




Management Process Organization Behaviour (MBA Sem- 1)

Contact us:

 8252299990

 8404884433

 **AISECT University, Hazaribag Matwari Chowk, in front of Gandhi
Maidan, Hazaribag (JHARKHAND)-825301**

 www.aisectuniversityjharkhand.ac.in

 info@aisectuniversityjharkhand.ac.in

Unit 1

MANAGEMENT SYSTEMS AND PROCESS

Introduction

Management is applicable everywhere and has become the key to success in the modern world. Every organization requires making of decisions, coordination of activities, handling of people and control of operation directed towards its objectives. Numerous activities have their specific types of management problems and are discussed under such headings as farm management, management of health delivery systems, school management, public enterprise management, marketing management, production or operations management and others. All have certain elements in common. This book summarizes some of the essential concepts and techniques of management that are fundamental to various applications.

Change is an important feature of modern organizations which are managed as open systems. Significant changes take place frequently in the economic, technological, political and social environment of modern organizations. In order to keep pace with these changes, every organization requires information from the external environment and ensure healthy organization-environment interface. Certain recent changes such as revolution in information technology, liberalization of economy, trend towards globalization of economy, growth of multinational corporations, etc., have altered the relative opportunities for managers. To achieve success in managing, a manager must have a thorough knowledge of management concepts, principles and techniques and possess skills to deal with the environmental forces effectively.

DEFINITION OF MANAGEMENT

It is difficult to give a precise of the term 'Management'. In the management literature we find a large number of definition of management given by different authors. However the different view points may classified into the following categories namely:

- (1) Management as an art of getting things done.
- (2) Management as a process.
- (3) Management as a group of managers.
- (4) Management as a discipline.

Management as an Art of Getting Things

Mary Parker Follet defined management as art of getting things done through others" This definition emphasizes that the managers achieve organizational objective by getting work done through the workers. It represents the traditional View of management under which workers are treated as a factor of production only. This definition is incomplete in the present context. It' deficiencies are as follows:

- (1) This definition is vague as it does not identify the functions which a manager has to perform to get results from others.
- (2) It gives the impression of the manipulative character of the practice of management.

Management may be viewed as a technique of getting things done through others by satisfying their needs and providing them opportunities for growth and advancement. It is appropriate to quote Harold Koontz who defined management as art of getting things done through and with people in formally organized groups. It is the art of creating an environment in which people can perform as individuals and yet cooperate towards attainment of group goals". Further, managing involves functions such as planning, organization, staffing, leading and controlling.

Management as a Process

According to McFarland, "Management is that process by which managers create, direct, maintain and operate purposive organizations through systematic, coordinated and cooperative human effort". This definition gives us an idea about what the managers do. Henri Fayol viewed management as a process consisting of five functions which every manager performs. "To manage is to forecast and plan, to organize, to command, to coordinate, and to control". However, modern authors do not view coordination as a separate function of management. They consider it as the essence of managing.

The process of management involves the determination of objectives and putting them into action. In the words of George R. Terry, "Management is a distinct process consisting of activities of planning, organizing, actuating and controlling, performed to determine and accomplish stated objectives with the use of human beings and other resources". This definition clearly identifies four functions of management. But modern trend is to classify managerial functions into five categories, viz., (i) planning, (ii) organizing, (iii) staffing, (iv) directing (actuation or leading) and (v) controlling. The six Ms, i.e., men and women (human resources), materials, machines, methods, money (capital) and markets are utilized by the management to produce the goods and services desired by the society.

The elements or functions of management are stated as follows:

- (i) **Planning:** It means determining the objectives of the unit or activity. It also involves deciding in advance as to what is to be done, how and when.
- (ii) **Organizing:** It refers to identification of activities to be carried out, grouping of similar activities and creation of departments. Organization also leads to and responsibility relationships throughout the enterprise. creation of authority .
- (iii) **Staffing:** It involves manpower planning, employment of personnel and their training,
- (iv) **Directing:** It is a very broad function concerned with the interpersonal relations. It includes communication with subordinates, providing them leadership and also motivating them.

- (v) **Controlling:** It refers to comparing the actual performance with the plans or standards. Corrective steps are taken when the actual performance is not up to the mark.

NATURE OF MANAGEMENT

Management is a distinct activity having the following salient features or characteristics:

1. **Economic Resource:** Management is an important economic resource together with land, labor and capital. As industrialization grows, the need for managers increases. Efficient management is the most critical input in the success of any organized group activity as it is the force which assembles and integrates other factors of production namely- labor, capital and materials. Inputs of labor, capital and materials do not by themselves ensure production, they require the catalyst of management to produce goods and services required by the society. Thus, management is an essential ingredient of an organization.
2. **Goal Oriented:** Management is a purposeful activity. It coordinates the efforts of workers to achieve the goals of the organization. The success of management is measured by the extent to which the organizational goals are achieved. It is imperative that the organizational goals must be well defined and properly understood by the managers at various levels.
3. **Distinct Process:** Management is a distinct process consisting of such functions as planning, organizing, staffing, directing, and controlling. These functions are so interwoven that it is not possible to lay down exactly the sequence of various functions or their relative significance. In essence, the process of management involves decision making and putting of decisions into practice.
4. **Integrative Force:** The essence of management is integration of human and other resources to achieve the desired objectives. All these resources are made available to those who manage. Managers apply knowledge, experience and management principles for getting the results from the workers by the use of non-human resources. Managers also seek to harmonize the individuals goals with the organizational goals for the smooth working of the organization.
5. **Intangible Force:** Management has been called an unseen force. Its presence is evidenced by the result of its efforts - orderliness, informed employees, buoyant spirit and adequate work output. Thus, feeling of management is result-oriented. One may not see with the naked eyes the functioning of management but its results are apparently known. People often remark of the effectiveness (or ineffectiveness) of management on the basis of the end results, although, they can't observe it during operation.
6. **Results through Others:** The managers cannot do everything themselves. They must have the necessary ability and skills to get work accomplished through the efforts of others. They must motivate the subordinates for the accomplishment of the tasks assigned to them.

Management- As Science

Management has come to be recognized as a science recently. Prior to this, the knowledge of the practices of management was not systematically organized and experience was the only way to acquire the skills of managing. But now management has been given the shape of an organized body of knowledge by the management practitioners and scholars. This organized body of knowledge has its own distinct boundaries and fields of activity. Its study helps in gaining a rational approach to the development of means for accomplishing certain goals. That is why, management is called a science.

As a Science

Science is a systematically organized body of knowledge based on proper findings and exact principles and is capable of verification. It is a reservoir of fundamental truths and its findings apply safely in all the situations. The generalizations are made on the basis of empirical studies and so they may be applicable in future also. Any subject which is scientifically developed and consists a subject should have the following characteristics:

- (i) It should have a systematized body of knowledge including concepts, principles and theories.
- (ii) It should have a method of scientific enquiry.
- (iii) It should establish cause and effect relationships.
- (iv) Its principles should be verifiable.
- (v) It should ensure predictable results.
- (vi) It should have universal application.

It can't be denied that management has a systematized body of knowledge pertaining to its field.

But management is not as exact a science as other physical science like Astronomy, Physics, Chemistry, Biology, etc., are. The main reason for the inexactness of science of management is that it deals with the people and it is very difficult to predict their behavior accurately, Since it is a social process, it falls in the area of "Social Sciences" Management is a universal phenomenon, but its theories and principles may produce different results in different situations. Management is a behavioral science. Its principles and theories are situation bound because of which their applicability does not necessarily lead to the same results every time. That is why Earnest Dale called management a 'soft' science.

MANAGEMENT VS ADMINISTRATION

There has been some controversy over the use of the terms 'management', 'administration' and 'organization'. At the outset, it may be pointed out that organization is a narrower term as compared to the management process. The organization function of management deals with the division of work among individuals, creation of structure of relationship in terms of authority and responsibility and laying down the channels of communication.

A debate is very often raised as to whether or not there is a difference between 'management' and 'administration'. Conflicting views by various authors have led to some confusion over the use of these terms. American authors like Ordway Tead, Shulze, Oliver Sheldon and William Spriegel considered administration as a broader activity and management as a narrower activity. But British authors like Bench and Kimball and Kimball considered management wider than administration. The

latest view is that there is no distinction between the two terms. Thus, the debate over the use of the terms management and administration has given rise to three viewpoints:

1. Administration is a higher level function concerned with the determination of policies whereas management with the implementation of policies.
2. Management is a generic term and includes administration.
3. There is no distinction between management and administration and both the terms are used interchangeably.

1. Administration is a Higher-Level Function: The first viewpoint considers administration as a determinative function and management as an executive function. William Newman, William R. Spriegel, Oliver Sheldon and Ordway Tead believe that administration involves the overall setting of major objectives, determination of policies, identifying of general purpose, laying down broad programs, major projects and so forth. Management, according to them, refers essentially to the executive function i.e. the active direction of human efforts with a view to getting things done. Thus, it could be said that administration by and large, is more determinative, whereas management, by and large, is essential executive.

2. Management is a Generic Term: The second viewpoint regards management as a term including administration. According to Brech, "Management is a social process entailing responsibility for the effective and economical planning and regulation of the Operation an enterprise in fulfillment of a given purpose. Administration is that part of management which is concerned with the installation and carrying out of the procedures by which the program is laid down and communicated and the progress of activities is regulated an checked against plans". Thus, Brech conceived administration as a part of management Kimball and Kimball also subscribed to this view. According to these management scientist 'management' is put at the same pedestal at which Spriegel, Oliver, Sheldon, Shulze an Ordway Tead have put 'Administration'. Thus, the first and the second viewpoints exactly opposite to one another.

4. Management and Administration are Synonymous Terms: The modern viewpoint is that there is no distinction between the terms 'management' and 'administration'. Usage also provides no distinction between these terms. The term 'management' is used for higher executive functions like determination of policies, planning, organizing, directing and controlling in the business circles while the term 'administration' is used for the same set Of functions in the Government circles. So there is no difference between these two terms and they are often used interchangeably.

Functions of Management

Management is a complex process. It is very difficult to understand the real nature of this process without studying its various facets. In the process of managing, a manager performs various functions for the achievement of pre-determined objectives. Many authorities and scholars on management have discussed the functions of management. But there is no unanimity among them about the nomenclatures of the functions of management.

It was Henri Fayol who gave for the first time a functional definition of management. According to him "To manage is to forecast and plan, to organize, to command, to coordinate and to control" Thus, Fayol analyzed the following five functions of management:

- (i) Forecasting and planning, (ii) Organizing, (iii) Commanding, (iv) Coordination, and (v) Control.

Ralph Davis classified managerial functions into three categories, viz., planning, organizing and control. He was of the view that command and coordination facilitate control and, therefore, should be considered as parts of it. However, some authors argue that coordination is not a separate function as it is the essence of management.

Luther Gulik coined the word 'PODSCORB' to describe the functions of management. This word is made up of the initials of following functions, namely, (i) planning, (ii) organizing, (iii) directing, (iv) staffing, (v) coordinating, (vi) reporting, and (vii) budgeting. Thus, we can say that there is no universally accepted classification of managerial functions. But at the same time, it is significant to note that though there is disagreement over the grouping and classification of management functions, there is general agreement that certain functions exist.

Joseph Massie prescribed a list of seven functions of management, namely, decision making, organizing, staffing, planning, controlling, communicating and directing. G. R. Terry described managerial functions under four heads, which are: planning, organizing, actuating, and controlling. Koontz and O'Donnell have adopted the following classification: planning, organizing, staffing, directing and controlling. They have further said, "In practice, it is not always possible to place all managerial activities neatly into these categories since the functions tend to coalesce".

The basic reason for so many classification of functions of management is that different authors discussed the by studying different organizations. Even if we accept any one of these classifications, it should be kept in mind that these functions are not independent and frequently overlap each other. However, for the purpose of analysis of management process we can divide the management functions into:

(I) planning, (2) organizing, (3) staffing, (4) and (5) controlling. These functions are briefly described below:

Planning

"Planning is a mental process requiring the use of intellectual faculties, foresight and judgment. It is the determination of a course of action to achieve the desired result" selecting and relating of facts and the making and using of assumptions regarding the future the visualization and formation of proposed activities believed necessary to achieve results. It involves deciding in advance what to do, when to do it, where to do it, how to do it who is to do it and how the results are to be evaluated. Thus, planning denotes the systematic thinking about the ways and means for the accomplishment of predetermined objectives. Goals objectives have to be clarified first before taking any other decision. Goals provide the basis looking into the future and for evaluating the performance with the predetermined standards. Planning bridges the gap between where we are to where we want to be. It is a pre-requisite doing anything. Systematic planning is necessary for any business activity, otherwise it will done in a haphazard manner. Proper planning is a must to ensure effective utilization of human and non-human resources to achieve the desired goals. It has to be done at all levels management. The process of planning involves the following steps:

- 1) determination of goals or objectives of the enterprise
- 2) forecasting of future environment
- 3) search of alternative courses of action
- 4) evaluation of various alternatives and formulation of a plan
- 5) formulation of policies and procedures
- 6) preparation of schedules, programs, and budgets.

Organizing

Organizing is an important activity by which management brings together the human and material resources for the achievement of pre-determined objectives. Organization helps in establishing

relationships among the members of the enterprise. The relationships are created in terms of authority and responsibility. Each member in the organization is assigned a specific responsibility or duty to perform and is granted the corresponding authority to perform his duty.

In the words of Louis A. Allen, "Organization involves identification and grouping the activities to be performed and dividing them among the individuals and creating authority and responsibility relationships among them for the accomplishment of organizational objectives". Thus, organizing involves the determination of activities to be performed, grouping them and assigning them to various individuals and creating a structure of authority and responsibility among the individual^s to achieve the organizational goals. Organization involves the following steps:

- (i) Identification of activities required for the achievement of objectives and implementation of plans.
- (ii) Grouping of activities so as to create well defined jobs.
- (iii) Assignment of jobs to employees.
- (iv) Delegation of authority to subordinates.
- (v) Establishment of authority-responsibility relationships through out the organization

Staffing

The staffing function of management pertains to recruitment, selection, training, development and appraisal of personnel. There is a controversy whether staffing is a function of every manager in the organization as there is a specializing personnel department in every organization since every manager is concerned with management of human resources, he must perform the staffing functions. In fact every manager is associated with the employment, training & appraisal of human resources

Directing

The term 'directing' or 'direction' is generally used in every walk of life. It has got a wide interpretation these days. It is no more restricted to 'commanding' as viewed by Henri Fayol. In the words of Marshall, "Directing involves determining the course, giving orders and instructions and providing dynamic leadership". It relates to those activities which deal directly with influencing, guiding, supervising and motivating subordinates in their jobs. Thus, this function does not cease with mere issuance of directives. According to G.R. Terry, "Directing means moving to action and supplying simulative power to group of persons". Thus, directing involves issuing instructions (or communication) to the subordinates, guiding, motivating and supervising them. These sub-functions of directing are discussed below:

- (a) **Communication:** Communication is the process of passing information and understanding from one person to another. This process is necessary for making the subordinates understand what the management expects from them. A manager has always to tell the subordinates what to do, how to do it and when to do it. He has to create an understanding in their minds with regard to these things. Communication is a two-way process. A manager to be successful must develop an effective system of communication so that he may issue instructions, receive the reactions of the subordinates, and guide and motivate them.
- (b) **Leadership:** A manager must perform the function of leadership if he is to guide the people effectively for the achievement of organizational objectives. Leadership may be defined as the process by which a manager guides and influences the behavior of his subordinates. A manager

must possess the leadership qualities if he has to get others to follow him and accept his directions. He should also build up confidence and zeal to work along with the subordinates.

- (c) **Motivation:** A manager can get the desired results from the people working in the organization through proper stimulation or motivation. Motivation means inspiring the subordinates with a zeal to do work for the accomplishment of organizational objectives. Motivation of subordinates is necessary for getting voluntary cooperation of the subordinates. Different people are motivated by different types of rewards. The manager should study the behavior of individuals working under him to provide them proper inducements. To some financial incentives are important while others are motivated by non-pecuniary incentives like job security, job enlargement, freedom to work and recognition by peers and management.

Controlling

The function of controlling deals with the measurement and correction of the performance of subordinates against the pre-determined standards. E.F.L. Brech defined control as the process of checking actual performance against the agreed standards with a view to ensuring satisfactory performance. Fayol viewed control as verifying whether everything occurs in conformity with the plans adopted, the instructions issued and principles established. Controlling leads to taking corrective action if the results do not conform to plans.

The process of control involves the following steps:

- (1) **Establishment of Standards:** The management must establish standards with which the actual performance of the subordinates will be compared. The standards of performance should be laid down in unambiguous terms and should be understood by everyone in the establishment.
- 2) **Measurement of Performance:** The actual performance of each unit and employee has to be measured in terms of quantity, quality, cost and time.
- 3) **Appraisal of Performance:** The establishment of standards has no meaning unless they are used in actual practice. The management must provide for comparing the actual performance with the pre-established standards. The deviations from the standards should be recorded and brought to the knowledge of the management.
- 4) **Taking Corrective Action:** When the deviations from the standards are reported to the management, it must take corrective action so that such deviations do not occur again. While taking corrective steps, management should also consider the improvement of plans and standards.

Significance of Management

There is no substitute for management in modern organizations. As remarked by Peter F. Drucker, "Management is the dynamic, life-giving element of production". An organization may have raw materials, machines, human resources and other factors, but these can't produce want satisfying products unless they are efficiently managed. Managers act as catalyst to make productive use of various resources for the accomplishment of organizational objectives.

Managing is an essential activity in every sphere of organized activity. The efficient management of human and physical resources is essential for the achievement of objectives of any group. Management pervades virtually every aspect of organized life. It is a process of taking certain decisions and putting them into action. Both these activities, i.e. deciding and doing, are very important in every field of life. The significance of management will be more clear by going through the following points:

- 1) **Determination of Objectives:** The objectives of any organization are determined by the management. They are put into writing and communicated to all employees in the organization. No organization can succeed in its mission unless its objectives are identified and well defined.
- 2) **Achievement of Objectives:** Management is an important force for the accomplishment of the objectives of any group. The perfect coordination and integration of human and nonhuman resources is brought about by the management or the individuals known as 'managers'. Managers reconcile the objectives of the enterprise and those of the individuals comprising it. They direct and coordinate the activities of individuals in the use of physical resources for the achievement of pre-determined goals.

Efficient management provides leadership to the business and helps in achieving its objectives. Managing is no more restricted to the mere exercise of authority; it also involves scientific thinking, deciding and thoughtful organization, direction and control to ensure better results.
- 3) **Efficient Use of Resources:** The role of professional managers has increased these days. They can ensure the efficient use of various resources and increase the productivity of the enterprise. Thus, expert managers can lead the business towards growth and prosperity.
- 4) **Coordinated Human Efforts:** Management provides leadership and guidance to the workers. It also motivates them with the help of various incentive schemes. It reconciles their personal interests with the organizational objectives. This leads to better coordination among the human resources. This will improve the productivity of the organization.
- 5) **Meeting Challenges:** Management is the brain of any enterprise. All the policy decision are taken by it. Management keeps itself in touch with the current environment and supplies foresight to the enterprise. It helps in predicting what is going to happen in future which will influence the working of the enterprise. It also takes steps to ensure that the enterprise able to meet the demands of changing environment.

Evolution of Management Thoughts

Classical Theory

Salient features of classical approach are as follows:

- (i) The classical theory laid emphasis on division of labor and specialization, structure, scalar and functional processes and span of control. Thus, they concentrated on the anatomy of formal organization.
- (ii) The classical theorists emphasis organization structure for co-ordination of various activities. They ignored the role of human element.
- (iii) The classical theory ignored the impact of external environment on the working of the organization. Thus, it treated organizations as closed systems.
- (iv) The efficiency of the organization can be increased by making each individual efficient.
- (v) The integration of the organization is achieved through the authority and control of the central mechanism. Thus, it is based on centralization of authority.

- (vi) There is no conflict between the individuals and the organization. In case of any conflict, the interests of the organization should prevail.
- (vii) The people at work could be motivated by the economic rewards as they were supposed to be 'rational economic persons'.

SCIENTIFIC MANAGEMENT APPROACH

The impetus for the scientific mgmt. approach came from the first Industrial Revolutio. Because it brought about such an extraordinary mechanism of industry, this revolution necessitated the development of new mgmt. principles and practices. The main contributor of scientific mgmt. were - Friedrich W. Taylor, Henry L. Gantt, Frank Gilbreth, Lillian Gilbreth and Hamington Emerson.

F.W Taylor (1865-1915) was the first person who insisted on the introduction of scientific methods. He launched a new movement during the last decade of 19th century which known as 'Scientific Management'. That is why, Taylor is regarded as the father of scientific mgmt.

Taylor was an American engineer who responded to the challenges of around the turn of the century. During that period, productivity was very low, labor became extremely dissatisfied and industries had to face frequent strikes and lockouts. Taylor's contribution was a system based on science whereby lower labor cost could be achieved simultaneously with higher wages. He suggested the change in the mental attitudes of the workers and the management to bring harmony in the industry.

Classical Mgmt Thinkers

Lillian Gilbreth-

She was the wife of Franch Gilberth. She was a scholar in her own right and noted psychologist. Her renowned work "The Psychology of Management" in a way laid the foundation of human relations. She helped her husband in his work and in spreading his ideas. She called for the recognition of psychological factors and their important to the productivity of the workers. She advocated that management should take interest in workers.

Henry L. Gantt (1861-1919)

Gantt is probably best remembered for his development of task-and-bonus system and his perfection of the Gantt Chart. Taylor's differential piece rate system was an incentive plan whereby the worker was paid on the basis of his daily output. Gantt's task-and-bonus system was so structured that the worker received a day's wage even if he did not complete the task. But if he completed the task in less than the prescribed time, he received a bonus. The Gantt Chart is still used and is the forerunner of some of the scheduling techniques. Gantt like the Gilbreths was concerned about the human factor in management. In this Yale lecture of 1915 he explicitly noted that financial incentives are only one of numerous motives which influence men. He also recognized management's responsibility to the community and was concerned about the businessman's desire for profits over community services.

Harigton Emerson (1853-1931)

Harrington Emerson referred to as the 'high priest of efficiency', was an engineer by profession. He proposed twelve principles of efficiency that were, according to his, intensely practical, tested, and extremely successful. He was one of the first practicing efficiency engineers, and he also advocated applying the lessons learnt by the military to the problems of business organizations.

Olive Sheldon

On the basis of his experience in his military service and association with Coca Works of Rowntree and Company, Sheldon developed the concepts which he published in 1923 in the form of a book *The Philosophy of Management*. In this book, he tried to distinguish between management and administration. Sheldon attempted to mix social ethics with the practicality of scientific management. He concerned himself with the totality of management and its logical position in the community. This was a novel direction for management.

James D. Mooney

Mooney wrote a book *Principles of Organization* and Co-authored *Onward Industry* with Allan C. Railey. Mooney conceived of the idea that the principle of organization employed by all great leaders throughout history must surely be same, he, therefore, set out on a search for all available literature. He developed three principles of organization:

1. The Principle of Coordination,
2. The Scalar Principle
3. The Functional Principle

Managerial Skills

Introduction

The term 'Manager' conveys different meanings to different people as there are no prescribed duties and qualifications of a manager. In a big enterprise, there are two distinct classes of employees viz., (a) operative employees and (b) personnel employed to supervise other employees. The personnel of second category are termed as managers. In the words of Edwin B. Flippo, "A manager is one who exercises authority and leadership over other personnel; the president (chief executive or general manager) of a company is certainly a manager and so also is the departmental head or a foreman." Thus, chief executive, departmental heads, section officers, foremen and supervisors are all managers as they are responsible for instructing and guiding other personnel.

LEVELS OF MANAGEMENT

The term 'levels of management' refers to a line of demarcation between various managerial positions in an organization. The number of levels of management increase when the size of the business and workforce increases. There is a limit to the number of subordinates a person can supervise. Levels of management are increased so as to achieve effective supervision.

The number of levels of management cannot be increased to an unlimited extent because it may create many problems. It may complicate the communication process and make coordination and control difficult. Therefore, it is desirable to restrict the number of levels of management. But the feasible span of control should not be widened to restrict the number of managerial levels. According to Urwick, "In determining the number of levels which are necessary, prime regard should be given to the span of control and not vice versa. Forcing managers to exceed their feasible span of control merely in order to reduce the number of levels will increase administrative and social distance".

In most of the big organizations, there are generally four levels of management, namely, top management, upper middle management, middle management and lower level or first line management. These have been shown in Figure 6.

Top Level Management

Top management of a company consists of the Board of Directors and the Chief Executive or the Managing Director. It is the ultimate source of authority and it establishes goals and policies for the enterprise. It is accountable to the owners of the business for the overall management. Top management also approves the decisions of the middle level management. It can issue orders and instructions and lay down guidelines which must be followed by the lower levels.

Middle Level Management

Middle management generally consists of heads of functional departments. They are responsible to the top management for the efficient functioning of their departments. They devote more time to the organization and functions of management. The middle level managers include branch managers, superintendents and heads of various sections.

Mary c. Niles, in her book 'Middle Management', has laid down the seven functions of middle management, which are as follows:

- (i) To run the details of the organization, leaving the top managers as free as possible of their irresponsibility's.
- (ii) To cooperate in making a smoothly functioning organization.
- (iii) To understand the interlocking of departments in major policies.
- (iv) To achieve the coordination between the different parts of the organization.
- (v) To build up a contented and efficient staff where reward is given according to capacity and merit and not according to chance or length of service.
- (vi) To develop leaders for the future by broad training and experience.

vii) To build a team spirit where all are working to provide a product or service wanted by the society.

Middle management may be upper middle management and lower middle management. In small organizations, there is only one layer of middle management. But where both of these exist, it is the upper middle management that gets authority direct from the top management.

Supervisory or Lower Level Management

Supervisory management refers to those executives whose work is to control and direct operative employees. This level includes supervisors, foremen, finance and accounts officers, sales officers, etc. The essential feature of this level is that managers at this level are in direct contact with the operative employees. They are more concerned with direction and control functions of management as compared to planning and organizing. They implement the policies of top management communicated to them by the middle level managers.

Managers at the lowest level are also known as first line supervisors. They represent a link between the management and the workers. The important functions of a supervisor or lower level executive are listed below:

- (i) To plan and organize the activities of the group.
- (ii) To arrange for necessary material, machines, tools, etc., for workers and to provide them the necessary working environment.
- (iii) To provide training to the workers.
- (iv) To supervise and guide the subordinates.
- (v) To solve problems of the workers.
- (vi) To communicate workers' problems to the higher level management.

MANAGERIAL SKILLS

The job of a manager demands a mixture of many types of skills, whether he belongs to a business organization, an educational institution, a hospital or a club. A manager is successful when he is able to make a smooth functioning team of people working under him. He is to reconcile, coordinate and appraise the various viewpoints and talents of people working under him towards the organization goals. He has also to plan and organize the operations of the enterprise so that the subordinates are able to use the material resources in the best possible manner. For this, he must use the various skills in appropriate degrees.

We can broadly classify the skills required by managers into the following three categories: (i) Conceptual skills (ii) Human skills, and (iii) Technical skills . Technical skills deal with jobs, human skills with persons and conceptual skills with ideas. The three

types of skills are interrelated and they are required by all managers. But the proportion or relative significance of these skills varies with the level of management.

Top management		Strategic planning and decision making
Middle management		Coordinating and planning for implementation
First-line management		Implementation

Figure : Managerial skills

- (i) **Conceptual Skills:** Conceptual skill is the ability to see the organization as a whole, to recognize interrelationships among different functions of the business and external forces and to guide effectively the organizational efforts. Conceptualizations requires extensive knowledge, imagination and ability to see the 'big picture' of the organization. Conceptual skills are used for abstract thinking and for the concept development involved in planning and strategy formulation. Conceptual skills involve the ability to understand how the parts of an organization depend on each other. A manager needs conceptual skills to recognize the interrelationships of various situational factors and, therefore, make decisions that will be in the best interests of the organization.
- (ii) **Human Skills:** Human skills are essential to work with others and achieve their cooperation. Human skills are the abilities needed to resolve conflicts, motivate, lead and communicate effectively with others. Because all work is done when people work together, human relations skills are equally important at all levels of management. Every manager should be able to communicate effectively and also understand what thoughts others are trying to convey.
- (iii) **Technical Skills:** Technical skills refer to specialized knowledge and proficiency in handling methods, processes and techniques of specific jobs. These skills are most important at lower levels of management and much less important at upper levels. The production supervisor in a manufacturing plant, for example, must know the processes used and be able to physically perform the tasks he supervises. The data processing supervisor must have specialized knowledge about computer software used in the system.

Social Objectives & Obligation

Every individual living in the society has social obligations towards it, i.e., to observe certain norms of behaviour which have social acceptance and sanction. Viewed in this perspective, business managers, who are merely custodians of factors of production belonging to the society, also have an obligation to pursue those policies, to make those decisions and to follow those lines of action which are desirable in terms of the objectives and values of the society. Business managers are also a part of society. So their decisions must be influenced by their obligations towards the society. For instance, manufacture and sale of adulterated goods is against the interest of the general public though it may help the business in maximizing its profits. Such a practice is against the concept of social responsibility; so it must be avoided.

Concept of Social Responsibility

The phrase 'social responsibility' is widely used in the literature of sociology, anthropology, economics, politics and business management. H.R. Bowen has defined the concept of social responsibility as "obligation (of business) to pursue those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society." According to George A. Steiner, "The assumption of social responsibilities implies recognition and understanding of the aspirations of the society and determination to contribute to its achievement".

A careful study of the concept of social responsibility reveals that it has two different facets. First, managers recognize that since they are managing an economic unit in the society, they have a

broad obligation to the society with regard to matters affecting public welfare such as employment, availability of goods and inflation. Secondly, social responsibility indicates management's obligation to nurture and develop human values such as motivation, morale, cooperation and self realization in work. Accordingly, the term 'social responsibility' refers to both socio-economic and socio-human obligations of the business.

Impact of Social Responsibilities on Profits

Classical writers felt that a business is functioning in a socially responsible way if it were using economic resources at its command efficiently and supplying goods and services required by the society at reasonable prices. If this was done, the business would get maximum profit and serve the best interests of the owners of the business. Thus, if a business was able to utilize efficiently the wealth-producing resources at its command and make availability to the consumers goods and services of right quality at reasonable prices, it was considered to be functioning in a socially responsible way..

SOCIAL RESPONSIBILITIES OF MANAGEMENT IN INDIA

'Social Responsibilities of business' is not a new concept. Leading businessmen of the world have reaffirmed their belief in this concept. It affects their decisions and actions. Modern businessmen are more concerned with it than their predecessors. They recognize that since they are managing an economic unit in the society, they have an obligation towards the society with regard to their decisions and actions affecting social welfare.

Businessmen are human beings. They have their emotions and value judgments which are influenced by social environment. So it will not be right to say that like a machine they respond only to economic and technical data. Businessmen, in making decisions, typically apply three separate value systems, along with overriding ethical-moral considerations. These are:

- (i) Technical—Based upon physical facts and scientific logic.
- (ii) Economic—Based upon market values determined by consumers.

- (iii) Human—Based upon socio-psychological needs other than economic consumption needs.

Human value system exerts some weight upon the decisions of the businessmen. For instance, when a businessman decides to raise the price of his products, he is normally taking an economic decision. But while taking such a decision, he is guided by certain factors (other than technical and economic) like effect on inflation and poorer sections of the society, which proves that his decision is being influenced by human considerations. A manager who is more particular about his social responsibilities will always be influenced by socio-economic and socio-human obligations while making decisions and putting them into action.

Unit-2

Understanding & Managing Individual Behavior

Models of Organizational Behavior

1. Autocratic model: As the name suggests, this model depends on power of the boss. Those who are in the command must have the power to demand. In an autocratic environment, the manager is the official authority. This authority is delegated by right of command over the people to whom it applies. Management believes that it knows what is best and that the employees obligation is to follow orders. It assumes that employees have to be directed, persuaded, and pushed into performance, and this is management's task. Management does the thinking ; the employees obey the orders. This conventional view of management leads to tight control of employees at work.

The autocratic model has been successful in certain situations such as where workers are lazy and work-shirker and where accomplishment of task is of utmost importance. The manager using this model threatens to withhold rewards if the workers do not obey him. But now a days, it is not applicable in the strict sense because there are minimum wage laws in most of the countries and workers are educated and organized.

2 Custodial model: Workers being managed under the autocratic model often feel insecure and frustrated. They may even show aggression towards their boss and their families and neighbors. That is why progressive managers felt that there must be some way to develop better employee relationships so that insecurity and frustration could be dispelled. The custodial model was used by such managers. It depends on economic resources. If an organization does not have the wealth to provide pensions and pay other benefits, it cannot follow a custodial approach. The resulting managerial orientation is towards money to pay wages and benefits. Since employees' physical needs are already reasonably met, the employer looks to security needs as motivating force.

The custodial approach leads to employee dependence on the organization rather than on the boss. The employees are satisfied and happy but they are not strongly motivated, so they may give only passive cooperation. The result tends to be that they do not work much more vigorously than under the autocratic approach. The difficulty with this model is that it depends upon money as the best way to motivate employees. However, the workers have their psychological needs also.

3 Supportive model: The supportive model had its origin in the "principle of supportive relationships". As stated by Rensis Likert, "The leadership and other processes of the organization must be such as to ensure a maximum probability that in all interactions and all relationships with the organization, each member will, in the light of his background, values, and expectations, view the experience as supportive and one which builds and maintain his sense of personal worth and importance."

The supportive model depends on leadership instead of authority or economic rewards. Through leadership, management provides a climate to help employees grow and accomplish, in the interests of the organization. The leader assumes that the workers will take responsibility, develop a drive to contribute, and improve themselves if management will give them a chance. Management's orientation, therefore, is to support the employee's job performance, rather than simply supporting employee benefit payment as in the custodial approach. In other words, the supportive model takes care of certain psychological needs of the employees in addition to their subsistence and security needs. Thus, it is an improvement over the earlier two models.

Theory X	Theory Y
Based on the assumption that people are basically lazy and so shirk work.	Based on the assumption that people like work as children like play.
People do not take initiative. They like to be directed.	People like to take initiative. They seek self-direction.
People avoid responsibility whenever possible.	People assume responsibility gladly if conditions are favourable.
For getting things done, people must be supervised strictly.	People do not require close and strict supervision for properly performing their jobs.
Autocratic style of leadership is likely to be more effective.	Democratic or participative style of leadership is likely to be more effective.
Applicable to illiterate, unskilled and lower-level workers.	Applicable to educated and skilled employees' who occupy higher positions in the organization.
Believes in mental sickness and so negative motivation of employees.	Believes in mental health and so positive & d intrinsic motivation of employees.

Table: Mc Gregors Comparison of Theory X and Theory Y

IMMATURITY-MATURITY THEORY

The framework of maturity-immaturity characteristics suggested by Chris Argyris describes the multi-dimensional development process along which an individual in an organization grows. In his study, Argyris examined industrial organizations to determine the effect of managerial practices on the behaviour of individuals and their personal growth within the organization. He identified seven basic changes that takes place in the people over the years. These changes reveal that people have a tendency :

- (i) to develop from a state of being passive as an infant to a state of increased activity as an adult.
- (ii) to develop from a state of dependence on others as an infant to a state of relative independence as an adult.
- (iii) to develop from being capable of behaving in only a few ways as an infant to being capable of behaving in many different ways as an adult.
- (iv) to develop from having erratic, casual and shallow interests as an infant to a deepening of interests as an adult.
- (v) to develop from having being in a subordinate position in the family and society as an infant to an equal or superior position to others as an adult.
- (vi) to develop from being in a subordinate position in the family and society as an infant to an equal or superior position to others as an adult.
- (vii) to develop from the state of lack of self-awareness of self as an infant to a state of awareness and control over self as an adult.

THEORY Z : A HYBRID MODEL

International attention is being focused on the outstanding performance of the Japanese economy and the success of management practices being adopted by Japanese firms. Interest in Japanese management has rapidly increased in America and other countries. William Ouchi made a comparative study of America and Japanese management practices. He came to the conclusion that many of the Japanese management practices can

be adapted in American context. He suggested the adoption of Theory Z which represents an integration of American and Japanese management practices. It may be noted that Theory Z is not a theory in the true sense. It is merely a label interchangeable with type Z. It describes human behavior as is the case of theories X and Y. The expression 'Theory Z' was adopted not for analytical purpose but for promotional purpose. It may be noted that the label Z has been used by Urwick, Rangnekar and Ouchi. But Ouchi's views have got much publicity.

Japanese Management: Japanese management is characterized by the following principles: (1) an emphasis on the group rather than the individual; (2) an emphasis on human rather than functional relationships ; and (3) a few of top management as generalists and facilitators rather than as decision-makers.

Immaturity Characteristics (Pattern A)	Maturity Characteristics (Pattern B)
<ol style="list-style-type: none"> 1. Passive 2. Dependence 3. Capable of behaving only in a few ways 4. Shallow interest 5. Short-term perspective 6. Subordinate position 7. Lack of awareness of self 	<ol style="list-style-type: none"> 1. Active 2. Independence 3. Capable of behaving in a variety of ways 4. Deepening interest 5. Long-term perspective 6. Super ordinate or equal position 7. Awareness of and control over self.

PERSONALITY

Our own experience seems to tell us two things about human beings. First, they are all unique. Each possesses a set of traits and characteristics not totally duplicated in any other person second, these traits remain stable over time. Modern definitions of personality emphasize these aspects. Uniqueness and consistency. According to Fish back and Weiner, personality is the but stable set of characteristics that sets each individual apart from others'. In short, it offers to the lasting ways in which a given person is different from others.

Determinants of Personality

The factors which shape the personality of an individual are discussed as under:

1. Biological Factors
 - a. Heredity. It means the transmission of the qualities from ancestor to descendant through a mechanism lying primarily in the chromosomes of the germ cells. Physical stature, facial attractiveness, sex, temperament, muscle composition, reflexes, etc. are inherited from one's parents. However, the importance of heredity varies from the personality trait to another. For example, heredity is generally more important in determining a person's temperament than his values and ideals.
 - b. Brain. There is a general feeling that brain plays an important role in the development of one's personality. However, no conclusive proof is available so far about the nature of relationship between the brain and personality.
 - c. Physical features. An individual's external appearance may have a tremendous effect on his personality. Some people give relatively higher weightage to the physical features of an individual while defining his personality. Such factors include height, weight, colour, facial features, etc. of the individual. Good physical appearance is an asset for the job of a sales person and public relations..
2. Family and Social Factors. Family and other social groups also influence the development of an individual's personality. The infant acquires those behavior patterns that are customary and acceptable to the standards of the family and the

community where the family lives. The status of the family in the society influences an individual's perceptioⁿ about self, others, work, money, etc.

Family and social factors shape a person 's personality through the processes of socialization and identification. Socialization is a process by which an infant acquires, from the enormously wide range of behavioral potentialities that are open to him at birth, those behavior patterns that are customary and acceptable to the family and social groups. Socialization process starts with initial contact between mother and her new infant. Later on other members of the family and social groups influence the socialization process.

MODELS OF ORGANIZATIONAL BEHAVIOUR

Organizations differ in the quality of organizational behavior that they develop. These differences are substantially caused by different models of organizational behavior being followed by management in each organization. The model that a manager holds usually begins with certain assumptions about individuals and leads to certain interpretations of events. Underlying theory, therefore, is an unconscious but powerful guide to managerial behavior. Managers tend to act as they think. Eventually this means that the underlying model that prevails in an organization's management (especially in the firm's chief executive officer) extends throughout that organization. For this reason, models of organizational behavior are highly significant.

Since the dawn of industrial revolution, four models or organizational behavior have been followed by managers of different organizations at different times. These are autocratic, custodial, supportive and collegial as shown in Table

Table: Models of Organizational Behaviour

Model	Autocratic	Custodial	Supportive	Collegial
Basis of model	Power	Economic resources	Leadership	Partnership
Managerial orientation	Authority	Money	Support	Teamwork
Employee onentation	Obedience	Security and benefits	Job performance	Responsible behaviour
Employee psychological result	Dependence on boss	Dependence on organization	Participation	Self-discipline
Employee needs met	Subsistence	Security	Status and recognition	Self-actualization
Performance Result	Minimum	Passive co-operation	Awakened drives	Moderate enthusiasm

Unit-3

Perception- Perceptual Process

Perception

Perception is the organization, identification, and interpretation of sensory information in order to represent and understand the environment.

All perception involves signals in the nervous system, which in turn result from physical or chemical stimulation of the sense organs.

It is not the passive receipt of these signals but is shaped by learning, memory, expectation, and attention.

The study, of these perceptual processes, shows that their functioning is affected by three classes of variables – the objects or events being perceived, the environment in which perception occurs, and the individual doing the perceiving.

What is Perception

Perception depends on complex functions of the nervous system but subjectively seems mostly effortless because this processing happens outside of conscious awareness.

According to Joseph Reitz; “Perception includes all those processes by which an individual receives information about his environment—seeing, hearing, feeling, tasting and smelling.”

According to B. V. H. Gilmer, “Perception is the process of becoming aware of situations, of adding meaningful associations to sensations.”

Uday Pareek said perception can be defined as “the process of receiving, selecting, organizing, interpreting, checking, and reacting to sensory stimuli or data.”

According to S. P. Robbins, perception can be defined as “the process by which individuals organize and interpret their sensory impressions in order to give meaning to their environments.”

Perception includes the 5 senses; touch, sight, taste smell and sound. It also includes what is known as perception, 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 perfume.

The study of these perpetual processes shows that their functioning is affected by three classes of variables—the objects or events being perceived, the environment in which perception occurs and the individual doing the perceiving.

In simple words, we can say that perception is the act of seeing what is there to be seen.

But what is seen is influenced by the perceiver, the object and its environment. The meaning of perception emphasizes all these three points.

CHARACTERISTICS OF THE PERSON

A person's own characteristics also affect how he or she perceives and interprets things. The most important characteristics are salience, disposition, attitudes, self-concept, and personality.

Salience is the individual's feeling about how important the object is. The more salient the object is to you, the more attention you are likely to pay to it. If the local paper this morning contained an article about a dramatic tuition increase at a specific university, students at that university would probably read it carefully. Someone not affiliated with the school, however, might skim right past the article without a second glance. The reason is simple, the information contained in the article would be far more salient to the student than to the other person.

An individual's disposition also affects how he or she perceives things. Disposition is a short term emotional response triggered by various environmental stimuli. Suppose a manager has just been told that she will receive no pay raise next year because of low performance in her work group. Back in her office, no doubt in a lousy mood, she discovers that one of her subordinates has made an error in calculating unit costs. She promptly berates the subordinate for what she perceives as slipshod work. The manager's disposition made her more aware of the subordinate's performance as well as less tolerant of it.

Self-concept can also affect perception. Self-concept is a person's perception of himself or herself. A person who has a good self-concept, tends to see things in a positive and enriching ethic. A negative self-concept, on the other hand, can give a person's perceptions and unfavorable or limiting cast.

A final characteristic that influences perception is a person's personality. A person's personality is the set of distinctive traits and features that make that person unique. Different personality traits can cause differences in the way individuals recognize and interpret their surroundings. An extrovert, for example, may eagerly respond to conversation. An introvert, in contrast, may be less interested in what others are talking about.

SITUATIONAL PROCESSES

In a sense, situational processes act as filters. That is, objective information from the environment is interpreted and shaped as it is perceived by the individual. The individual's cognition of the environment are influenced, as described earlier, by characteristics of both the object and the individual. Subtle interactions that are unique to particular situations may also occur between person and object. This means that the same object may be perceived differently by the same person in different situations. The major situational processes are selection, organization, attribution, stereotyping, the halo effect, and projection.

When used to describe an element of perception, the term organization refers to our tendency to order our perceptions so that they fit logical, consistent systems of meaning. As with selection, as we organize we often filter out stimuli that do not jibe with our view of reality. Take the case of a manager who believes a particular subordinate is hard working, conscientious, and loyal.

One day the manager notices the worker goofing off. Because this perception does not fit into the manager's image of the worker, he may "choose" to see the behavior as a well-earned rest after hard work. Organization also causes us to group and label things. Almost unconsciously, employees develop attitudes about many individual features of the workplace such as pay, benefits, their supervisor, their coworkers, working conditions, promotion opportunities, and organizational practices. But, when asked to describe how they feel about their jobs, employees tend to collapse these attitudes into an overall impression such as "I can't stand it" or "It couldn't be better".

Stereotyping is the process of categorizing people into groups on the basis of certain presumed traits or qualities. Suppose you walk into the reception area of an executive suite. There you notice a man and a woman talking beside a secretary's desk. Unfortunately, a typical reaction, owing to a firmly entrenched stereotype, is to assume that the woman is the secretary and the man is the executive. Stereotyping consists of three steps. First, we identify categories by which we will sort people (race, region, sex). Next, we associate attributes with those categories (athletic ability, speech patterns, occupations). Finally, we infer that all people in certain categories take on the attributes we have decided on. Needless to say, stereotypes are almost always inaccurate. .

MANAGERIAL IMPLICATIONS OF PERCEPTION

Perception has many implications for managers in organizations, particularly in motivation, hiring, and performance appraisal.

Perception and Motivation

Perception of the workplace plays a major role in motivation. Suppose an employee is experiencing some unexpected money trouble. Because of her disposition (she is worried) and the salience of money (it is unusually important to her at the moment), she will be especially sensitive to issues of compensation. Through projection, she may assume that everyone in the organization also cares mainly about money. A large pay raise given to another employee will seem frustrating and will intensify her efforts to get a pay raise of her own, focusing even more attention on her own pay, the pay of others, and how they compare to one another.

Obviously, attribution is also relevant to motivation, as suggested earlier. A person who believes her pay raise is attributable to effort (internal), rather than to her being the boss's niece (external), will choose to continue to work hard.

Perception and Hiring

Hiring new employees can be affected by perception in many ways. Contrast or novelty in the job applicant can affect his or her chances of getting the job. The person doing the hiring may stereotype applicants on the basis of race or sex, or may allow the halo effect to color an over perception of an applicant.

Perception and Performance Evaluation

Performance evaluation is the assessment of an employee's performance to correct shortcomings, identify strengths, and provide a basis for giving rewards. Several areas of performance evaluation are especially susceptible to perceptual distortion. The contrast between two employees can affect the evaluation. Suppose, for instance, that a manager prepares several performance evaluations of her subordinates in one afternoon, one right after the other. The first two employees receive

extremely good evaluations. The next person, however, is only a marginal performer. If the manager is influenced by the high evaluations given to the first two people, the third employee may suffer in comparison. That is, his evaluation may be lower than it would have been if the first two employees had been unsatisfactory workers.

Values & Attitudes

Values are encompassing concepts. are at the core of personality and, powerful, though silent, force affecting behaviour. Values are so embedded inferred from people's behaviour and their expressed attitudes. What may 'appear' behaviour in an employee can make sense if managers understand the value underlying that behaviour. Values have an important influence on the attitudes, perceptions, needs and motives of people at work. That is why, they are important to the study of organizational behaviour.

WHAT ARE VALUES?

Milton Rokeach, a noted psychologist, has defined values as global beliefs that guide actions and judgements across a variety of situations. He further said, "Values represent basic convictions that a specific mode of conduct (or end-state of existence) is personally or socially preferable to an opposite mode of conduct (or end-state of existence). They contain a judgmental element, i.e., they carry an individual's ideas as to what is right, good or desirable. Values have both content and intensity attributes. The content attribute emphasizes that a mode of conduct or end-state of existence is important. The intensity attribute specifies how important it is. When we rank an individual's values in terms of their intensity, we obtain the value system of that person. All of us have a hierarchy of values that forms our value system. This system is identified by the relative importance that we assign to such values as freedom, self-respect, honesty, obedience, equality, and so on.

Values are so embedded that they can be inferred from people's behaviour and their perception, personality and motivation. They generally influence their behaviour. Values are relatively stable and enduring. This is because of the way in which they are originally learnt.

The values learnt can be divided into two broad categories (i) terminal values, and (ii) instrumental values. 'Terminal values' lead to ends to be achieved, e.g., comfortable life, family security, self respect and sense of accomplishment. 'Instrumental values' relate to means for achieving desired ends, e.g., ambition, courage, honesty and imagination. Terminal values reflect what person is ultimately striving to achieve, whereas instrumental values reflect how the person gets there.

TYPE OF VALUES

Allport and his associates have categorized values into six major types as follows

1. Theoretical. Interest in the discovery of truth through reasoning and systematic thinking.
2. Economic. Interest in usefulness and practically, including the accumulation of Wealth.

3. Aesthetic. Interest in beauty, form and artistic harmony.
4. Social. Interest in people and human relationships.
5. Political. Interest in gaining power and influencing other people.
6. Religious. Interest in unity and understanding the cosmos as a whole.

Different people place different importance to the above six value types. In other words, every individual has a system of values ranking from first to sixth. This is very important from the point of view of understanding the behaviour of people. The fact that people in different occupations have different value systems has led the progressive organizations to improve the values—job fit in order to increase employee performance and satisfaction.

SOURCES OF VALUES

Parents, friends, teachers and external reference groups can influence individual values. Indeed, a person's values develop as a product of learning and experience in the cultural setting in which he lives. As learning and experiences vary from one person to another, value differences are the inevitable result. Not only the values but also their ranking in terms of importance differ from person to person.

A person learns and develops values because of the following factors:

- (i) **Familial Factors:** A significant factor influencing the process of socialization of an individual is role of the family. The child rearing practices that parents use shape the individual's personality. The learning of social behaviour, values and norms come through these practices. For example, through reward and punishment, parents show love and affection to children, indicating the typical ways in which a child should behave in different conditions.
- (ii) **Social Factors:** Of the societal factors, school has a major role to play in the development of values. Through discipline in school, a child learns desirable behaviours important in the school setting. Interactions with teachers, classmates and other staff members in the educational institutions makes the child inculcate values important to the teaching-learning process. Other institutions that may influence the values are religions, economic and political institutions in the society.
- (iii) **Personal Factors:** Personal attributes such as intelligence, ability, appearance and educational level of the person determine his development of values. For example, one's higher level of intelligence may result in faster understanding of values.

Attitudes

Attitudes constitute an important psychological attribute of individuals which shape their behaviour. Schermerhorn, et. al, have defined attitude as a predisposition to respond in a positive or negative way to someone or something in one's environment. When a person says that he likes or dislikes something, an attitude is being expressed.

An attitude may be defined as the way a person feels about something — a person, place, a commodity, a situation or an idea. It expresses an individual's positive or negative feelings

about some object. It describes an individual's feelings, thoughts and predisposition to act towards some object in the environment.

Attitudes may be regarded as varying in several ways:

- (a) Direction — for or against something.
- (b) Degree — favorableness. To be neutral in attitude is to be indifferent to the object.
- (c) Intensity — degree of confidence.

Measurement of Attitudes

The attitudes of people tend to be relatively stable but can always be modified at least to some extent. Certain difference in employees' attitudes is inevitable and that is responsible for difference in their behavior within the organization. There are certain ways by which it is possible for a supervisor to get some inkling of attitudes of individuals such as interpreting the chance remarks of individuals or behavior of individuals in the work groups, etc. A sensitive supervisor can always get a feeling with respect to the general reaction of his work-group even though he cannot pinpoint such reactions specifically. The other way to find attitude change is the analysis of certain factors such as turnover rate, absenteeism and production level. Various methods have been developed for doing this, some of these consist of questionnaires which are filled up by the employees.

There are two general types of questionnaires in common usage, one is "attitude scale" and other "opinion survey".

Thurstone Attitude Scale

To develop an attitude scale, the first step is to write out a large number of statements, each of which expresses a viewpoint of some kind towards the company. Each of these statements is typed on a separate slip of paper and the judge is asked to place each statement in one of several piles (usually 7, 9 or 11). Statements judged to express varying degrees of favorableness in between these extremes are placed in the piles that are judged best to characterize their relative degrees of favorableness. Many experts are used in the construction of the scale. The allocation of statements to the several piles is a part of the process of constructing the scale. The purpose of allocation is to determine the scale values of various statements. If all judges tend to place a statement in piles towards the favorable then we can conclude that the statement expresses a favorable attitude towards the company. If the statement is placed by the judges in piles towards the unfavorable end of the series, then we may conclude that an unfavorable attitude is expressed by that particular statement.

Likert's Scale

- Strongly approved.
- Approved.
- Undecided.
- Disapproved.
- Strongly disapproved.

Opinion Surveys

Attitude scale help to measure the attitude of individuals by summarizing data for all employees within a group : such scales can be to quantify 'morale' of employee groups. Attitude scales can be useful in indicating the relative level of morale of employees group. They do not enable the management to identify specific factors that may be sources of employees' unrest or dissatisfaction. The Information can be obtained by the use of questionnaire that provides for giving opinions about specific matters such as working conditions, company policies, facilities. etc.

The usual practice in opinion questionnaire is that of obtaining a single response to each question in either 'yes' or 'no'. In particular, the employees may be asked to check each item in one of the three boxes ; satisfied, neutral or dissatisfied and also check each item as being of great importance. It IS possible to develop a questionnaire that can serve both the purposes of obtaining opinions of employees and measuring their attitudes. The data collected by the questionnaires can be compiled, tabulated and analyzed to know about the attitude of workers towards supervision and the company.

Interviews

Still another method of obtaining information about personnel reactions is the use of interviews. The workers should be interviewed by the representatives of some outside organization such as a consultancy firm or a university department. In a guided interview, the interviewer asks a series of questions such that each of which may be answered by a simple 'yes' or 'no' or by some other words or phrases. In the unguided interview, the interviewer asks more general questions to encourage the employee to express himself and solicit information about his job satisfaction, job involvement and job commitment.

Attitudes and Individual Behaviour

Beliefs and values create attitudes that predispose behavior. In other words, attitude leads to intended behavior. However, this intention may or may not be carried out in any given circumstances. Take a person with a favorable attitude toward labor opinions. Other things being equal, this attitude would predict saying nice things about labor unions. Practically speaking, however, other factors in a given situation may override the intentions. Hearing a good friend say negative things about a union, for example, may lead to the suppression of the tendency to say something nice about them in the same conversation. The person's favorable attitude in this case, has not changed, but it's associated intention to behave was not carried out.

THE IMPORTANCE OF DECISION-MAKING

Decision-making is one of the primary responsibilities of being a manager. The quality of a manager's decisions is important for two principal reasons. First, the quality of a manager's decisions directly affects his or her career opportunities, rewards, and job satisfaction.

Second, managerial decisions contribute to the success or failure of an organization.

Decision-making is a means to an end. It entails identifying and choosing alternative solutions that lead to a desired state of affairs. The process begins with a problem and ends when a solution has been chosen. To gain an understanding of how managers can make better decisions, this chapter focuses on:

- (1) The types of decisions managers make,
- (2) Models of decision-making,
- (3) The dynamics of decision-making.

INTRODUCTION

Formal organization which refers to the structure of well-defined jobs, each bearing a definite measure of authority, responsibility and accountability, is not capable of accomplishing organizational objectives all alone. It needs the help of informal organization for this purpose. In other words, informal organization which does not appear on the organization chart supplements the formal organization in achieving organizational goals effectively and efficiently. The working of informal groups and leaders is not as simple as it may appear to be. Therefore, it is obligatory for every manager to study thoroughly the working pattern of informal relationships in the organization and to use them for achieving organizational objectives. In this chapter, an attempt has been made to study the behavior of informal groups which develop automatically along with the formal organization.

FORMAL ORGANIZATION

Chester I. Barnard defined formal organization as "a system of consciously coordinated activities or forces of two or more persons". A formal organization is deliberately designed to achieve some particular objectives. It refers to the structure of well-defined jobs, each bearing a definite measure of authority responsibility and accountability. The structure is consciously designed to enable the organizational members to work together for accomplishing common objectives. The individual must adjust to the formal organization. It tells him to do certain things in a specified manner, to obey orders from designed individuals and to cooperate with others. Co-ordination also proceeds according to a prescribed pattern in the formal organization structure.

The formal organization is built around four key pillars, namely: (i) division of labour, (ii) scalar and functional processes, (iii) structure and (iv) span of control. These may also be called the principles of formal organization. Division of labor and specialization is the basic principle of formal organization. The whole work is divided into a number of small operations and each operation is performed by a different person so that there is maximum specialization. The scalar and functional processes imply the growth of the organization both vertically and in the organization which ensures proper balance between different parts of the organization and secures the execution of all operations and the achievement of organizational objectives. The span of control refers to the number of subordinates directly reporting and accountable to one superior.

Characteristics of Formal Organization

The salient features of formal organization are as follows:

- 1) Organization structure is laid down by the top management to achieve organizational goals.
- 2) Organization structure is based on division of labor and specialization to achieve efficiency in the operations.
- 3) Organization structure concentrates on the jobs to be performed and not the individuals who are to perform jobs.
- 4) The organization does not take into consideration the sentiments of organizational members
- 5) The authority and responsibility relationships created by the organization structure are to be honored by everyone. The position in the organization hierarchy determines the relative status of the incumbent. .

Significance of Formal Organization

Formal organization is the basis of effective management of any enterprise. It can help in achieving the following benefits:

- 1) Formal organization helps in determining the objectives of various departments and units. It facilitates the attainment of organizational goals through the fulfillment of objectives of various departments.
- 2) It facilitates optimum use of resources and new technological developments.
- 3) It clarifies authority and responsibility relationships which lead to better communication.
- 4) There is clear-cut division of work among the departments and individuals. As a result, there is no overlapping of efforts. This will avoid wastage of resources and conflicts between individuals.
- 5) Formal organization creates a proper balance of activities of different departments.
- 6) The creation of a chain of command from top to bottom indicates avenues for promotion and the qualifications needed to hold a higher level job. Employees are motivated to work for personal advancement.
- 7) Formal organization brings about stability in the enterprise through procedures, policies, rules and regulations. The working of different departments continues despite the leaving of old employees and joining of new hands.

INFORMAL ORGANIZATION

Informal organization refers to the relationship between people in the organization based on personal attitudes, emotions, prejudices, likes, dislikes, etc. These relations are not developed

according to procedures and regulations laid down in the formal organization structure; generally, large formal groups give rise to small informal or social groups. These groups may be based on common taste, language, culture or some other factor. These groups are not preplanned, but they develop automatically through continuous interaction between people.

Man is a social animal and cannot live without social interaction. Wherever people work or live together, they develop social relationships by becoming member of one or more informal groups. These informal groups are known as informal organization. Keith Davihas described informal Organization as a network of personal and social relations not established or required by formal Organization but arising spontaneously as people associate with one another. It is also known as 'shadow organization' as it exists along with the formal organization.

Characteristics of Informal Organization

Generally, large formal groups give rise to small informal or social groups. These groups may be on common taste, language, culture or some other factor. These groups are not pre-planned. They develop automatically within, the organization according to the nature of interaction between the members or the organization.

Significance of Informal Organization

The importance of informal organization arises from the functions performed by informal groups. The important functions of informal organization are as under:

- 1) It serves as a very useful channel of communication In the organization. The informal communication is very fast.
 - 2) It blends with the formal organization to make it more effective. It gives support to the formal organization.
 - 3) The informal leader lightens the burden of the formal manager and tries to fill in the gap in the manager's abilities.
 - 4) Informal organization gives psychological satisfaction to the members. They get a platform to express their feelings.
 - 5) The presence of informal organization encourages the manger to plan and act carefully.
- Thus, informal organization supports and supplements the formal organization.

GROUP DYNAMICS

Social needs are among the most powerful and compelling on-the-job motivating forces. In order to fulfill their social needs, workers form small groups on the job itself. It was revealed by Hawthorne experiments that people behave as members of a group and their membership of group helps shape their work behavior and attitudes towards the organization. Management can use groups successfully for the accomplishment of organizational objectives. According to Likert, an organization will function best when its personnel function not as individuals but as members of highly effective work-groups with high performance goals.

The social process by which people interact face-to-face in small groups is called group dynamics. Group dynamics is concerned with the interaction of individuals in a face-to-face relationship. It focuses on teamwork wherein small groups are constantly in contact with each other and share common ideas to accomplish the given tasks. The group develops its goals clearly and furnishes suggestions to its members for the accomplishment of goals. Every group chooses its leader (who may be called informal leader as he is not recognized in the formal organizational structure) who may effectively coordinate the group efforts towards the accomplishment of its objectives.

TEAMS: DEFINITION, TYPES, AND EFFECTIVENESS

Jon R Katzenbach and Douglas K Smith, management consultants at McKinsey & Company, say it is a mistake to use the terms-group and team-interchangeably. After studying many different kinds of teams—from athletic to corporate to military—they concluded that successful teams tend to take a life of their own. Katzenbach and Smith define a team as "a small number of people with complementary skills who are committed to a common purpose, performance goals, and approach for which they hold themselves mutually accountable." Because of conflicts over power and authority and unstable interpersonal relations, many work groups never qualify as a real team. Katzenbach and Smith clarified the distinction this way: "The essence of a team is common commitment. Without it, groups perform as individuals; with it, they become a powerful unit of collective performance."

When Katzenbach and Smith refer to "a small number of people" in their definition, they mean between 2 and 25 team members. They found effective teams to typically have fewer than 110 members.

A GENERAL TYPOLOGY OF WORK TEAMS

Work teams are created for various purposes and thus face different challenges. Managers can deal more effectively with those challenges when they understand how teams differ. A helpful way of sorting things out is to consider a typology of work teams developed by Eric Sundstrom and his colleagues. Four general types of work teams listed in Table 21 are (1) advice, (2) production, (3) project, and (4) action. Each of these labels identifies a basic purpose. For instance, advice teams generally make recommendations for managerial decisions; less commonly do they actually make final decisions. In contrast, production and action teams carry out management's decisions.

A closer look at each type of work team is in order.

Advice Teams: As their name implies, advice teams are created to broaden the information base for managerial decisions. Quality circles, discussed later, are a prime example because they facilitate suggestions for improvement from volunteer production or service workers. Advice teams tend to have a low degree of technical specialization. Coordination also is low because advice teams work pretty much on their own. Ad hoc committees (e.g., the annual

picnic committee) have shorter life—cycles than standing committees (e.g., the grievance committee).

Production Teams: This second type of team is responsible for performing day-to-day operations. Minimal training for routine tasks accounts for the low degree of technical specialization. But coordination, typically, is high because work flows from one team to another. For example, railroad maintenance crews require fresh information about needed repairs from train crews.

Project Teams: Projects require creative problem-solving, often involving the application of specialized knowledge. The Boeing 777 team discussed earlier, for example, has a degree of technical specialization. It also requires a high degree of coordination among organizational subunits because it is cross-functional. A pharmaceutical research team of biochemists, on the other hand, would interact less with other work units because it is relatively self-contained.

Action Teams: High specialization is combined with high coordination. Nine highly trained athletes specialized in defensive positions. But good defensive play is not enough because effective hitting is necessary. Moreover, coordination between the manager, base runners, base coaches and the bull pen needs to be precise. So it is with airline cockpit crews, hospital surgery teams, mountain-climbing expeditions, rock music groups, labor contract teams, and police SWOT teams, among others. A unique challenge for action teams is to exhibit peak performance on demand.

This four-way typology of work teams is dynamic and changing, not static. Some teams evolve from one type to another. Other teams represent a combination of types. For example, consider the work of a team at General Foods: "About five years ago the company launched a line of ready-to eat desserts by setting up a team of nine people with the freedom to operate like entrepreneurs starting their own business. The team even had to oversee construction of a factory with the technology required to manufacture their product." This particular team was a combination advice— project-action team. In short, the General Foods team did everything but manufacture the end product themselves (that was done by production teams).

Quality Circle

The concept of Quality Circle emerged from quality control. Quality circles are quite popular in Japan. Looking at their success, many organizations in USA and India have also attempted to implement quality circles. It should be noted the quality circles provide a future-oriented approach. They seek high quality products in the current production run and in the future.

A quality circle is a small group of employees doing similar or related work who meet regularly to identify, analyze and solve product-quality problems and to improve general operations.

The quality circles are relatively autonomous units (ideally about 10 workers). usually led by a supervisor or a senior worker and organized as work units. The workers, who have a shared area of responsibility, meet periodically to discuss, analyze and propose solutions to ongoing problems.

Some typical efforts in improving production methods and quality involve reducing defects, scrap, rework, and downtime, which are expected to lead to cost reduction as well as increased productivity. In addition, the circles intend to focus attention on the self-development of workers and the improvement of working conditions. Through this process, there is Improvement of workers' morale and motivation, stimulation of teamwork, and recognition to their achievements

The technique of quality circle has been refined over the years. It is now followed to achieve the following objectives:

1. Overall improvement of quality of products manufactured by the enterprise.
2. Improvement of production methods and productivity of the enterprise.
3. Self-development of the employees who take part in quality circles.

TEAM BUILDING

Team building is a catch-all term for a whole host of techniques aimed at improving the internal functioning of work groups. Whether conducted by company trainers or outside consultants, team building workshops strive for greater cooperation, better communication, and less dysfunctional conflict. Experiential learning techniques such as interpersonal trust exercises, conflict-handling role play sessions, and interactive games are common.

Rote memorization and lecture/discussion are discouraged by team-building experts who prefer active versus passive learning. Greater emphasis is placed on how work groups get the job done than on the job itself. Team building generally is carried out in the name of organization development (OD). The extensive use of team building appears to be justified. In a survey of human resource development managers from 179 Fortune 500 companies, team building reportedly was the most successful management technique.

Complete coverage of the many team-building techniques would require a separate book. Consequently, the scope of our present discussion is limited to the purposes of team building, and the day-to-day development of self management skills. This foundation is intended to give you a basis for selecting appropriate team-building techniques from the many that you are likely to encounter in the years ahead.

The Purpose of Team Building/High-Performance Teams

According to Richard Beckhard, a respected authority on organization development, the four purposes of team building are:

- To set goals and/or priorities.
- To analyze or allocate the way work is performed.
- To examine the way a group is working and its processes (such as norms, decision making, and communication).
- To examine relationships among the people doing the work.

Interpersonal Skills

Interpersonal skills refer to mental and communicative algorithms applied during social communications and interactions in order to reach certain effects or results. The term 'interpersonal skills' is used often in business contexts to refer to the measure of a person's ability to Operate within business organizations through social communication and interactions. it is generally understood that communicating respect for other people or professionals within the workplace will enable one to reduce conflict .

Interpersonal skills enable you to work:

- 1) Work harmoniously and efficiently with others
- 2) Evaluate and accept responsibilities
- 3) Identify methods you use to respond to conflict
- 4) Work in teams more efficiently

TRANSACTIONAL ANALYSIS

Transactional Analysis (TA) is a model of people and relationships that was developed during the 1960s by Dr. Eric Berne. This was based on two notions:

First that we have three parts or 'ego-states' to our 'personality. (Berne called them parent, adult & child)

The other assumption is that they converse with one another in 'transactions' (hence the name).

Parent

The Nurturing Parent is caring and concerned, offer unconditional love

The Controlling tries to make the Child do as the parent wants them to do

Adult 'grown up' rational person who talks reasonably and is for many of us, our 'ideal self'.

Child

Natural Child like playing and are open and vulnerable.

Little Professor is the curious and exploring. Together with the Natural Child they make up the Free Child.

The Adaptive Child reacts to the world around them, either changing them to fit in or rebelling against the forces they feel.

NATURE OF GROUPS

The above definition emphasizes the following things:

- (i) **Interaction:** Interaction can occur face to face, in writing, over the phone, across a computer network or in any other manner which allows communication between group members. The interaction can be over a long or a short period of time. A group would be quite static without interactions. It would be a collection of individuals only. However, it should be noted that it is not necessary for all members of the group to interact simultaneously, but each members must interact at least occasionally with one or more members of the group to interact simultaneously, but each members must interact at least occasionally with one or more members of the group. Some form of communication and ability to communicate is vital for a group to exist. The term "group dynamics" implies the kind of interactions indicated above It also implies continuously changing and adjusting relationships among group members.
- (ii) **Size:** For a group to exist, it must have at least two members. The more group members there are, the more complex and numerous the relationships possible.
- (iii) **Shared Goal Interest:** The shared goal identifies a common concern of all group members. This means that each group member desired the attainment of some specific objective or the accomplishment of some goal. If a group has a variety of goals or interests, each member of the group must share at least one of the group's concerns. The phrase "associated normative strength" indicates the obligations felt by each group member to the attainment of the shared goal.
- (iv) **Collective Identity:** Perhaps, it is awareness of each other that most clearly differentiates a group from an aggregation of individuals. Each member of the group must believe that he is a member of, is a participant in, some specific group. Unless people are aware of each other and of the fact that they are a group, they will not interact in the way that achieves the common goal.

Interests and Goals

Interests and goals that are common and require cooperation with other for achievement of such goals are a powerful force behind such group formation. Individuals with common goals tend to work together. For example, within an organization, the salesmen form a group, so do the production people and the accounting people. Even though, the salesman may have individual goals, their organization goal is common.

Some goals cannot simply be achieved by individuals alone and they require group cooperative physical activity. For example, the sky-scraper cannot be built by one person alone. It requires the group efforts in all areas of building. Similarly, there are a number of groups involved in constructing and sending a satellite into space. If these individuals in the group with a common group and organizational goal also have similar personal characteristics, then the group cohesion can be strengthened and group efforts, can be improved. Some groups form because of similar intellectual and recreational goals and

pursuits. Golf clubs, chess clubs and hunting clubs are some of the groups with recreational pursuits. Groups are often organized to accomplish some problem solving and decision making tasks such as designing political strategies or designing computers. The goals can also be social and emotional in nature. Thus the groups are formed because of the individual's need for safety and security, sense of belonging and affiliation and self esteem. Safety and security needs of individuals are satisfied through groups. Even from the early days men used to go out hunting for food together in groups to face outside threats from animals and other hostile environments. Group formation is likely when the environment becomes hostile and threatening. For example, in times of floods, fire or other natural disasters, neighbours who may not be even speaking with each other form effective groups to help and shelter the people affected by such disasters. In an organizational setting, individual workers join unions because the unions have the ability to meet their needs and interests as well as protect them from threats of being fired.

A sense of belonging is the third level need in the Maslow's model of hierarchical needs. It is an emotional need for friendship, love, affection and affiliation with others. Most people have strong need for being with others who can understand, support and help them when they are in need and render them moral and emotional support in time of difficulty. The concept of family and friends fills this need.

Membership in a prestigious group is a source of enhanced self-esteem. The members of the group feel good about themselves by virtue of the group's power, prestige and social standing. For example, being in United States marines or SWAT team can be a source of pride for the members.

Opportunity for Interaction

When people are provided with an opportunity to interact, they may discover that they have a lot in common, thus necessitating the formation of a group. This interaction, for example) leads to friendships and group formation in college dormitories, apartment complexes and sometimes in the same compartment of a train or on cruise ships where people are together and have an opportunity to form informal groups.

In an organizational setting, management generally tries to create a physical as well as psychological environment to induce interaction. Sometimes, the offices are designed in such a manner so that people who need to interact with each other are assigned work-space close to each other. Common cafeterias and coffee breaks given at the same time increases opportunity for interaction.

Influence and Power

There is a saying in India that, "while a single one is just a one, two single ones make it an eleven". We all know that there is strength in unity. Henry Fayol's last of the fourteen principles of effective management is "Esprit de Corps", which means the "power of spirit of togetherness".

There is another saying supporting the same sentiment as, "united we stand, divided we fall"

Unit-5

Meaning & Determinants of Organizational Behavior

What is Organizational Behaviour

Organizational behavior (OB) is the study of human behavior in organizational setting, the between human behavior the organization, and the organization itself, Although we can focus on any one of these three areas, do remember that all three are ultimately relevant for a comprehensive understanding of organizational behavior. For example, we can study individual without explicitly considering the organization. But, because the organization influences and is influenced by the individual, we can't understand the individual's behavior completely learning something about the organization. Similarly, we can study organizations without specifically on the people within them. But, again, we are looking at only a portion of the puzzle. Eventually, we must consider the other pieces as well as the whole.

Figure 40 illustrates this view of organizational behavior. The Figure shows the linkages among human behaviour in organizational settings, the individual-organizational interface, the organization, and the environment surrounding the organization. Each individual brings to an organization a unique set of personal characteristics, experiences from other organizations, and a personal background. In considering the people who work in organizations, therefore, organizational behavior must look at the unique perspective that each individual brings to the work setting. For example, suppose Texas Instruments hires a consultant to investigate employee turnover. As a starting point, he or she might analyze the kinds of people usually hired by the firm. The goal of this analysis would be to learn as much as possible about the nature of the company's work force as individuals—their expectations, personal goals, and so forth.

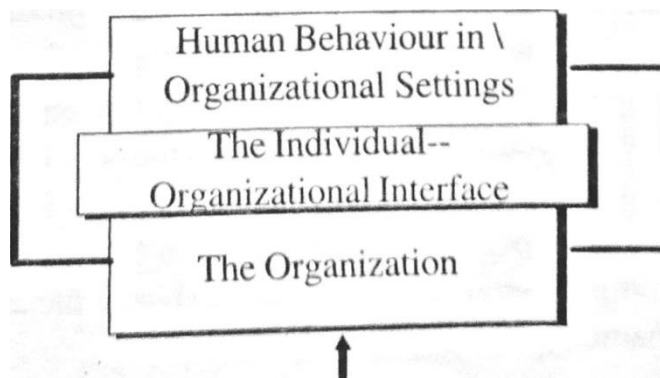


Figure 40: The Nature of Organizational Behaviour

THE HISTORICAL ROOTS OF ORGANIZATIONAL BEHAVIOUR

Some fields, such as physics and chemistry, are thousands of years old. Management has also been around in one form or another for centuries as described in International Perspective. But, because serious interest in the study of management did not develop until around the turn of this century, organizational behaviour is only a few decades old. One reason for the relatively late development of management as a scientific field is that few large business organizations existed until around a hundred years ago. Although management is just as important to a small organization as to a large one, large firms were necessary to provide both a stimulus and a laboratory for management research.

A second reason for the late emergence of management as a scientific field was the assumption that management and other business issues were part of economics. Economists, in turn, assumed that management practices were by nature efficient and effective, and therefore concentrated their attention on higher levels of analysis such as national economic policy and industrial structures.

Finally, in addition to being a relatively young field of study, management is a social science rather than a natural science; and so, its variables and concepts are more difficult to identify, define, measure, and predict than those associated with physical phenomena. A physical scientist can formulate a hypothesis or law such as "If you apply this process to this material under these specified conditions, the result will always be of the form Other scientists can easily verify the proposed relationship and take it as a given in subsequent research. A social scientist, in contrast, can seldom say "If you provide a person in the workplace with a certain reward, the response will always be of the form " The complexities of individual understanding, perception, and motivation are too great to permit the formulation of such laws. (Social scientists try to do so sometimes, but the result is generally controversial.) Hence, the social sciences tend to progress more slowly than the natural sciences.

Organizing & Organizational Structure: Line & Staff Conflicts

Introduction

The backbone of management. Without efficient organization. management can Its functions smoothly. Sound organization contributes greatly to the continuity and of the enterprise. Once A. Carnagie, an American Industrialist said. "Take away our take away our trade. our avenue of transpiration. our money. Leave nothing but our organization and in four years we shall have re-established ourselves". That shows the significance of managerial skill and organization. However, good organization structure does not by itself produce good performance - just as good constitution does not guarantee great presidents or good laws a moral society. But a poor organization structure makes good performance impossible. no matter how good the individual« may be. The right organizational structure is the necessary

foundation: without it the best performance in all other areas of management Will be ineffectual and frustrated.

Sound organization brings about the following advantages:

- 1) Facilitates attainment of the objectives of the enterprise.
- 2) Facilitates optimum use of resources and new technological development.
- 3) Facilitates growth and diversification.
- 4) Stimulates creativity and innovation
- 5) Facilitates effective communication.
- 6) Encourages better relations between the labor and the management.
- 7) Increases employees satisfaction and decreases employee turnover

Concept of Organization

The term 'organization' connotes different things to different people. Many literatures have attempted to state the nature, characteristics and principles of organization in their own way. For instance, to the sociologist organization means a study of the interactions of the people, classes or the hierarchy of an enterprise; to the psychologist organization means an attempt to explain, predict and influence behavior of individuals in an enterprise, to a top executive it may mean the weaving together of functional components in the best possible combination so that an enterprise can achieve its goals. The word 'organization' is also used widely to connote a group of people and the Structure of relationships.

ORGANIZATION STRUCTURE

An organization structure denotes the authority and responsibility relationships between the various positions in the organization by showing who reports to whom. It is a set of planned relationships between groups of related functions and between physical factors and personnel required for the achievement of organizational goals. Organization involves establishing an appropriate structure for the goal seeking activities. The structure of an organization is generally shown on an organization chart or a job-task pyramid. It shows the authority and responsibility relationships between various positions in the organization. It is significant to note that the organization structure is directly related to the attainment of the organization objectives. For instance, if an undertaking is in production line, the dominant element in its organization chart would be manufacturing and assembling. A good organization structure should not be static but dynamic. It should be subject to change from time to time in the light of the changes in the business environment.

Developing the Organization Structure

There are two types of structural variables, namely, basic structure and operating mechanism. Designing of basic structure involved such central issues as how the work of the organization will be divided and assigned among positions, groups, departments, divisions, etc. and how the coordination necessary to achieve organizational objectives will be brought about. But operating mechanism, on the other hand, includes such factors as information system, control procedures, rules and regulations, system of reward and punishment, etc.

The development of organization structure deals with two facts, namely (i) the functions which are to be performed and (ii) the form of structure. The first fact requires the determination of

activities, the organization needs and division of these activities keeping in mind degree of specialization it can afford. The second fact, i.e., form of structure, requires a detailed study and application of many organizational principles and practices.

Organization structure establishes formal relationships among various positions in the enterprise. The formal relations may be classified into the following categories: (i) Relations between the senior and the subordinates and vice-versa;

- (i) Relations between the specialist position and the line positions;
- (ii) Staff relations; and
- (iii) Lateral relations.

Differentiation and Integration of Activities

Differentiation and integration of activities relationships are very important considerations in organization designing. Differentiation may be defined as the differences in cognitive and emotional orientation among managers in different functional departments and the differences in formal structure among these departments. Integration, on the other hand, refers to the quality of the state of collaboration that is required to achieve unity of effort. System approach suggests that since various departments are integral part of the whole system, they should not be considered in isolation of others. But since each department is interacting with the environment in a different way, various departments are likely to develop some degree of differentiation depending upon the nature of environment. Therefore, designing of structure of one department may be different than that of the other, But the overall objective of organizational designing should be integration of activities & authority roles & relationships existing in different departments.

Determining the Kind of Structure

Organization structure is an indispensable means towards business objectives. Wrong structure will seriously deter the enterprise from achieving its objectives. Thus, it is essential that a great deal of care should be taken while determining the organization structure. Peter Drucker has suggested three specific ways to find out what kind of structure is needed to attain the objectives of a specific business, which are discussed below.

1. Activities Analysis: It is the first stage in building an organization structure which involves finding out what activities are needed to attain the objectives of the enterprise. Each business undertaking has a set of functions to perform such as manufacturing, purchasing, marketing, personnel, accounting, etc. These functions can be identified after proper analysis. It may be pointed out that in every organization, one or two functional areas of business dominate. For instance, printing is an important function of a printing firm and designing is an important activity of the readymade garments manufacturer.

After the activities have been identified and classified into functional areas, they should be listed in the order of importance. It is advisable to divide and sub-divide the whole work into smaller homogeneous units so that the same may be assigned to different individuals. For

instance, the Chief Executive may divide the whole activities into various functional departments and delegate authority to the departmental managers. The departmental managers may be assisted by deputy managers, deputy managers by assistant managers and so on. It should be remembered that the job constitutes the basic building block in designing an organization structure.

2) Decision Analysis: What decision are needed to obtain the performance necessary to attain objectives? What kind of decisions are they? On what level of the organization should they be made? What activities are involved in or affected by them? Which managers must therefore participate in the decisions? Though, it is difficult to predict the content (kind) of decision problems which will arise in future, yet the subject-matter has a high degree of predictability. Analysis of the foreseeable decisions shows the structure of top management the enterprise needs and the nature of authority and responsibility different levels of operating management should have.

Peter Drucker has emphasized four basic characteristic, viz., (i) the decision degree of futurity in the decision; (ii) the impact that decision has on other functions; (iii) the character of the decision as determined by a number of qualitative factors, such as basic principles of conduct, ethical values, social and political beliefs, etc.; and (iv) whether the decisions are periodically recurrent or rare as recurrent decision may require general guidelines whereas a rare decision is to be treated as a distinctive events.

2 Relations Analysis: With whom will a manager-in-charge of an activity have to work? Such other questions of relation, e.g., line and staff relations, between subordinates and superior will also help in deciding the structure of the organization. As said earlier, downward, upward and sideways relations must be analyzed to determine the organization structure.

PRINCIPLES OF ORGANIZATION

As a tool of management, organization is expected to facilitate the achievement of certain objectives. In order to facilitate the achievement of objectives, management thinkers have laid down certain statements from time to time, from certain generally accepted understandings which may be called the principles of organization. The principles are guidelines for planning an efficient organization structure. Therefore, a thorough understanding of the principles of organization is essential for good organization. The important principles of organization are discussed below:

1. Consideration of Objectives: An enterprise strives to accomplish certain objectives. Organization serves as a tool to attain these objectives. The objectives must be stated in clear terms as they play an important role in determining the type of structure which should be developed- The principle of consideration of objectives states that only after the objectives have been stated, an organization structure should be developed to achieve them.
2. Division of Work and Specialization: The entire work in the organization should be divided into various parts so that every individual is confined to the performance of single job, as far as possible, according to his ability and aptitudes. This is also called the

principle of specialization. More a person continues on a particular job, the better will be his performance.

3. **Definition of Jobs:** Every position in the organization should be clearly defined in relation to other positions in the organization. The duties and responsibilities assigned to every position and its relationship with other positions should be clearly defined so that there may not be any overlapping of functions.
4. **Separation of Line and Staff Functions:** Whenever possible, line functions should be separated from staff activities. Line functions are those which accomplish the main objectives of the company. In many manufacturing companies, the manufacturing and marketing departments are considered to be accomplishing the main objectives of the business and so are called the line functions and other functions like personnel, plant maintenance, financing and legal are considered as staff functions.
5. **Chain of Command:** There must be clear lines of authority running from the top to the bottom of the organization. Authority is the right to decide, direct and coordinate. The organization structure should facilitate delegation of authority. Clarity is achieved through delegation by steps or levels from the top position to the operating level. From the chief executives, a line of authority may proceed to departmental managers, to supervisors or foremen and finally to workers. This chain of command is also known as scalar principle of organization.
6. **Parity of Authority and Responsibility:** Responsibility should always be coupled with corresponding authority. Each subordinate must have sufficient authority to discharge the responsibility entrusted to him. This principle suggests that if a plant manager in a multi plant organization is held accountable for all activities in his plant, he should not be subject to orders from company headquarters specifying the quantity of raw materials he should buy or from whom he should purchase raw materials. If a supervisor is responsible for the quality of work of his department, he should not be asked to accept as a member of his workforce an employee who has been hired without consulting him.
7. **Unity of Command:** No one in the organization should report to more than one supervisor. Everyone in the organization should know whom he reports and who reports to him. Stated simply, everyone should have only one boss. Receiving directions from several supervisor's may result in confusion, chaos, conflicts and lack of action. So each member of the organization should receive directions from and report to one superior only. This will avoid conflict of command and help in fixing responsibilities.
8. **Exceptional Matters:** This principle requires that organization structure should be so designed that managers are required to go through the exceptional matter only. All the routine decisions should be taken by the subordinates, whereas problems involving unusual matters and policy decisions should be referred to higher levels.

9. **Span of Supervision:** The span of supervision means the number of persons a manager or a supervisor can direct. If too less number of employees are reporting to a supervision, his time will not be utilized properly. But, on the other hand, there is a limit to the number of subordinates that can be efficiently supervised by an executive. Both these points should be kept in mind while grouping and allocating the activities to various departments. It is difficult to give a definite number of persons a manager can direct. It will depend upon the nature of the work and a number of other factors.
10. **Balance of Various Factors:** There should be proper balance in the formal structure of the organization in regard to factors having conflicting claims, e.g., between centralization and decentralization, span of supervision and lines of communication and authority allocated to departments and personnel at various levels.
11. **Communications:** A good communication network is essential to achieve the objectives of an organization. No doubt the line of authority provides readymade channels of communication downward and upward, still some blocks in communication occur in many organization. The confidence of superior in his subordinates and two-way communication are the factors that unite an organization into effectively operating system.

Factors Determining Span of Supervision

The span of control varies from individual to individual, time to time and place to place. The factors which determine the span of control are discussed below:

1. **Ability of the Managers:** Individuals differ in various qualities like leadership, decision making and communication. The span may be wider if the manager possesses these skills in greater degree as compared to others.
2. **Time available for Supervision:** The span should be narrow at the higher levels because top managers have less time available for supervision. They have to devote the major portion of their time to planning, organizing, directing and controlling. Each top manager will delegate the task of supervision to his subordinates who have to devote comparatively less time on the important functions of management.
3. **Nature of Work:** When the spans are narrowed, the levels in the organization increase. This involves delegation of authority and responsibility. If the work is of a routine and repetitive nature, it can easily be delegated to the subordinates.
4. **Capacity of Subordinates:** If the subordinates are skilled, efficient and knowledgeable, they will require less supervision. In such a case, the superior may go in for a wider span.
5. **Degree of Decentralization:** Under decentralization, the power to make decisions is delegated to the lower levels. The span of management will be narrow in such cases so as to exercise more and more control.
6. **Effectiveness of Communication:** An effective system of communication in the organization favors large number of levels because there will be no difficulty in transmission of information in spite of a large number of intervening layers.

7. Control Mechanism: The span of control also depends upon the control mechanism being followed. Control may be followed either through personal supervision or through reporting. The former favors narrow span and the latter favors a wide span.

ORGANIZATION CHARTS

An organization chart is a diagrammatical form which shows important aspects of an organization including the major functions and their respective relationship. In other words, it is a graphic portrayal of a bird's-eye view of the relationship between different departments or divisions of an enterprise as well as the relationships between the executives and subordinates at various levels. It enables each executive and employee to understand his position in the organization and to know to whom he is accountable. It is obvious that an organization chart has the following characteristics:

- 1) It is a diagrammatical presentation.
- 2) It shows principal lines of authority in the organization.
- 3) It shows the interplay of various functions and relationships.
- 4) It indicates the channels of communication.

The organization chart should not be confused with the organization structure. An organization chart is merely a type of record showing the formal organizational relationships which management intends should prevail. It is, therefore, primarily a technique of presentation. It presents diagrammatically the lines of authority and responsibility among different individuals and positions. It may be either personnel or functional. Personnel organization chart depicts the relationships between positions held by different persons. Functional organization chart depicts the functions or activities of each unit and sub-unit in the organization.

Master and Supplementary Charts: Master chart shows the whole structure of the enterprise portraying all positions and relationships. It provides a clear picture of the entire organization structure. Supplementary charts are used to show separately department-wise structure portraying the positions and relationships within each department. Such charts are popular in big organizations where it is difficult to show the necessary details through the master chart.

Advantages of Organization Chart: The advantages of an organization chart are as follows:

- 1) It is a tool of administration to tell the employees how their positions fit into the total organization and how they relate to others.
- 2) It shows at a glance the lines of authority and responsibility. It is a reliable blueprint of how the positions are arranged. From it, the individuals can sense the limits of their authority and can see who their associates are, to whom they report and from whom they get instructions.
- 3) It serves as a valuable guide to the new personnel in understanding the organization and for their training.
- 4) It provides a framework of personnel classification and evaluation systems.

- 5) It plays a significant part in organization improvement by pointing out inconsistencies and deficiencies in certain relationships. When management sees how its organization structure actually looks, it may discover some unintended relationships.

AUTHORITY RELATIONSHIPS: LINE, STAFF AND FUNCTIONAL

Within the framework of the formal organization, there are three basic organizational relationships, namely, (i) authority, (ii) responsibility and (iii) accountability. Authority is the right conferred on an individual to make possible the performance of the work assigned. It includes the discretion to make decisions to issue instructions to the subordinates and to use organizational resources. Responsibility means to task or duties assigned to an individual in the organization. Entrustment of responsibility must be associated with the requisite authority for the accomplishment of the task. By accepting authority and responsibility, a subordinate becomes accountable for the use of authority to his boss. These relationships are designated as formal because they are predetermined by the management as a way of relating and combining the diverse functions of the enterprise. This chapter aims at providing an insight into these relationships.

Authority

Authority is the right to order or command and is delegated from the superior to the subordinate to discharge his responsibilities. Right to procure or use raw materials, to spend money or ask for the allotment of money, to hire or fire people, etc., has to be delegated to the individuals to whom the work has been assigned. For instance, if the chief executive of a plant assigns the production manager with the production of particular types of goods and service, he should also grant him the authority to use raw materials, money and machinery, hire workers and so on to fulfil the production schedules prescribed as his duty.

Louis A. Allen defined authority as the sum of the powers and rights entrusted to make possible the performance of the work assigned. Authority is basis to the job of managing. A manager must have adequate authority to get things done through the subordinates. The features of managerial authority are as under:

- (i) Authority is the right or power to command and control the subordinates.
- (ii) It is granted to a position (or manager) for the achievement of organizational objectives.
- (iii) The authority may be exercised through persuasion or sanctions. If the subordinate does not obey, the superior has a right to take disciplinary action.

Responsibility

The term 'responsibility' means the work or duties assigned to a person by virtue of his position in the organization. The person carrying the responsibility for the performance of a given task has also the authority to perform it. For instance, if a project manager is responsible for the construction of a bridge, he has also the authority to command his subordinates, procure the needed materials, procure personnel and seek assistance from functional departments for the completion of the project. Responsibility should be distinguished from

accountability which is the obligation of an individual to render an account of the fulfillment of his responsibility to the superior to whom he reports.

Accountability

Just as responsibility is a derivative of work to be performed and authority is derived from responsibility, accountability, in turn, is a logical derivative of authority. When a subordinate is given an assignment and is granted the necessary authority to complete it, the final phase in basic organization relationship is holding the subordinate responsible for results. In other words, the subordinate undertakes an obligation to complete the assignment by the fair use of authority and account for the discharge of responsibility assigned.

Accountability is the obligation to carry out responsibility and exercise authority in terms of performance standards. For accountability to be effective, the standards of performance should be determined before entrusting a task and should be understood and accepted by the subordinate. The extent of accountability depends upon the extent of authority and responsibility delegated. A person cannot be held answerable for the acts not assigned to him by his superior. Creation of accountability leads to justifying delegation authority to a subordinate.

Table 25: Authority vs Responsibility

Authority	Responsibility
<ol style="list-style-type: none"> 1. Authority is the right of a manager to command his subordinates and use organizational resources. 2. Authority arises because of a formal position in the organization. Whosoever occupies a position, has the right to command the subordinates. 3. Authority can be delegated to the subordinates. 4. Authority always flows downward from a superior to his subordinate. 	<ol style="list-style-type: none"> 1. Responsibility denotes the duties or tasks assigned to a subordinate by his boss. 2. Responsibility arises from a superior subordinate relationship. The subordinate is accountable since he owes an explanation to his superior for the performance of duties assigned. 3. Responsibility i.e., obligation to account for results, can't be delegated. 4. Accountability always moves in the upward direction as the subordinate is responsible to his superior.

Kinds of Authority

Louis A. Allen has classified authority into three categories namely, (i) Authority of knowledge, (ii) Authority of position, and (iii) Legal authority. According to him authority of knowledge is possessed generally by the staff specialists appointed by the company. They more often influence the actions of persons in line by virtue of their knowledge. Some persons acquire authority by virtue of their position in organization. Legal authority is the authority

which is entrusted to person by the law of the land. For instance, a company is a legal person and has a right to sue others according to the provisions of the Companies Act.

Sources of Power

John French and Bern-am Raven have identified five sources or bases of power which may occur at all levels of the organization. These are discussed below:

- (i) **Reward Power:** It is based on the influencer having the ability to reward the influence for carrying out orders. The extent of reward power depends upon the extent to which one has control over rewards that are valued by another.
- (ii) **Coercive Power:** It is based on the formal rights one receives as a result of holding a position in an organization. It may also be called 'positional power' because of authority inherent in the position. It exists when an influence acknowledges that the influencer is lawfully entitled to exert influence. It is also implied that the influencee has an obligation to accept this power.
- (iii) **Legitimate Power:** It is based on the formal rights one receives as a result of holding a position in an organization. It may also be called 'positional power' because of authority inherent in the position. It exists when an influence acknowledges that the influencer is lawfully entitled to exert influence. It is also implied that the influencee has an obligation to accept this power.
- (iv) **Expert Power:** It is based on the perception or belief that the influencer has some relevant expertise or special knowledge that others do not have. For example, a doctor has expert power on his patients. It is a type of personal power.
- (v) **Referent Power:** It is based on the influencee's desire to identify with or imitates the behavior of the influencer. It develops out of others' admiration for a person and their desire to model their attitudes and behavior after that person. For example, a manager will have referent power over the subordinates if they are motivated to emulate his work habits.

These are potential sources of power only. Possession of some or all of them does not guarantee the ability to influence particular individuals in specific ways. The role of the influencee in accepting or rejecting the attempted influence is very important. It may also be noted that, normally, each of the five power bases is potentially inherent in a manager's position.

Some generalizations about the use of power and effectiveness of various bases of power are given below:

- 1) There is no evidence of power unless it is exercised. The purpose of power is influence over others for getting certain things done.
2. Power is stronger than influence. It is the ability to bring about potential acts by commanding or exerting influence. But influence is a psychological force. In exerting influence, one person tries to influence the behavior of another.

3. The effect of power is reduced when it is exercised outside its perceived limits.
4. The stronger the power base, the greater is the power. The strongest power base is legitimacy (or formal authority) and the weakest is coercion.
5. A person difficult to be replaced has more power than others. If a low ranking employee has more knowledge than his superiors, he is likely to have more personal power.

Types of Authority Relationships

Modern organizations make considerable use of line, staff, functional and committee authority and various combinations thereof. All the four types can be found in almost every big organization. The organization patterns that accompany the four types of authority have already been discussed in this chapter.

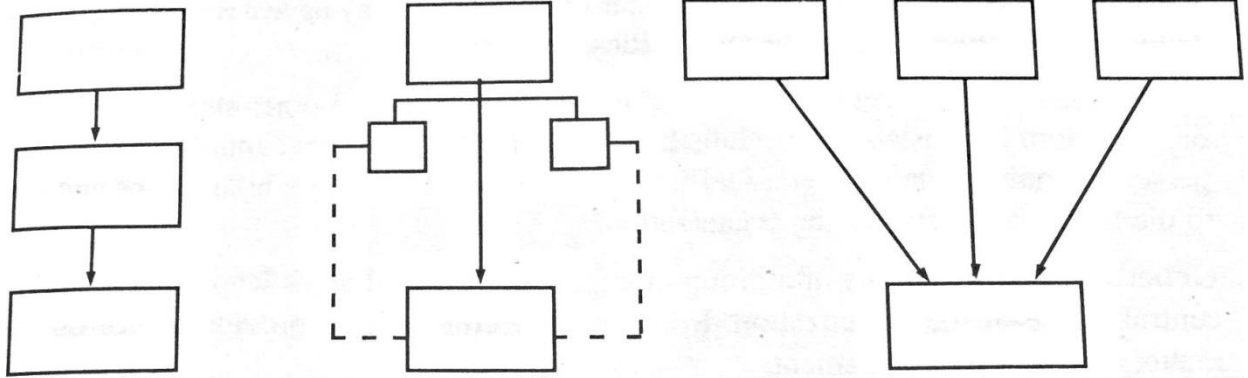
Now we shall discuss the nature of various types of authority.

Line Authority

Line authority refers to those positions and elements of the organization which have responsibility and authority and are accountable for accomplishment of primary objectives. "Line authority, the basic authority in an organization, is the ultimate authority to command, act, decide, approve or disapprove - directly or indirectly - all the activities of the organization. It is the authority to direct the work of others and to require them to conform to decisions, plans, policies, systems, procedures and goals. Line authority is the heart of the relationship between superiors and subordinates".

Line elements provide authority to decide and direct and a central means for flow of communication through a scalar chain of authority. Line officials are in the chain of command from the highest executive to the lowest position in the organization. Each successive manager exercise direct line authority over his subordinates. However, line authority is not absolute. Managers are responsible for how they exercise authority and for its consequences. They must use judgment and discretion and stay within the limits of their delegated authority. They must apply authority reasonably to the performance of tasks and the proper execution of organizational policies. It should be remembered that the primary purpose of line authority is to ensure effective functioning of the organization. It does so in the following ways:

- 1) Line authority acts as a chain of command from chief executive to lower level workers. It also provides for the channel of communication.
- 2) It provides the basic decisions required for operating the enterprise.
- 3) It makes the leadership process effective by establishing authentic channels of communication.
- 4) It provides points of reference for the approval or rejection of proposals.
- 5) It serves as a means of control by setting limits to the scope of managerial actions.



Line

Line and Staff

Functional

Figure 49: Types of authority

relationships

Staff Authority

Staff refers to those elements which have responsibility and authority for providing advice and services to line in attainment of objectives. Fayol described staff as an adjunct reinforcement and a sort of extension of the manager's personality. Line managers make the salient decisions by exercising command authority, whereas staff officials advise and counsel, with no authority to command but within their own staff chain of command. According to McFarland, "Staff authority is best defined as authority whose scope is limited, by the absence of the right to direct or command, to such auxiliary and facilitating activities as planning, recommending, advising or assisting".

The nature of staff authority is advisory as shown by broken lines in Figs. 59 and 60. The use of staff to assist line came about because of the need to provide special counsel and assistance to the line manager who is unable to carry out the demands of his position. Line authority alone becomes inadequate for large organizations whose managers face an increasing number of problems that can better be handled by staff specialists.

The basic criterion for distinguishing between line and staff functions is the degree of closeness of the function to the primary objectives of the organization. Basic activities such as production, finance and marketing are usually line departments. Activities such as industrial engineering and costing, which consist mainly of assistance, advice or services cutting across several units, are general set up as staff departments. However, the indirect relationship of staff to primary objectives does not necessarily mean any lack of importance.

DEFINING STRESS

To an orchestra violinist, stress may stem from giving a solo performance before a big audience; while heat, smoke, and flames may represent stress to a firefighter; delivering a speech or presenting a lecture may be stressful for those who are shy. In short, stress means different things to different people. Managers need a working definition.

Formally defined, stress is "an adaptive response, mediated by individual characteristics and/or psychological processes that is a consequence of any external action, situation, or event that places special physical and/or psychological demands upon a person." This definition is not as difficult as it seems when we reduce it to three interrelated dimensions of stress: (1) environmental demands, referred to as stressors, that produce, (2) an adaptive response that is influenced by, (3) individual differences.

Hans Selye, considered the father of the modern concept of stress, pioneered the distinction between stressors and the stress response. Moreover, Selye emphasized that both positive and negative events can trigger an identical stress response that can be beneficial or harmful. He also noted that

- Stress is not merely nervous tension.
- Stress can have positive consequences.
- Stress is not something to be avoided.
- The complete absence of stress is death.

These points make it clear that stress is inevitable. Efforts need to be directed at managing stress, not at somehow escaping it altogether.

STRESSORS: ENVIRONMENTAL FACTORS THAT PRODUCE STRESS

Stressors are environmental factors that produce stress, stated differently. Stressors are a prerequisite to experiencing the stress response. The four major types of stressors are: individual, group, organizational, and extra-organizational. Individual-level stressors are those directly associated with a person's job duties. For example, emergency room nurses experience stress uniquely associated with treating patients who are high on drugs and alcohol. The most common examples of stressors are role overload, role conflict, and role ambiguity: these role characteristics create stress because they make people feel both overworked and uncertain about what they should be doing. Managers can reduce these stressors by providing direction and support for their employees.

Group-level stressors are caused by group dynamics and managerial behavior. Managers create stress for employees by (1) exhibiting inconsistent behaviors, (2) failing to provide support, (3) showing lack of concern, (4) providing inadequate direction, (5) creating a high productivity environment, and (6) focusing on negatives while ignoring good performance.

Organizational stressors affect large numbers of employees. Organizational climate or culture is a prime example. For instance, a high-pressure environment that places chronic work demands on employees fuels the stress response. In contrast, research provides preliminary support for the idea that participative management can reduce organizational stress.

There are many different stress-reduction techniques available. The four most frequently used approaches are muscle relaxation, biofeedback, meditation, and cognitive restructuring. Each method involves somewhat different ways of coping with stress.

Muscle Relaxation

The common denominators of various muscle relaxation techniques are: slow and deep breathing, a conscious effort to relieve muscle tension, and an altered state of consciousness. Among the variety of techniques available, progressive relaxation is probably most frequently used. It consists of repeatedly tensing and relaxing muscles, beginning at the feet and progressing to the face. Relaxation is achieved by concentrating on the warmth and calmness associated with relaxed muscles. Take a few moments now to try this technique as described here.

Sitting in a chair, start by taking slow, deep breaths. Inhale through your nose and exhale through your mouth. Continue until you feel calm. Begin progressive relaxation by pointing your toes toward the ceiling for 10 seconds. Concentrate on the tension within your calves and feet. Now return your toes to a normal position and focus on the relaxed state of your legs and feet. (Your goal is to experience this feeling all over your body.) Tense and relax your feet for 10 seconds one more time. Moving to your calves and, continuing all the way to the muscles in your face, tense one major muscle at a time for 10 seconds and then let it relax. Do this twice for each muscle before moving to another one. You should feel totally relaxed upon completing this routine.

<u>Technique</u>	<u>Description</u>	<u>Assessment</u>
Muscle relaxation	Uses slow deep breathing, Systematic muscle tension reduction, and an altered state of consciousness to reduce stress.	Inexpensive and easy to use, may require a trained professional to implement.
Biofeedback	A machine is used to train people to detect muscular tension; muscle relaxation is then used to alleviate this symptom of stress	Expensive due to costs of equipment; however, equipment can be used to evaluate effectiveness of other stressreduction programs.
Meditation	The relaxation response is activated by redirecting one's thoughts away from oneself; a four-step procedure is used.	Least expensive, simple to implement, and can be practiced almost anywhere.
Cognitive restructuring	Irrational or maladaptive thoughts are identified and replaced with those that are rational or logical. A broad, inter disciplinary approach that goes beyond stress reduction y advocating that people strive for personal wellness in all aspects of their lives.	Expensive because it requires a trained psychologist or counsellor. Involves inexpensive but often behaviourally difficult lifestyle changes.
Holistic wellness		

Biofeedback

A biofeedback machine is used to train people to detect and control stress-related symptoms such as tense muscles and elevated blood pressure. The machine translates unconscious bodily signs into a recognizable cue (flashing light or beeper). Muscle relaxation and meditative techniques are then used to alleviate the underlying stress. The person learns to recognize bodily tension without the aid of the machine. In turn, according to the advocates of biofeedback, this awareness helps the person proactively cope with stress.

Meditation

Meditation activates a relaxation response by redirecting one's thoughts away from oneself. The relaxation response is the physiological opposite of the fight-or-flight stress response. Importantly however the relaxation response must be learned, and consciously activated, whereas the stress response is automatically engaged.

Organizational Conflicts & Its Dimensions

INTRODUCTION

Conflict exists in all situations where individuals and groups are in disagreement with each other for whatever reason. This potential therefore, exists everywhere, where two or more people are gathered together; a world without differences and disagreements is inconceivable!

THE CONFLICT PROCESS

Conflict occurs at interpersonal level, and also between groups such as organizational departments. Much of this is also relevant to conflict between individuals. And when conflict begins— following events generally transpire:

- "Winning" the conflict becomes more important than developing a good solution to the problem at hand.
- The parties begin to conceal information from each other or pass distorted information.
- Each group becomes more cohesive. Deviants who speak of conciliation are punished and strict conformity is expected.
- Contact with the opposite party is discouraged except under formalized, restricted conditions.
- While the opposite party is negatively stereotyped, the image of one's own position is boosted.
- On each side more aggressive people who are skilled at engaging in conflict may emerge as leaders.

SOURCES OF CONFLICT IN ORGANIZATIONS

Most organizational conflicts can be traced back to one or more of the following:

- 1) Competition for resources and the basis on which this is conducted.
- 2) Lack of absolute standards of openness, honesty, trustworthiness and integrity in general Organizational behavior and in dealings between staff, departments, divisions and functions between different grades of staff and between seniors and subordinates; lack of mutual respect.
- 3) Lack of shared values, commitment, enthusiasm, motivation and low morale• -
- 4) Unfairness, unevenness and inequality of personal and professional treatment, often linked to perception (and realities) of favoritism and scapegoating.
- 5) Physical and psychological barriers, especially those between seniors and subordinates, and also those between departments, divisions and functions.
- 6) Inability to meet expectations and fulfill promises; this is always compounded by the use of bureaucratic words and phrases.
- 7) Expediency and short-termism that interferes with, dilutes the results that would otherwise be achieved.
- 8) The nature of work and its professional, expert and technical context.
- 9) The structure of work, and the division and allocation of tasks and jobs.
- 10) People involved, their hopes and fears, aspirations, ambitions, beliefs, attitudes and values.
- 11) The presence of vested interests and pressure groups.

Before taking up the organizational conflict in detail intra-individual conflict will also be taken into consideration. There are three forms of intra-individual conflicts which can be analyzed in brief.

1) Conflict due to Frustration

Frustration occurs when a motivated drive is blocked before a person reaches a desired goal. Frustration may lead to any of the defense mechanisms used by the human organism, mainly the four which are (a) Aggression, (b) Withdrawal, (c) Fixation, and (d) Compromise.

2) Goal Conflict

(a) Approach-approach conflict - where the individual is motivated to approach two or more positive but mutually exclusive goals.

(b) Approach-avoidance conflict - the single goal contains both positive and negative characteristics of the individual.

(c) Avoidance-avoidance conflict - where the individual is motivated to avoid two or more negative but mutually exclusive goals.

3) Role Conflict and Ambiguity

There are three types of role conflict. One type is the conflict between the person and the role.

A second type is intrarole conflict created by contradictory expectations about how a given role should be played.

Finally, inter role conflict results from the differing requirements of two or more roles that must be played at the same time.

Interpersonal Conflict

According to Whetten and Cameron there are four sources of interpersonal conflict.

1. Personal differences - Individual differences because of one's upbringing, cultural and family traditions, family background, education, experience and values the difference can be a major source of conflict.

2 Information deficiency - This source of conflict results from communication breakdown in the organization.

Role incompatibility - In today's inter-functional organizations, many managers have functions and tasks that are interdependent, and the individual roles of these managers may be incompatible.

Environmental Stress - Stress from environment can be due to scarce or shrinking resources, downsizing, competitive pressures & high degree of certainty

ORGANIZATIONAL CONFLICT

Most organizational conflicts can be traced back to one or more of the following:

1. Competition for resources and the basis on which this is conducted.
2. Lack of absolute standards of openness, honesty, trustworthiness and integrity in general behavior in the workplace, and in dealings between staff, departments, divisions and functions.
3. Lack of shared values, commitment, enthusiasm, motivation and low morale.
4. Unfairness, unevenness and inequality of personal and professional treatment often linked to perceptions (and realities) of favoritism and scapegoating.
5. Physical and psychological barriers, especially those between seniors and subordinates, and also those between departments, divisions and functions.
6. Inability to meet expectations and fulfill promises;
7. The nature of work and its professional, expert and technical context.
8. The structure of work, and the division and allocation of tasks and jobs.
9. People involved, their hopes and fears, aspirations, ambitions, beliefs, attitudes and values.

10. The presence of vested interests and pressure groups.

STRUCTURAL CONFLICT

1. Hierarchical conflict - "There may be conflict between the various levels of the organizations.
2. Functional conflict - Conflict between the various functional departments like production and marketing.
3. Line-Staff conflict.
4. Formal-Informal conflict - The informal organization's norms for performance may be incompatible with the formal organization's norms for performance.

SYMPTOMS OF CONFLICT

1. Poor communications between groups, individuals and the organization and its components.
2. Poor intergroup relationships based on envy, jealousy and anger at the position of others.
3. Deterioration of personal and professional relationships.
4. Increases in absenteeism, sickness, and labor turnover.
5. Proliferation of rules and regulations covering especially the most minor areas of activities.
6. Escalation of disputes and grievances arising out of frustration and anger
7. The growth of myths and legends via the grapevine.
8. The decline in organizational, departmental, group and individual perform.
9. Disregard and disrespect for persons in other parts of the organization.

Causes of Conflict

The main causes of conflict in organizations are as follows:

1. Differences between corporate, group and individual aims and objectives, and the inability of the organization to devise systems, practices and environments in which these can be reconciled and harmonized.
2. Interdepartmental and intergroup wrangles overwhelmingly concerned with:
 - (a) Territory - where one group feels that another is treading in an area that is legitimately theirs.

- (b) Prestige - one group feels that another is gaining recognition for efforts and successes that are legitimately theirs.
 - (c) Poaching and theft - where one group attracts away the staff of the other.
3. The status awarded by the organization to its different departments, divisions, functions, groups and individuals.
 4. Individual clashes - both professional and personal - lead to conflict if the basis of the relationship is not established and ordered.
 5. Personality clashes become seriously disruptive if allowed to proceed unchecked and if steps are not taken to ensure that there is a professional or operational basis on which relationships can be based.
 6. Conflict with the job held also occurs. This comes in the following forms:
 - (a) conflicts between job and job holder - This is largely related in the cases of expert and professional staff, to frustration in terms of the ability to use expertise to the full; the lack of scope for professional development and advancement.
 - (b) Conflict between job and organization - This concerns the relationship that exists between the two; the availability of opportunities, the extent to which these are offered.
 - (c) Conflict between job holder and organization - This is the extent to which pay, supervision, management style and the work environment are suitable and effective.
 7. Lack of clarity of reporting relationships causes conflict.
 8. Conflict also occurs where somebody works for two superiors.
 9. Hidden, secondary and paralleled agenda cause conflict. These proliferate where overall aims are not well or lightly drawn; where they do not, or are not able to accommodate those of the individuals involved, and where people feel that, even if they do well with the work, they are not likely to receive due recognition.
 10. The issuing of differentials causes conflict. Difficulties here include company cars, company parking spaces, personal computers and fax machines, mobile phones, and other executive technology, the flexibility to work from home, personal secretaries and assistants, differentiated office furniture. Conflict is caused when the allocation of these elements is done (or seen to be done) from a point of view of patronage, prestige and status rather than operational necessity.
