchard's life- cycle/ Situational approach

Modern theories

- Charismatic leadership

- Transformational leadership theory

Trait theory

Trait theories of leadership sought personality, social, physical or intellectual traits those differentiated leaders from non-leaders. Trait theorists refer the people like Mahatma Gandhi, India Gandhi, Nelson Mandela, and describe them in terms of charismatic, enthusiastic and courageous.

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Trait theories assume that leaders are born not made. The research studies focus on personal traits or characteristics that distinguish the leaders from the followers and a successful leader from an unsuccessful leader. A number of research studies were conducted during the last 50 years. The cumulative findings of these studies conclude that some traits increase the likelihood of success as a leader, but more of the traits guarantee success.

Stodgily classified these theist into five categories

- Intelligence and scholarship.

- Physical traits like age, height, weight, strength act.

- Personality characterized by self-confidence, honesty, integrity, creativity and

- imitation.

- Social status and experience.

- Task-orientation.

Managerial Grid Theory

Industrial psychologists Blake and Mouton developed the managerial grid basing on the Ohio State study. The managerial grid identifies a range of management behavior based on the Different ways how production/service-oriented and employee-oriented styles interact with each other.

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The characteristics of transformational leaders include:

- ✓ Identify themselves as change agents

- ✓ Courageous

- ✓ Believe in people

- ✓ Value-driven

- ✓ Lifelong learners

- ✓ Have the ability to deal with complexity, ambiguity and uncertainty.

- ✓ Visionaries.

Motivation

•Motivation is derived from the word motive. "A motive is an inner state that energies, activates or moves and directs or channels behavior towards goals."

•"Motivation represents an unsatisfied need which creates a state of tension or disequilibrium, causing the individual to move in a goal directed pattern towards restoring a state of equilibrium by satisfying the need."

•Motivation is a process that starts with a physiological or psychological deficiency or need that activates behavior or a drive that is aimed at a goal or 'incentive.' Thus, the process of motivation lies in the meaning of and relationship among needs, drives and incentives.

The basic motivation process

The three basic phases of motivation

Nature of motivation

- Motivation is a continuous process

- Motivation is a psychological concept

- The entire individual is motivated

- Frustrated individual fails to motivated

- Goals lead to motivation

- The self concept as a unifying force

Features of motivation

- Motivation is individual's internal feeling

- Motivation is concerned with the total person

- Motivation = anticipated values x perceived probability

- Motivation is the willingness to exert

- Motivation involves

Types of motivation

- Positive motivation or pull mechanism

- Negative motivation or push mechanism

Steps in motivation

●Sizing up

●Preparing a set of motivating tools

●Selecting and applying motivators

●Feedback

Theories of motivation: - There are several approaches and theories of motivation. These theories of motivation are broadly classified into content theories, process theories and reinforcement theory. The classification of the theories of motivation is presented in below figure.

Maslow's theory of hierarchy of needs

The most popular and important content theories of motivation are the Maslow's theory. According to Maslow, human needs form a hierarchy, starting at the bottom with the physiological needs ascending to the highest need of self- actualization as shown below. He says when one set of needs are satisfied, they no longer work as motivation as a man seeks to satisfy the next higher level.

The need hierarchy

1. Physiological needs

2. Security/ Safety needs

3. Social needs [Affiliation or acceptance needs]

4. Esteem needs

5. Self- Actualization needs

Physiological needs: - These are the basic necessities of human life- food, water, warmth, shelter, sleep and sexual satisfaction. Maslow's says that until these needs are satisfied to the required level, man does not aim for the satisfaction of the next highest level needs. As for as work organization is concerned, these needs include basic needs like pay, allowance, incentives and benefits.

Security/ safety needs: - These refer to the need to be free of physical danger or the feeling of loss of food, or job or shelter. When the physiological needs sure satisfied, man starts thinking of the way by which he can continue to satisfy these physiological needs. These needs as far as work organization is concerned include: conformity, security plans, membership in unions, severance pay act.

Social needs [Affiliation or Acceptance needs]:- When the physiological and security needs are satisfied, these social needs being occupying the mind of a man. This is exactly why he looks for the

Association of other human beings and strives hard to be accepted by its group. Social needs at work place include: human relations, formal and informal work group.

Esteem needs: - These needs are power, prestige, and status and self-confidence. Every man has a feeling of importance and he wants others to regard him highly. These needs make people aim high and make them achieve something great. These needs for employees include: status symbols, awards, promotions, titles act.

Self- Actualization needs: - This is the highest need in hierarchy. This refers to the desire to become what one is capable of becoming. Man tries to maximize his potential and accomplish something, when this need is activated in him.

<u>Douglas McGregor's Theory X&Y</u>

Douglas McGregor proposed two altogether different views of human beings. One view is basically negative of human beings called X and the other is basically positive of human beings called theory Y.

Assumptions of theory X: - Theory X is a traditional set of assumptions about people. The assumptions held by managers under theory X include

•The typical person dislikes work and will avoid it, if possible

•The typical person lacks personality, has little ambition and seeks security about all and

•Most people must be coerced, controlled and threatened with punishment to get them to work

Assumptions of Y theory: - Theory Y implies a more positive, human and supportive approach to managing people. The assumptions of Y includes

•People view work as being as natural as rest or play

•People will exercise self- direction and self- control, if they are committed the organizational objectives

•The average person can learn to accept and/ or seek responsibility

•People are not inherently lazy. They have become that way as a consequence of their experience and

•People have potential. Under proper conditions, they learn to accept and seek responsibility

Belzberg's Two- Factor Theory of Motivation

Maslow's theory has been modified by Herzberg and he called it two- factor theory of motivation. According to him, the first groups of needs are things such as company policies, administration, and supervision.

David McClelland's Needs Theory

Dave McClelland developed a theory of motivation that focused particularly on the need for achievement, power, and affiliation. He contends that individuals acquire certain needs from the culture of a society by learning from the events that they experience, particularly in early life.

Need for Achievements: - McClelland's defined as "behavior toward competition with a standard of excellence". He and his associates defined four characteristics of individuals with a high need for achievement

- A strong desire to assume personal responsibility for finding solutions to problems or performing a task.

- A tendency to set moderately difficult achievement goals and to take calculated risks.

- A strong desire for concrete performance feedback on tasks, and

A single-minded preoccupation with task accomplishment

McClelland's Human Motivation Theory

Mc Cleland's theory of needs is one such theory that explains this process of motivation by breaking down what and how needs are and how they have to be approached. David McClelland was an American Psychologist who developed his theory of needs or Achievement1 Theory of Motivation which revolves around three important aspects, namely, Achievement, Power and Affiliation. This theory was developed in the 1960's and McClelland's points out that regardless of our age, sex, race or culture, all of us possess one of these needs and are driven by it.

- This theory is also known as the Acquired Needs as McClelland put forth that the specific needs of an individual are acquired and shaped over time through the experiences he has had in life. Psychologist David McClelland advocated Need theory, also popular as Three Needs Theory. This motivational theory states that the needs for achievement, power, and affiliation significantly influence the behavior of an individual, which is useful to understand from a managerial context.

- **Need for Achievement**

- The need for achievement as the name itself suggests is the urge to achieve something in what you do. If you are a lawyer it is the need to win cases and be recognized, if you are a painter it is the need to paint a famous painting. It is the need that drives a person to work and even struggle for the objective that he wants to achieve. People who possess high achievement needs are people who always work to excel by particularly avoiding low reward low risk situations and difficult to achieve high risk situations.

- Such people avoid low risk situations because of the lack of a real challenge and their understanding that such achievement is not genuine. They also avoid high risk situations because they perceive and understand it to be more about luck and chance and not about one's own effort. The more the achievements they make the higher their performance because of higher levels of motivation. They take calculated decision and always appreciate feedback and usually works alone.

The individuals motivated by needs for achievement usually have a strong desire of setting up difficult objectives and accomplishing them. Their preference is to work in the result oriented work environment and always appreciate any feedback on their work. Achievement based individuals take calculated risks to reach their goals and may circumvent both high-risk and low-risk situations. They often prefer working alone. This personality type believes in a hierarchical structure derived primarily by work based achievements.

Need for power

The need for power is the desire within a person to hold control and authority over another person and influence and change their decision in accordance with his own needs or desires. The need to enhance their self esteem and reputation drives these people and they desire their views and ideas to be accepted and implemented over the views and ideas over others. These people are strong leaders and can be best suited to leading positions

They either belong to Personal or Institutional power motivator groups. If they are a personal power motivator they would have the need to control others and a institutional power motivator seeks to lead and coordinate a team towards an end.

The individuals motivated by needs for power have a desire to control and influence others. Competition motivates them and they enjoy winning arguments. Status and recognition is something they aspire for and do not like being on the losing side. They are self-disciplined and expect the same from their peers and teams. The do not mind playing a zero-sum game, where, for one person to win, another must lose and collaboration is not an option. This motivational type is accompanied by needs for personal prestige, and a better personal status.

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f) Use of performance test,

Definition: Performance Simulation Test

A performance simulation test is used by organizations as a way of evaluating candidates for a job position. The basic premise of performance simulation test is to observe the candidate perform the actual job in a controlled environment.

Work samples are used where the job is monotonous and routine. These jobs are well defined and can be matched with the performance output of the candidate. Work sample technique is used to hire skilled labor such as electricians, welders, machine workers and so on.

Read Next

- Performance Based Pay
- Performance Prism
- Performance Categories Baldrige
- Performance Counseling
- Performance Bonus

Need for Affiliation

The need for affiliation is urging of a person to have interpersonal and social relationships with others or a particular set of people. They seek to work in groups by creating friendly and lasting relationships and have the urge to be liked by others. They tend to like collaborating with others to competing with them and usually avoid high risk situations and uncertainty

The individuals motivated by needs for affiliation prefer being part of a group. They like spending their time socializing and maintaining relationships and possess strong desire to be loved and accepted. These individuals stick to basics and play by the books without feeling a need to change things, primarily due to a fear of being rejected. People in this group tend to adhere to the norms of the culture in that workplace and typically do not change the norms of the workplace for fear of rejection.

Collaboration is the way to work for them competition remains secondary. They are not risk seekers and are more cautious in their approach. These individuals work effectively in roles based on social interactions, for instance, client service and other customer interaction positions.

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Expectancy Theory of Motivation

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

Expectancy Theory of Motivation

The Expectancy theory states that employee's motivation is an outcome of how much an individual wants a reward (Valence), the assessment that the likelihood that the effort will lead to expected performance (Expectancy) and the belief that the performance will lead to reward (Instrumentality). In short, Valence is the significance associated by an individual about the expected outcome. It is an expected and not the actual satisfaction that an employee expects to receive after achieving the goals. Expectancy is the faith that better efforts will result in better performance. Expectancy is influenced by factors such as possession of appropriate skills for performing the job, availability of right resources, availability of crucial information and getting the required support for completing the job.

Instrumentality is the faith that if you perform well, then a valid outcome will be there. Instrumentality is affected by factors such as believe in the people who decide who receives what outcome, the simplicity of the process deciding who gets what outcome, and clarity of relationship between performance and outcomes.

Thus, the expectancy theory concentrates on the following three relationships:

Effort-performance relationship: What is the likelihood that the individual's effort be recognized in his performance appraisal?

Performance-reward relationship: It talks about the extent to which the employee believes that getting a good performance appraisal leads to organizational rewards.

Rewards-personal goals relationship: It is all about the attractiveness or appeal of the potential reward to the individual.

Advantages of the Expectancy Theory

It is based on self-interest individual who want to achieve maximum satisfaction and who wants to minimize dissatisfaction.

This theory stresses upon the expectations and perception; what is real and actual is immaterial.

It emphasizes on rewards or pay-offs.

It focuses on psychological extravagance where final objective of individual is to attain maximum pleasure and least pain.

Limitations of the Expectancy Theory

Here is the list of characteristics explained with the use of graphology-

1. DYNAMISM:

Those individuals Whose hand writing have Rightward Slant, Long, Sweeping And Heavy T-Bars Are Very Dynamic.

2.ANALYTICAL ABILITY:

In The People Who Have V Formations In M's And N's, And Medium Size Writing are good at numbers and outscore others with their observations.

3.RESILIENCE:

it is the sigh of resilience When an Individual Has a dominance of Upwards Slope Formations, Sweeping T- Bars And Light Pressure in his hand writing

4.PRECISION:

People Who Have Retraced Lower P Loops Have Precision Trait.

The expectancy theory seems to be idealistic because quite a few individuals perceive high degree correlation between performance and rewards.

The application of this theory is limited as reward is not directly correlated with performance in many organizations. It is related to other parameters also such as position, effort, responsibility, education, etc.

Implications of the Expectancy Theory

The managers can correlate the preferred outcomes to the aimed performance levels.

The managers must ensure that the employees can achieve the aimed performance levels.

The deserving employees must be rewarded for their exceptional performance.

The reward system must be fair and just in an organization.

Organizations must design interesting, dynamic and challenging jobs.

The employee's motivation level should be continually assessed through various techniques such as questionnaire, personal interviews, etc.

Organizational Structure of Management

An organizational structure lays the foundation for how a company operates. It is a set of policies and rules that determines:

- **How an organization controls and delegates tasks and responsibilities**

- **How decisions are made and implemented throughout every part of an organization**

- **How information flows within an organization**

Depending upon a company's needs, there are several organizational structures that can be used. Some common examples include the flat organizational structure, the functional organizational structure, the product organizational structure, and the geographical organizational structure. Let's take a look at these four structures in more detail.

Flat Organizational Structure

Typically, small companies with 20 or fewer employees will use a flat organizational structure that has very few levels of management between the chief executive officer (CEO), or president of a company, and the lower-level employees. As you might guess, this type of organizational structure allows for rapid decision making because there are only a few levels of management.

A second type of organization structure is the **functional organizational structure**, which focuses on job functions or functional areas.

Example: Functional Organizational Structure.