

FAIRFIELD Institute of Management & Technology

(Affiliated to GGSIP University, New Delhi)

Grade Institute by DHE, Govt. of NCT Delhi, Affiliated to GGSIP University Delhi and Approved by Bar Council of India & NCTE

BBA LLB Paper Code: 116 ORGANISATIONAL BEHAVIOUR

Unit-1: The concept of organisational Behaviour

- a. Disciplines contributing to the field of Organisational Behaviour
- b. The OB Model
- c. Challenges and Opportunities for OB
- d. Diversity in Organizations

Unit-II: Organisational Culture and Climate

- a. Managerial Communication
- b. Attitudes and Values
- c. Emotions and Moods

Unit-III: Behavioural Dynamics

- a. Perception
- b. Learning
- c. Personality
- d. Motivation
- e. Stress and its management

Unit-IV: Group Dynamics and Work Teams

- a. Creating Effective Teams
- b. Types of Teams
- c. Stages of Group Development
- d. Group Think
- e. Group Shift Social Loafing
- f. Group Decision Making Technology
- g. Power and Politics
- h. Change Management



UNIT- I The concept of organisational Behaviour

Organizational Behavior

Organization is the backbone of management. No management can perform its functions smoothly without an efficient organization.

Definition: OB refers to the behaviour of individuals and groups within organizations and the interaction between organizational members and their external environment.

Nature of OB

- 1) A separate field of study
- 2) An applied science
- 3) A total system Approach
- 4) Goal Oriented towards organizational objectives
- 5) An Interdisciplinary Approach
- 6) Normative Science
- 7) Humanistic and optimistic Approach

Disciplines contributing to the field of Organisational Behaviour

Following are the contributing disciplines of OB:

• Psychology – it studies the process of human behaviour such as learning, thinking, memory, sensation, emotions, feelings, perception and personality.

• Sociology - it is an academic discipline which studies patterned shared behaviour of human beings, the way in which people acts towards one another.

• Social psychology - it is the psychology branch which studies the individual in societal context.

• Anthropology. It combines two words: Greek word "Anthro" means man and a noun ending "logy" means science. It studies civilization, forms of cultures and their impact on individuals and groups.

- Economics it is that branch which is concerned with consumption, production and transfer of wealth.
- Political it is related to the public affairs of the government of a country.

Models of OB

Autocratic Model



The autocratic model depends on power. Managers see authority as the only means to get the things done and employees are expected to follow orders. So it results in the higher dependence on the boss.

The Custodial Model

To overcome the shortcomings of autocratic model, it came into existence. This model is reward based. More emphasis is on economic rewards and benefits to motivate employees.

The Supportive Model

It works in the public sector organization which is dependent on effective leadership. Here, it is assumed that workers are self directed and creative. Importance in this model is given to psychological needs, self esteem, job satisfaction and friendly relations between superior – subordinate.

The Collegial Model

This is a best model based on the partnership between workers and management in which both work together as a team and respect each other. Workers are satisfied by their job and they are committed to the organisation.

Challenges and Opportunities in Organisational Behaviour

1. Globalization

Organizations are no longer constrained by national borders, world become global village rather they are expanding their trade and businesses all over the globe. This leads to the following:

- Increased foreign assignment
- **•**Working with different people
- Coping with Anti-capitalism backlash
- •Overseeing Movement of jobs to countries with low cost labor
- •Managing people during the war on terror

2. Managing workforce diversity

Workforce diversity is related with globalization as it focuses on differences between people of different countries in terms of gender, age, race, and sexual orientation. The people are becoming heterogeneous demographically, Embracing diversity, Changing US demographics, Changing management philosophy, Recognizing and responding to difference.

3. Improving Quality and productivity

Excess capacity translates helps in the increase of competition and forcing managers to reduce costs and, to improve the organization quality and productivity at the same time.

4. Improving Customer service



OB contributes in the improvement of an organization performance by showing that how employees' behaviour and attitude is associated with the customer satisfaction.

5. Coping with Temporariness

The organizations need to move fast for their Survival. Jobs are redesigned, task are done by flexibility, trained old employees with better understanding of change.

6. Balance work-life conflicts

Job security, Flexible Working hours, creating opportunities for employees design workplace ,reporting time, and jobs helps employees to maintain their balance life

7. Creating positive Work Environment

Positive environment can be created by strengthening human force, vitality, right person appointed at right place, effort on what good for organization.

8. Improving Ethical Behavior

Manager should define clearly the right and wrong conduct, Fair policy and appropriate system, Increase confidence and trust over organization. They shouldn't place an order on which subordinate don't agree.

Diversity in Organisation

Definition: Cultural diversity is when differences in race, ethnicity, age, ability, language, nationality, socioeconomic status, gender, religion or sexual orientation are represented within a community. The community can be a country, region, city, neighborhood, company or school. The group is culturally diverse if a wide variety of groups are represented. Cultural diversity has become a hot-button issue when applied to the workplace.

Why does cultural diversity matter? It can benefit a workplace. People with different backgrounds have different interpretations of events. They contribute unique perspectives. That allows the group to look at problems from all angles and create innovative results.

For diversity to bring strength, it must be valued and integrated into company practices and philosophy. This takes time and a commitment to celebrate diversity. It requires the willingness to be open-minded and non-judgmental about the value of differences.

Without that commitment, cultural diversity can weaken a group. Differences in interpretation of events can lead to miscommunication. If not addressed, awkwardness and hostilities arise. Prejudices will worsen that effect. People can jump to conclusions and misinterpret behaviors.

How to Manage Diversity

Stereotypes can create destructive communication. Team members may be prejudiced against each other. It may take longer for the teams to perform, but it's worth it. Once the team bonds, the diversity make it more innovative and raise performance. Result? Higher salaries, bonuses and even stock options for everyone on the team.



Wharton Business School consultant Pamela Tudor found the key to managing diversity. Members of the team must be dedicated to a shared goal. She found that this commitment to a common goal overcame any diversity issues.

Diverse teams must be supported by departments that unite employees around the shared goal. This is more likely in growth-oriented companies. They know they must embrace diversity to fuel the innovation that is their competitive advantage.

UNIT-II Organisational Culture and Climate

Managerial Communication

Managerial communication is a function which helps managers communicates with each other as well as with employees within the organization.

Communication helps in the transfer of information from one party also called the sender to the other party called the receiver.

Managerial Communication helps in the smooth flow of information among managers working towards a common goal. The message has to be clear and well understood in effective communication.

The team members should know what their manager or team leader intends to communicate.

Effective managerial communication enables the information to flow in its desired form among managers, team leaders and their respective teams.

Managerial communication is of the following two types:

- **Interpersonal Communication** Interpersonal communication generally takes place between two or more individuals at the workplace.
- **Organizational Communication** Communication taking place at all levels in the organization refers to organizational communication.

Ways of Managerial Communication

A successful manager is one who communicates effectively with his subordinates. It is really essential for managers to express their views clearly for the team members to understand what exactly is expected out of them.

Usually there are two ways managers communicate amongst themselves and with their subordinates:

Verbal Communication

Communication done with the help of words is called as verbal communication. No written records are available in verbal communication.

In verbal communication individuals need to be very careful about their speech. What they speak and how they speak matter a lot. Managers must choose the right words to address their team members. Make sure you do not confuse your team members.

i. One has to be loud and clear while interacting with employees at the workplace. Be very clear and precise.



ii. Written Communication

Communication is also done through emails, letters, manuals, notices and so on. Such mode of communication where written records are available is often called written communication.

Managers must inculcate a practice of communicating through emails with their juniors as it is the one of the most reliable modes of communication. It is essential for the managers to master the art of writing emails. Avoid using capitals, bright colors, and designer font styles in official mails. Make sure your signatures are correct.

Body Language

Managers must also take special care of their body language, facial expressions, gestures for effective communication.

A manager who always has a frown on his face is generally not liked and respected by people. Being a Boss does not mean you need to shout at people. Be warm and friendly with your team members.

Organizational Communication

Organizational Communication is of the following two types:

i. Formal Communication

Communication which follows hierarchy at the workplace is called as formal communication. Employees communicate formally with each other to get work done within the desired time frame.

ii. Informal Communication

Employees also communicate with each other just to know what is happening around. Such type of communication is called as informal communication and it has nothing to do with designation of individuals, level in the hierarchy and so on.

Attitudes and Values

Attitudes:

There are many different definitions (e.g., Allport; Fishbein & Ajzen) "Attitudes are associations between attitude objects (virtually any aspect of the social world) and evaluations of those objects"

"Attitudes are lasting evaluations of various aspects of the social world--evaluations that are stored in memory"

"An attitude is a mental and neural state of readiness organized through experience exerting a directive or dynamic influence upon the individual's response to all objects and situations with which it is related."

Components of Attitude:



- A: Affective (liking, feeling for)
- B: Behavioral (how you behave toward object in question)

C: Cognition (your beliefs/thoughts about object in question)

Values:

These make up our belief system. Values are beliefs that guide our behaviour. They have often been bolstered by religious sanctions: God said this is the way to live. However, they are socially constructed and devised to allow society to operate with the least amount of conflict. **VALUES** define what we accept as good, right or acceptable. We may have our own personally thought-out and constructed values but many of the values we accept are socially or culturally constructed. Society develops a value system or a set of values and conveys these to us through schools, governments, churches, the media, the family etc. Nationalities often have different values which mean communication between nations is sometimes difficult. We value the freedom of people to have as many children as they wish while China has introduced the value of a one child limit because the value of inhibiting population growth is more important to them.

Emotions and Moods

EMOTIONS: The analysis of emotions has been ineffectual up till now since they are very difficult to identify, except for a few such as fear and anger. Many years ago I began an intense psycho-analysis (which I did on my own). It took me five years of constant awareness to finally identify the range of emotions that I usually experience.

The peculiarity of any particular emotion is that, whilst it is just an emotion, it is nevertheless intimately associated with specific mental attitudes and ideas that have become characteristic of that emotion.

In general, I found that each emotion acts as a nucleus for pre-set ideas about the world. This fact gives rise to a notable phenomenon. As one emotion fades away and the next one is generated, so the ideas in a person's mind **automatically change**: the fresh emotion brings with it its associated ideas.

A person is always experiencing some emotion at any time, since when the present emotion fades away so another emotion will take its place and be felt by him /her. No single emotional response can be permanent. When any emotion, such as anger, is experienced the person can stay angry only for some time; eventually the anger will fade away and a fresh emotion will arise.

Understanding the nature of emotions has profound implications for philosophy. In particular, the development of self-awareness that this study produces can remove a lot of confusion from such philosophical ideas as the nature of reality, language, morality, free will, and the pursuit of truth.

Characteristics of Emotions:

- 1) Caused by specific event.
- 2) Very brief in duration.
- 3) Specific and numerous in natures.
- 4) Usually accompanied by distinct facial expressions.



5) Action oriented in nature.

6) Emotions are never neutral.

Types of Emotions:

There are 18 most commonly seen and experienced emotions. They are, 1-anger 2-contempt 3-enthusiasm 4-envy 5-fear 6-frustration 7-joy 8-pride 9-surprise 10-disappointment 11-embarrassment 12-disgust 13-happiness 14-Hate 15-jealousy 16-love 17-pride 18-sadness

MOODS: In psychology, a **mood** is an emotional state. In contrast to emotions, feelings, or affects, moods are less specific, less intense and less likely to be provoked or instantiated by a particular stimulus or event. Moods are typically described as having either a positive or negative valence. In other words, people usually talk about being in a good mood or a bad mood.

Mood also differs from temperament or personality traits which are even longer-lasting. Nevertheless, personality traits such as optimism and neuroticism predispose certain types of moods. Long term disturbances of mood such as clinical depression and bipolar disorder are considered mood disorders. Mood is an internal, subjective state but it often can be inferred from posture and other behaviors. "We can be sent into a mood by an unexpected event, from the happiness of seeing an old friend to the anger of discovering betrayal by a partner. We may also just fall into a mood.

Types of Moods

Positive mood

Positive mood can be caused by many different aspects of life as well as have certain effects on people as a whole. Good mood is usually considered a state without an identified cause; people cannot pinpoint exactly why they are in a good mood. People seem to experience a positive mood when they have a clean slate, have had a good night sleep, and feel no sense of stress in their life.



There have been many studies done on the effect of positive emotion on the cognitive mind and there is speculation that positive mood can affect our minds in good or bad ways. Generally, positive mood has been found to enhance creative problem solving and flexible yet careful thinking.^[4] Some studies have stated that positive moods let people think creatively, freely, and be more imaginative. Positive mood can also help individuals in situations in which heavy thinking and brainstorming is involved. In one experiment, individuals who were induced with a positive mood enhanced performance on the Remote Associates Task (RAT), a cognitive task that requires creative problem solving. Moreover, the study also suggests that being in a positive mood broadens or expands the breadth of attention selection such that information that may be useful to the task at hand becomes more accessible for use. Consequently, greater accessibility of relevant information facilitates successful problem solving. Positive mood also facilitates resistance to temptations, especially with regards to unhealthy food choices.

Positive mood has also been proven to show negative effects on cognition as well. According to the article "Positive mood is associated with implicit use of distraction", "There is also evidence that individual in positive moods show disrupted performance, at least when distracting information is present". The article states that other things in their peripheral views can easily distract people who are in good moods; an example of this would be if you were trying to study in the library (considering you are in a positive mood) you see people constantly walking around or making small noises. The study is basically stating that it would be harder for positive moods to focus on the task at hand. In particular, happy people may be more sensitive to the hedonic consequences of message processing than sad people. Thus, positive moods are predicted to lead to decreased processing only when thinking about the message is mood threatening. In comparison, if message processing allows a person to maintain or enhance a pleasant state then positive moods need not lead to lower levels of message scrutiny than negative moods. It is assumed that initial information regarding the source either confirms or disconfirms moodcongruent expectations. Specifically, a positive mood may lead to more positive expectations concerning source trustworthiness or likability than a negative mood. As a consequence, people in a positive mood should be more surprised when they encounter an untrustworthy or dislikable source rather than a trustworthy or likable source.

Negative mood

Like positive moods, negative moods have important implications for human mental and physical wellbeing. Moods are basic psychological states that can occur as a reaction to an event or can surface for no apparent external cause. Since there is no intentional object that causes the negative mood, it has no specific start and stop date. It can last for hours, days, weeks, or longer. Negative moods can manipulate how individuals interpret and translate the world around them, and can also direct their behavior.

Negative moods can affect an individual's judgment and perception of objects and events.^[9] In a study done by Niedenthal and Setterlund (1994), research showed that individuals are tuned to perceive things that are congruent with their current mood. Negative moods, mostly low-intense, can control how humans perceive emotion-congruent objects and events. For example, Niedenthal and Setterland used music to induce positive and negative moods. Sad music was used as a stimulus to induce negative moods, and participants labeled other things as negative. This proves that people's current moods tend to affect their judgments and perceptions. These negative moods may lead to problems in social relationships.^[9] For example, one maladaptive negative mood regulation is an overactive strategy in which individuals over dramatize their negative feelings in order to provoke support and feedback from others and to guarantee their availability. A second type of maladaptive negative mood regulation is a disabling strategy in which individuals suppress their negative feelings and distance themselves from others in order to avoid frustrations and anxiety caused by others' unavailability.

Negative moods have been connected with depression, anxiety, aggression, poor self-esteem, physiological stress and decrease in sexual arousal. In some individuals, there is evidence that depressed



or anxious mood may increase sexual interest or arousal. In general, men were more likely than women to report increased sexual drive during negative mood states. Negative moods are labeled as no constructive because it can affect a person's ability to process information; making them focus solely on the sender of a message, while people in positive moods will pay more attention to both the sender and the context of a message. This can lead to problems in social relationships with others.

Negative moods, such as anxiety, often lead individuals to misinterpret physical symptoms. According to Jerry Suls, a professor at the University of Iowa, people who are depressed and anxious tend to be in rumination. However, although an individual's affective states can influence the somatic changes, these individuals are not hypochondriacs.

Although negative moods are generally characterized as bad, not all negative moods are necessarily damaging. The Negative State Relief Model states that human beings have an innate drive to reduce negative moods. People can reduce their negative moods by engaging in any mood-elevating behavior (called Mood repair strategies), such as helping behavior, as it is paired with positive value such as smiles and thank you. Thus negative mood increases helpfulness because helping others can reduce one's own bad feelings.

Unit-III: <u>Behavioural Dynamics</u>

Perception

Perception is our sensory experience of the world around us and involves both the recognition of environmental stimuli and actions in response to these stimuli. Through the perceptual process, we gain information about properties and elements of the environment that are critical to our survival. Perception not only creates our experience of the world around us; it allows us to act within our environment.

Perception includes the five senses; touch, sight, taste smell and taste. It also includes what is known as proprioception, a set of senses involving the ability to detect changes in body positions and movements. It also involves the cognitive processes required to process information, such as recognizing the face of a friend or detecting a familiar scent.

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

Factors affecting perception

1. Factors that shape (and can distort perception):

Perceiver

Target

Situation

2. When an individual looks at a target and attempts to interpret what he or she sees, that interpretation is heavily influenced by personal characteristics of the individual perceiver.

3. The more relevant personal characteristics affecting perception of the perceiver are attitudes, motives, interests, past experiences, and expectations.

4. Characteristics of the target can also affect what is being perceived. This would include attractiveness, gregariousness, and our tendency to group similar things together. For example, members of a group with clearly distinguishable features or color are often perceived as alike in other, unrelated characteristics as well.

5. The context in which we see objects or events also influences our attention. This could include time, heat, light, or other situational factors.

Perceptual Process:

Sensation: An individual ability to detect stimuli in the immediate environment.



FAIRFIELD Institute of Management & Technology

(Affiliated to GGSIP University, New Delhi)

तेजस्वि नावधीतमस्तु ISO 9001:2008 4 14001:2004 NAACA CACREDITED AACA CACREDITED A f Grade Institute by DHE, Govt. of NCT Delhi, Affiliated to GGSIP University Delhi and Approved by Bar Council of India & NCTE

Selection: process in which a person uses to eliminate some of the stimuli that have been sensed and retain others for further processing.

Organization: process of placing selected perceptual stimuli into a framework for storage.

Translation: finally, stimuli are interpreted and given meaning

Errors of Perception

The main sources of errors in perception include the following:

Central tendency: Appraising everyone at the middle of the rating scale.

• **Contrast error:** Basing an appraisal on comparison with other employees rather than on established performance criteria.

• **Different from me:** Giving a poor appraisal because the person has qualities or characteristics not possessed by the appraiser.

• **Halo effect:** Appraising an employee undeservedly on one quality (performance, for example) because s/he is perceived highly by the appraiser on another quality (attractiveness).

• **Horn effect:** The opposite of the halo effect. Giving someone a poor appraisal on one quality (attractiveness) influences poor rating on other qualities. (Performance)

• **Initial impression:** Basing an appraisal on first impressions rather than on how the person has behaved throughout the period to which appraisal relates.

• Latest behavior: Basing an appraisal on the person's recent behavior.

• Lenient or generous rating: Perhaps the most common error, being consistently generous in appraisal mostly to avoid conflict.

• **Performance dimension error:** Giving someone a similar appraisal on two distinct but similar qualities, because they happen to follow each other on the appraisal form.

Spillover effect: Basing this appraisal, good or bad, on the results of the previous appraisal rather than on how the person has behaved during the appraisal period.

• **Status effect:** Giving those in higher level positions consistently better appraisals than those in lower level jobs.

• Strict rating: Being consistently harsh in appraising performance.

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. Learning is not compulsory, it is contextual. It does not happen all at once, but builds upon and is shaped by what we already know. To that end, learning may be viewed as a process, rather than a collection of factual and procedural knowledge.

Human learning may occur as part of education, personal development, schooling, or training. It may be goal-oriented and may be aided by motivation. The study of how learning occurs is part of neuropsychology, educational psychology, learning theory, and pedagogy. Learning may occur as a result of habituation or classical conditioning, seen in many animal species, or as a result of more complex activities such as play, seen only in relatively intelligent animals Learning may occur consciously or without conscious awareness. There is evidence for human behavioral learning prenatally, in which habituation has been observed as early as 32 weeks into gestation, indicating that the central nervous system is sufficiently developed and primed for learning and memory to occur very early on in development.

Personality



Almost every day we describe and assess the personalities of the people around us. Whether we realize it or not, these daily musings on how and why people behave as they do are similar to what personality psychologists do.

While our informal assessments of personality tend to focus more on individuals, personality psychologists instead use conceptions of personality that can apply to everyone. Personality research has led to the development of a number of theories that help explain how and why certain personality traits develop.

Motivation

Motivation is the word derived from the word 'motive' which means needs, desires, wants or drives within the individuals. It is the process of stimulating people to actions to accomplish the goals. In the work goal context the psychological factors stimulating the people's behavior can be -

Desire for money Success

Recognition

Job-satisfaction

Team work, etc

Importance of Motivation

1. Puts human resources into action

Every concern requires physical, financial and human resources to accomplish the goals. It is through motivation that the human resources can be utilized by making full use of it. This can be done by building willingness in employees to work.

2. Improves level of efficiency of employees

The level of a subordinate or a employee does not only depend upon his qualifications and abilities. For getting best of his work performance, the gap between ability and willingness has to be filled which helps in improving the level of performance of subordinates.

3. Leads to achievement of organizational goals The goals of an enterprise can be achieved only when the following factors take place:-

- a. There is best possible utilization of resources,
- b. There is a co-operative work environment,
- c. The employees are goal-directed and they act in a purposive manner.



4. Builds friendly relationship Motivation is an important factor which brings employees satisfaction. This can be done by keeping into mind and framing an incentive plan for the benefit of the employees.

5. Leads to stability of work force Stability of workforce is very important from the point of view of reputation and goodwill of a concern. The employees can remain loyal to the enterprise only when they have a feeling of participation in the management. The skills and efficiency of employees will always be of advantage to employees as well as employees.

As it is said, "Old is gold" which suffices with the role of motivation here, the older the people, more the experience and their adjustment into a concern which can be of benefit to the enterprise.

Motivation is important to an individual as:

- 1. Motivation will help him achieve his personal goals.
- 2. If an individual is motivated, he will have job satisfaction.
- 3. Motivation will help in self-development of individual.
- 4. An individual would always gain by working with a dynamic team.

Similarly, motivation is important to a business as:

1. The more motivated the employees are, the more empowered the team is.

2. The more is the team work and individual employee contribution, more profitable and successful is the business.

- 3. During period of amendments, there will be more adaptability and creativity.
- 4. Motivation will lead to an optimistic and challenging attitude at work place.

Types of Motivation

Intrinsic Motivation: Intrinsic motivation means that the individual's motivational stimuli are coming from within. The individual has the desire to perform a specific task, because its results are in accordance with his belief system or fulfills a desire and therefore importance is attached to it.

Our deep-rooted desires have the highest motivational power. Below are some examples:

Acceptance: We all need to feel that we, as well as our decisions, are accepted by our coworkers.

Curiosity: We all have the desire to be in the know.

Honor: We all need to respect the rules and to be ethical.

Independence: We all need to feel we are unique.

Order: We all need to be organized.



Power: We all have the desire to be able to have influence.

Social contact: We all need to have some social interactions.

Social Status: We all have the desire to feel important.

Extrinsic Motivation: Extrinsic motivation means that the individual's motivational stimuli are coming from outside. In other words, our desires to perform a task are controlled by an outside source. Note that even though the stimuli are coming from outside, the result of performing the task will still be rewarding for the individual performing the task.

Extrinsic motivation is external in nature. The most well-known and the most debated motivation is money. Below are some other examples:

Employee of the month award Benefit package

Bonuses

Organized activities

Stress and its management

A state of mental or emotional strain or tension resulting from adverse or demanding circumstances. Stress is extremely difficult to define because it is so different for each individual, something that stresses out one individual may excite another individual so there is a large variation.

A little bit of stress, known as "acute stress," can be exciting—it keeps us active and alert. But long-term, or "chronic stress," can have detrimental effects on health. You may not be able to control the stressors in your world, but you can alter your reaction to them.

Stress management is a wide spectrum of techniques and psychotherapies aimed at controlling a person's level of stress, especially chronic stress, usually for the purpose of improving everyday functioning. In this context, the term 'stress' refers only to a stress with significant negative consequences, or distress in the terminology advocated by Hans Selye, rather than what he calls eustress, a stress whose consequences are helpful or otherwise.

Stress produces numerous physical and mental symptoms which vary according to each individual's situational factors. These can include physical health decline as well as depression. The process of stress management is named as one of the keys to a happy and successful life in modern society.^[11] Although life provides numerous demands that can prove difficult to handle, stress management provides a number of ways to manage anxiety and maintain overall well-being.

Despite stress often being thought of as a subjective experience, levels of stress are readily measurable, using various physiological tests, similar to those used in polygraphs.

Many practical stress management techniques are available, some for use by health professionals and others, for self-help, which may help an individual reduce their levels of stress, provide positive feelings of control over one's life and promote general well-being.



Evaluating the effectiveness of various stress management techniques can be difficult, as limited research currently exists. Consequently, the amount and quality of evidence for the various techniques varies widely. Some are accepted as effective treatments for use in psychotherapy, while others with less evidence favoring them are considered alternative therapies. Many professional organizations exist to promote and provide training in conventional or alternative therapies.

There are several models of stress management, each with distinctive explanations of mechanisms for controlling stress. Much more research is necessary to provide a better understanding of which mechanisms actually operate and are effective in practice.

Unit-IV Group Dynamics and Work Teams

Creating Effective Teams

The first rule of team building is an obvious one: to lead a team effectively, you must first establish your leadership with each team member. Remember that the most effective team leaders build their relationships of trust and loyalty, rather than fear or the power of their positions.

- **Consider each employee's ideas as valuable**. Remember that there is no such thing as a stupid idea.
- **Be aware of employees' unspoken feelings**. Set an example to team members by being open with employees and sensitive to their moods and feelings.
- Act as a harmonizing influence. Look for chances to mediate and resolve minor disputes; point continually toward the team's higher goals.
- Be clear when communicating. Be careful to clarify directives.
- Encourage trust and cooperation among employees on your team. Remember that the relationships team members establish among themselves are every bit as important as those you establish with them. As the team begins to take shape, pay close attention to the ways in which



team members work together and take steps to improve communication, cooperation, trust, and respect in those relationships.

- Encourage team members to share information. Emphasize the importance of each team member's contribution and demonstrate how all of their jobs operate together to move the entire team closer to its goal.
- Delegate problem-solving tasks to the team. Let the team work on creative solutions together.
- **Facilitate communication**. Remember that communication is the single most important factor in successful teamwork. Facilitating communication does not mean holding meetings all the time. Instead it means setting an example by remaining open to suggestions and concerns, by asking questions and offering help, and by doing everything you can to avoid confusion in your own communication.
- Establish team values and goals; evaluate team performance. Be sure to talk with members about the progress they are making toward established goals so that employees get a sense both of their success and of the challenges that lie ahead. Address teamwork in performance standards. Discuss with your team:
 - What do we really care about in performing our job?
 - What does the word success mean to this team?
 - What actions can we take to live up to our stated values?
- Make sure that you have a clear idea of what you need to accomplish; that you know what your standards for success are going to be; that you have established clear time frames; and that team members understand their responsibilities.
- Use consensus. Set objectives, solve problems, and plan for action. While it takes much longer to establish consensus, this method ultimately provides better decisions and greater productivity because it secures every employee's commitment to all phases of the work.
- Set ground rules for the team. These are the norms that you and the team establish to ensure efficiency and success. They can be simple directives (Team members are to be punctual for meetings) or general guidelines (Every team member has the right to offer ideas and suggestions), but you should make sure that the team creates these ground rules by consensus and commits to them, both as a group and as individuals.
- Establish a method for arriving at a consensus. You may want to conduct open debate about the pros and cons of proposals, or establish research committees to investigate issues and deliver reports.
- Encourage listening and brainstorming. As supervisor, your first priority in creating consensus is to stimulate debate. Remember that employees are often afraid to disagree with one another and that this fear can lead your team to make mediocre decisions. When you encourage debate you inspire creativity and that's how you'll spur your team on to better results.
- Establish the parameters of consensus-building sessions. Be sensitive to the frustration that can mount when the team is not achieving consensus. At the outset of your meeting, establish time limits, and work with the team to achieve consensus within those parameters. Watch out for false consensus; if an agreement is struck too quickly, be careful to probe individual team members to discover their real feelings about the proposed solution.

Types of Teams:

The words 'group' and 'team' are, for the most part, interchangeable - at least most people use them that way. But there are distinct differences between groups and teams. For example, we have a football team, not a football group - or we have a special interest group, not a special interest team. While the differences are subtle, they are indeed different, and we need to understand what those differences are.



1. **Permanent teams-** These teams perform on a permanent basis and are not dissolved once the task is accomplished. Let us understand the concept with an example.

Mike, Peter, Joe and Ana had a strong inclination towards branding as well as promotions and hence were a part of the branding team with a leading organization. They were primarily responsible for promoting their brand and designing marketing strategies to generate maximum revenue for their organization. They worked extremely hard and always managed to achieve their targets well in advance, but their team was always in place and never dissolved. Their organization never asked them to leave or ever dissolved their team. Such teams are called permanent teams.

Work or no work, the human resources team, operation team, administration team always function effectively throughout the year and hence are permanent teams.

2. **Temporary teams -** Unlike permanent teams, temporary teams loose their importance, once the task is accomplished. Such teams are usually formed for a shorter duration either to assist the permanent team or work when the members of the permanent team are busy in some other project.

When organizations have excess of work, they generally form temporary teams which work in association with the members of the permanent team for the accomplishment of the task within the stipulated time.

3. **Task Force -** Such teams are formed for a special purpose of working on any specific project or finding a solution to a very critical problem.

The government generally appoints special teams to investigate critical issues like bomb blasts, terrorist attacks and so on. The task force explores all the possible reasons which led to a severe problem and tries to resolve it within a given deadline.

4. **Committee** - Committees are generally formed to work on a particular assignment either permanently or on a temporary basis. Individuals with common interests, more or less from the same background, attitude comes together on a common platform to form a committee and work on any matter.

To organize any cultural event, organizations generally make committees to raise funds, invite celebrities and all the major tasks involved to successfully organize any event. The committee members work together, design strategies to successfully accomplish the task.

In educational institutes, various committees are formed where students with a common interest join hands to organize cultural events and various other activities required for the all round development of students.

5. **Organization/Work Force -** Such groups are formed in organizations where team members work together under the expert guidance of leader. A leader or a supervisor is generally appointed among the members itself and he along with his team works hard to achieve a common goal. The leader all through must stand by his team and extract the best out of each team member. He must not underestimate any of his team members and take his team along to avoid conflicts.



Samuel was working with a leading advertising firm with two members reporting to him. Samuel always believed in his team members and worked together with his team and no doubts his team always did wonders and was way ahead of others.

- 6. Self Managed Teams Self Managed Teams consist of individuals who work together again for a common purpose but without the supervision of any leader. Here as the name suggests every individual is accountable for his individual performance. The team members of self managed teams must respect each other and should never lose focus on their target. No leader is appointed and the team members have to take their own responsibility. Individuals take the initiative on their own and are their own guides and mentors.
- 7. Cross Functional Team Let us understand this with the help of an example.

Maria and Andy both were part of the branding team. They got an assignment from their superiors to be completed within two days. Unfortunately Andy met with an accident and was advised complete bed rest. To avoid delays, Peter from the operations team was shifted to the marketing team to assist Maria for the time being and form a team. Such teams are called cross functional teams. Ideally the employees should be more or less on the same level to avoid ego hassles. Individuals from different areas come and work together for a common objective to form a cross functional team. In such teams, people from different areas, interests and likings join hands to come out with a unique idea to successfully complete a task.

8. Virtual Teams - Virtual teams consist of individuals who are separated by distances and connected through computer. Here individuals communicate with each other online through internet. Sam at Los Angeles can form a team with Mandy at Mexico and Sara at Denver all working for a common objective but the communication is totally digital through internet. Such teams are helpful when employees need to connect with each other and are located at different places. Individuals supporting any community in social networking sites such as face book or orkut also form a virtual team as all the members are from different locations but support a common community. They all have a common objective -to support and promote their community.

Stages of Group Development

Bruce Tuckman (1965) provides a theoretical framework for looking at how groups can change with time in the process of group development. His model presents an easy and efficient way to remember the stages which he defines as Forming, Storming, Norming, and Performing. Each stage involves both task functions and interpersonal relation issues.

Forming: Group members must orient themselves to each other and must determine what tasks are to be accomplished by agreeing why they are there, what their goals are, and how they're going to accomplish those goals.

Storming: Interpersonal conflicts arise because of differing feelings about agenda, leadership, and authority. Conflicts must be resolved so that the group can function smoothly and move on to the next stage. The task functions for the group are to become organized and structured by agreeing on individual roles, and rules, and rewards.

Norming: In the third stage, group members resolve their differences and begin feeling and working cohesively, leading to feelings of relief and playfulness which lend themselves toward the sharing of information and ideas, the task function in this stage. However, this camaraderie can stall the group and



prevent it from moving to the next stage.

Performing: The fourth stage sees the group members moving from a happy circle into interdependence, where they can function singly, or in subgroups, or as a full group. The task function of the group is problem-solving, and the group is highly productive at this point.

Theories of Group Development

Mainly there are three theories of group development or group formation. They are given below with a brief description:

- 1. Interaction theory.
- 2. Balance theory.
- 3. Exchange theory.

1. Interaction theory: The main theme of interaction theory is that under this theory the group is formed by those members who interact with each other face to face. The members of this group may not be the same level of employees in the organization. But such types of group are formed on the basis of interaction. In this theory, more the cooperation among the group is developed the group become more successful. Such as the group formed with the general manager, production manager, supervisor, foreman and employees of different department are the example of interaction theory.

2. Balance theory: The main theme of balance theory is that the group under this theory is formed by those members who are homogeneous and have common set of characteristics. In this theory group is developed on the basis of homogeneity of the group members. Such as the group formed with the production manager, purchasing manager, selling manager and other departmental manager is the example of balance theory.

3. Exchange theory: The main theme of exchange theory is that under this theory the group is formed by those members who exchange their views and opinions or something among them. In this theory group is developed on the basis of rewards, cost and outcome, but the outcome must exceeds the cost of the group. It is somewhat similar to the interaction theory. Such as the group formed with the people who exchange their views is the example of this theory. At last we can say that above are the main theories of group formation which are very important for group development.

Group Think

Groupthink is a phenomenon when a group of people get together and start to think collectively with one mind. The group is more concerned with maintaining unity than with objectively evaluating their situation, alternatives and options. The group, as a whole, tends to take irrational actions or overestimate their positions or moral rightness.

One notable disadvantage of groups, which are highly cohesive but not reflexive, is that their decisionmaking ability can be drastically reduced by what Janis (1972) termed *groupthink*.

Groupthink is not inevitable even in cohesive groups. Members of such groups can avoid it by actively searching out information, irrespective of whether it is contrary to the group's opinion. The group can also assign the role of 'devil's advocate' to one member to ensure alternative solutions are proposed and discussed. When trust is present in cohesive groups, conflict does not damage relations between members and will ultimately yield more productive solutions.



In this the group members are more willing to take chances with organizational resources as a group than they would if they were acting individually. Although, risky decisions can have high payoffs, they also have the built – in potential for more disastrous consequences.

In comparing group decisions with the individual decisions of members within the group, evidence suggests that there are differences. In some cases, the group decisions are more conservative than the individual decisions. More often, the shift is towards greater risk.

Group Shift Social Loafing

Groupshift is a phenomenon in which the initial positions of individual members of a group are exaggerated toward a more extreme position.^[a] When people are in groups, they make decisions about risk differently from when they are alone. In the group, they are likely to make riskier decisions, as the shared risk makes the individual risk less.

An example of groupshift is when the fans of a sports team celebrate the win of their team and their celebration turns to destruction of property. What appears to happen in groups is that the discussion leads to a significant shift in the positions of members toward a more extreme position in the direction in which they were already leaning before the discussion; so conservative types become more cautious and the more aggressive types take on more risk. For example, one study examined what would occur if prejudiced students were asked to discuss racial issues and what would happen if non-prejudiced students discussed the same racial issues. The prejudiced students became more prejudiced whilst the non-prejudiced students became more non-prejudiced (Myers & Bishop, 1970). The group discussion tends to exaggerate the initial position of the group.

Social loafing refers to the concept that people are prone to exert less effort on a task if they are in a group versus when they work alone. The idea of working in groups is typically seen as a way to improve the accomplishment of a task by pooling the skills and talents of the individuals in that group. But, in some groups, there is a tendency on the part of participants to contribute less to the group's goal than if they were doing the same task themselves.

Consequences of Social Loafing

Social loafing has negative consequences for both the group and the individuals in the group. The group dynamic is affected when certain individuals are seen as weak contributors to the group purpose. It tends to split the group and fosters a lack of cohesion. For example, if only five of the eight members of a team are doing most of the work, it will often create an **'in' group** (those members that are working hard) and an **'out' group** (those members that are not contributing as much). Resentment can easily build between the two factions, causing less productivity and more emotional tension than a cohesive group would experience.

Individuals in the group can also be affected by social loafing. While there is a disparity of effort between members of a group, individuals start to gauge their own effort based on what others are doing instead of maintaining a standard of excellence towards achieving the goal. This lowers the level of satisfaction for the task in all members of the group. For example, if a motivated team member repeatedly feels others are relying on them to do most of the work, they might deliberately reduce their workload or even stop collaborating with group members because they no longer want to feel exploited by the less productive members.

Group Decision Making Technology

Decisions are taken to support organizational growth. The whole fabric of management, i.e. its day to day operation is rightly built on managerial decisions.



According to the Oxford Advanced Learner's Dictionary the term decision making means - the process of deciding about something important, especially in a group of people or in an organization.

Trewatha & Newport defines decision making process as follows:, "Decision-making involves the selection of a course of action from among two or more possible alternatives in order to arrive at a solution for a given problem".

Decision making process

- 1. Defining the problem
- 2. Gathering information and collecting data
- 3. Developing and weighing the options
- 4. Choosing best possible option
- 5. Plan and execute
- 6. Take follow up action

Groups do not exist in isolation; they are usually embedded in a network of relationships with other groups. At work, there are a variety of groups representing different functional, professional, departmental and economic interests. Though not inevitable, it is often the case that when such divisions between groups become salient, conflict follows.

The perception among individuals of membership of a common group causes members to stereotype themselves. They see themselves as less differentiated than they actually are on dimensions such as goals, personality traits, motives and values. This process, termed depersonalization, enables in group members to perceive themselves as a cohesive social unit.

In addition, in group favoritism can occur when members tend to favour each other over out group members. This can get to the point where it is unjustified and unreasonable and becomes in group bias. Functional theorists would argue that the solution of intergroup conflict lies in contriving conditions in which shared goals can be perceived. An example of this would be reducing conflict between managerial groups by drawing attention to outside competition and thus a threat to the shared interest of survival. Social identity theorists suggest that conflict is resolved by uncovering the factors in situations that trigger intergroup behaviour rather than interpersonal behaviour.

Power and Politics

The term 'Power' has been derived from a French word 'Pouvoir', which means power or to be able. Power basically refers to the capacity that one individual 'X' has to influence the behavior of other individual 'Y', so that 'Y' acts in the same manner as 'X' wishes. So in other words, power may be defined as the ability to get someone to do something that you want to be done and make things happen in the way you want.

The essence of power lies in the fact that one can regulate the behavior of other person according to his/her wish. Power is needed to get the work done in the organizations. Power exists naturally in any group or organization and is an indispensable base for management and leadership. It makes others dependent for execution of work. The figure below depicts how one individual is perceived to be stronger, greater and bigger than the others with the acquisition of power.

Leadership and Power



The concepts of leadership and power are closely related to each other. Leaders use power as a means to attain the goals of the group. In the process of achieving the goals of the groups, power serves as a means of facilitating their achievement. The difference between the two terms lies in their implications. Power can be obtained without having leadership, but on the other side, one cannot lead the group of people without having power.

- Authority can be described as when other individuals are bound to listen to you.
- Leadership can be described as when other individuals wish to listen to you.

There are two major bases on which we can differentiate these two broad terms:

- 1. Goal congruency: Power does not require goal congruency, it basically requires dependence. On the other hand, leadership requires some sort of similarity between the goals of a leader and group that is being led.
- 2. Direction of influence: Leadership focuses on the downward influence on one's followers. It diminishes the pattern of sidewise as well as upward influence. But power does not.

Change Management

Change management is the discipline that guides how we prepare, equip and support individuals to successfully adopt change in order to drive organizational success and outcomes.

While all changes are unique and all individuals are unique, decades of research shows there are actions we can take to influence people in their individual transitions. Change management provides a structured approach for supporting the individuals in your organization to move from their own current states to their own future states.

Three Levels of Change Management

Individual Change Management: While it is the natural psychological and physiological reaction of humans to resist change, we are actually quite resilient creatures. When supported through times of change, we can be wonderfully adaptive and successful.

Individual change management requires understanding how people experience change and what they need to change successfully. It also requires knowing what will help people make a successful transition: what messages do people need to hear when and from whom, when the optimal time to teach someone a new skill is, how to coach people to demonstrate new behaviors, and what makes changes "stick" in someone's work. Individual change management draws on disciplines like psychology and neuroscience to apply actionable frameworks to individual change.

Organizational/Initiative Change Management: While change happens at the individual level, it is often impossible for a project team to manage change on a person-by-person basis. Organizational or initiative change management provides us with the steps and actions to take at the project level to support the hundreds or thousands of individuals who are impacted by a project.

Organizational change management involves first identifying the groups and people who will need to change as the result of the project, and in what ways they will need to change. Organizational change



management then involves creating a customized plan for ensuring impacted employees receive the awareness, leadership, coaching, and training they need in order to change successfully. Driving successful individual transitions should be the central focus of the activities in organizational change management.

Organizational change management is complementary to your project management. Project management ensures your project's solution is designed, developed and delivered, while change management ensures your project's solution is effectively embraced, adopted and used.

Enterprise Change Management Capability: Enterprise change management is an organizational core competency that provides competitive differentiation and the ability to effectively adapt to the everchanging world. An enterprise change management capability means effective change management is embedded into your organization's roles, structures, processes, projects and leadership competencies. Change management processes are consistently and effectively applied to initiatives, leaders have the skills to guide their teams through change, and employees know what to ask for in order to be successful.

The end result of an enterprise change management capability is that individuals embrace change more quickly and effectively, and organizations are able to respond quickly to market changes, embrace strategic initiatives, and adopt new technology more quickly and with less productivity impact. This capability does not happen by chance, however, and requires a strategic approach to embed change management across an organization.

Learn more about how to assess and grow your organization's change management capability.

Now that you know what change management is, learn more about why change management is so important.