# Organizational Behaviour - II Prof. S. Srinivasan Vinod Gupta School of Management Indian Institute of Technology, Kharagpur

# Lecture -04 Effectiveness of Work Group Behaviour

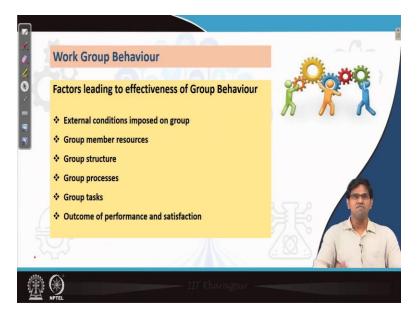
Welcome to lecture 04 of module 01. In the last lecture, we discussed about group development stages and then we also discussed about different models of group development. We discussed classic balance theory, classic theory, social exchange theory, social identity theory and learned about the stages of group development and the different models of group development. Now, it is important to understand what are the factors that are going to impact the effective functioning of the workgroup behaviour.

(Refer Slide Time: 01:00)



So, in today's lecture we are going to discuss about what are the key factors that are going to impact the workgroup behaviour in an organization? And also we are going to see how it is going to have an impact on individual behaviour. Because as a member of a group definitely the workgroup behaviour will influence some of the behavioural of an individual, we will look at what are the positive implications or the negative implications of the workgroup behaviour.

# (Refer Slide Time: 01:17)

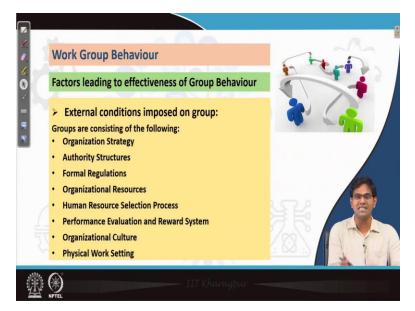


So, let us get into the lecture. We are going to talk about factors and in detail leading to an effective functioning of the workgroup behaviour. First is about external conditions imposed on a group. The external conditions we are going to discuss about organizational factors wherein we are going to talk about now list of organizational factors, which are going to impact the functioning of the group.

Then of course, we will also discuss about group member resources, resources in terms of their technical capability, abilities, knowledge and their personality traits or the individual characteristics itself also, and one of the important factors that will improve the performance of a group. Then we will also see about the group structure, how these structures are within the group? who is going to influence the effective functioning of the group? Then we will see group processes and group task group processes.

We will also talk about norms and even the previous lectures we talked about now how one of the properties of a group is a norm, how it is influencing the do's and don'ts within the group then we will also see the outcome of performance and satisfaction. How that is going to drive the effective functioning of the workgroup.

### (Refer Slide Time: 02:26)



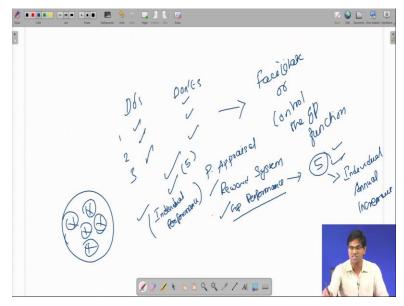
Let us go and see in detail of the each of the factors. First factor we are going to see is the external conditions imposed on a group. So, these are mostly related to organization level factor. One is about the organizational strategy. The organizational strategy is nothing but strategy where organizations wanted to achieve maybe a short term or a long term goals what organization wanted to achieve.

Definitely when the short term or long term goal or strategy goal of an organization will drive the group, how? Let us say as an organization. I have a goal "A" probably they expect to achieve this "A" let say x, y, z are different groups. So what will happen? So, organization strategy will demand certain delta performance from these groups, so that the collective performance will be able to achieve the organization goal of "A".

So, the organization strategy will also drive the effective functioning of the workgroup because of the demands or the targets which are going to drive the group to behave in such a way, so that they are continuing to perform. Then comes the authority structures. As we were discussing the previous lectures also, the structures within the organizations. For example: The team, who is going to report to whom. Let say, the manager or the general manager, the assistant manager or maybe the CFO level people that structure will also influence the effective functioning of the group.

Then we will also talk about the Formal Regulations. A formal regulation is nothing but rules are laid down by the organization itself.

### (Refer Slide Time: 04:04)



So, part of the organizations' company will say these are the do's and don'ts. So, organizations will have these certain regulations. They list down one-two-three yeah this can be done. These are not allowed within the organization setup definitely. So, the formal regulations will facilitate or even it will control the group functioning. So, because anything in contradictions or in violation with the formal regulations is not accepted within a group though you are existing as a group in an organization itself. But organizations' formal regulations are the larger umbrella, which will definitely demand you to behave in such a way or do restrict you to behave in such a way that is acceptable by the organization rules. And then comes the Organizational Resources. As an organization, you have several resources with respect to you know it can be a human or it can be providing technology or it can also be financial resources.

There can be multiple resources, which will definitely govern your group's functioning. Let us say, if an organization is restricting to have very less number of people. Though you need the task is really high, but maybe these constraints or maybe the surplus of employees also can be resources, right? So, organization resources will also play an important role in deciding how effective the group is going to perform. Then comes human resource selection process.

So, how effectively your company is going to choose their employees. Employees who are really

skilled, right? And having necessary knowledge. So, the selection process will also determine who is going to be a member in a group, right? So eventually, that will also have an impact on the group behaviour. Then performance evaluation and reward system. So, now let us also understand how this performance evaluation and reward system will impact the group behaviour.

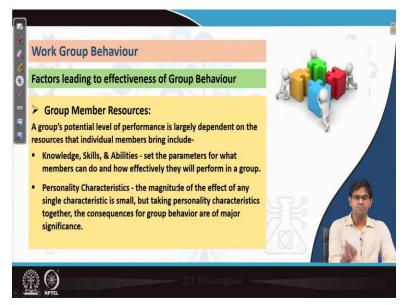
Let us say as an organization, you have a performance appraisal or a reward system. So, let us say if your reward system, which promotes let us say, the better group performance. Let us say, but better group performance will get 5 points. So, probably what will happen in these instances? So, in all members, we will be driving to ensure that we are achieving the group performance, so that we are going to get point 5. So that now it is definitely going to impact an individual's increment, annual increment. Now imagine a situation, though you are all working in a group. But your company's reward system is only talking about individual performance. It only says, though you are all working in a group, though you are all working in a team. But my company is going to reward let us say, the 5 points are going to be given on the individual performance.

In these instances, what will happen? Though you will be working inside a group., but what will be happening? You will be competing with each other, because I wanted to earn these 5 points. So, the effective work behaviour is also linked with the performance management or a performance system or a reward system within organizations. Now also organisational culture is also an important factor because organisational culture will drive.

Because organizational culture is a kind of a shared beliefs system by the members in a group or an organization. So, obviously organisational culture will also sometimes promote or probably the extreme situation, it can also inhibit certain behaviours, certain group behaviours. So, organization culture will also play a critical role on the effectiveness of the group behaviour. Then comes about a physical work setting. Physical work setting as we say no how the physical workstations have been built.

So, as to know promote or facilitate better interactions or maybe even sometimes restrict the interactions between the group members. So, that will also play a role on the effectiveness of the group behaviour.

### (Refer Slide Time: 08:26)



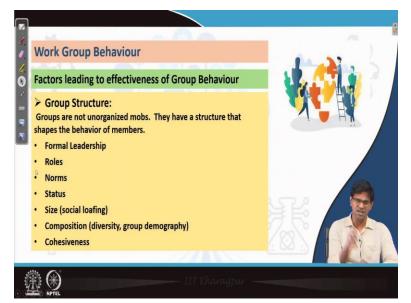
Then comes the next important factor is a Group Member Resource. When I talk about group member resources, of course as a group, you will have a member A, B, C. Let us say A, B, C then, all these A, B, C will also wanted to know about what is their ability, right? , skill level and knowledge that is required to achieve the group task. Let us say group task how it is going to helpful to group to progress towards achieving the task.

So, there are also these are the key resources because individuals are having the potential to contribute towards the better performance of the group. Then obviously the next important factors are personal character. Sometimes, we are all talking about now individual who are not a team player imagine a situation an individual who never be in peace with other members are they do not have a better interpersonal skills or not a team player.

Always keep individual credit of the group performances, then that will also impact the overall functioning of the group or also an overall performance of the group. So, personal characteristics also will play an important role in terms of how a group is going to be effective or not. So, the outcome or implication is are the indication here is you need to ensure that the team dynamics been built our individuals are on boarded within a group and they will be trained or given a sufficient time, As we seen in the group development stage, they have to reach the stage of norming. So that everybody is understanding each other trying to appreciate each other and then work towards

achieving the common goal.

(Refer Slide Time: 10:08)



Then the next is a group structure. So, when a group structure we are talking about in a group you will definitely have leadership. Though let us say, task groups, where each individual having the equal responsibility or equal expertise, but despite the fact, they always need one person to lead a group. So, we need a leader. So, the formal leadership organization will define a team leader, right? Though there are 5 to 10 members, but probably it will be led by a team leader. So, the team leader will design or will also contribute in saying who is going to do what? He will also decide how the interaction pattern is going to be? The reporting structure then, so many things and roles each individual is going to play. Let us say, you are talking about the same example of 5-10 members, where each member will take up some role as yesterday we talked about task-related or a person related relationship-oriented somebody wants to be a facilitator, somebody wants to be initiator, right?

So, what kind of a role each individual is going to play and also talking about the norms. As a group you will have a norm, right? As I said it is an unwritten rules, where it will decide do's and don'ts within a group it is not about the organization formal rule I am talking about. It is about unwritten rules set within a group, what group members can do, cannot do within a group? And you if you wanted to be a member of this group, you have to accept, adhere to the norms of the group.

Then comes a status, we discussed in length in the previous lectures, where status we are talking about social positions one has earned within a group. As we already discussed about know high-status individuals versus low-status individuals. What will happen high-status individuals are used to drive the decisions within a group and sometimes low-status group members are not heard by the group members. So, how the moderation is going to happen on these status divisions will also influence the effective functioning.

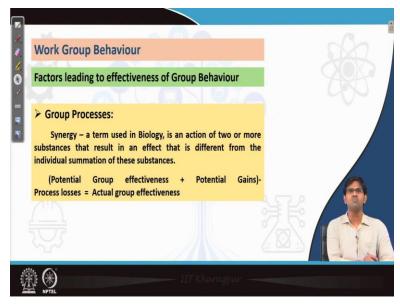
Then comes the size. As you say, what is the size of the group? Is going to be a small-size or a large-size are always proportional to the purpose of the group. Then as the size increases, there is a likelihood of social loafing. We will discuss this in detail in these subsequent slides. So, but social loafing is where the phenomena we are referring to as the member size increases. Some individuals may not take accountability or may not contribute in the group performance. Rather, they say of course there are other members anyway by when there is a deadline other members will work. I will become so relaxed and not contribute towards the group performer. So, those are called a social loafing phenomenon. We will explain in detail and what is the consequence of social loafing and how do we contain it?

Then composition, so how do you build the team?; how do you form the team? Team forming that in terms of diversity, we are talking about diversity and inclusion. Even if you talk about gender diversity, are you going to create the group where you have a mix of the genders? Are you going to equally create the group of equal number of male and equal number of female or you are trying to see ethnicity or maybe people come from a different countries. Let us say, you are working on a multinational project, and you probably need some group members, who have a better understanding about those countries cultural values. Probably you want to do create a team or what kind of composition? what kind of members you are going to have as a part of the group? Then about the cohesiveness. So, how as a group you are going to be liking with each other creating one feeling? But with the caution highly cohesive people are not always productive unless otherwise they are linked with the defined specific goals are set.

Otherwise, they will become so complacent about talking about individuals, building the

relationship but they fail to perform in a group. We are not intended to only exist as members within a group rather our focus is also the formation of the group itself is to ensure that company is growing.





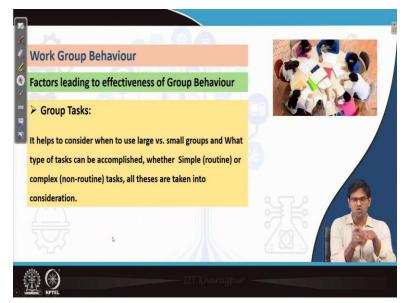
Then let us also talk about the group processes. So, there is a concept called synergy, wherein if you learn the concept of synergy where it says, the sum of the individuals the group performance is always greater than the sum of the efforts of an individual. So, when we put members work in a group the context of; why the company promoting the group or a team? it is the major thing is a synergy where they are always trying to see that when individuals work individually, the summation of the individual effort where maybe always lesser than the group effort.

So, group effort is always higher than the sum of individual effort. Let us say if 5 people summation of this is 100 points and probably five people work in a group will be 120 point. So, it is always greater than the sum of an individual behaviour. So, how are we going to see the synergies existing in organizations, where we say how do we measure the actual group effectiveness is potential group effectiveness? What kind of potential they have as a bring the effectiveness and the gains they have minus the process loss.

What are the losses they give then that is actually counted as actual group effectiveness? This is about a group process. A group process always aims to create a synergistic effect within a group.

So, that the collective effort is outnumbering the individual effect.

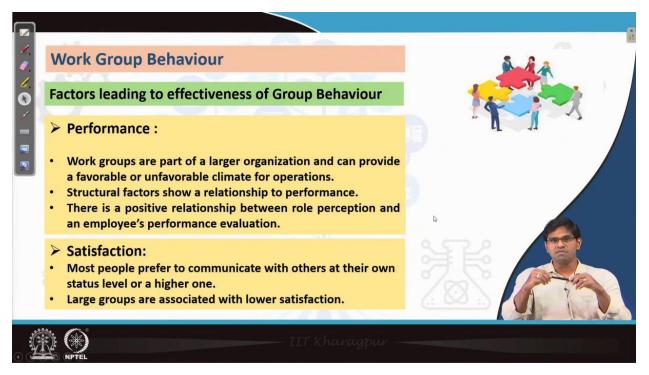
(Refer Slide Time: 15:39)



Then group task. So, the group task will also know to determine now sometimes you see some of the challenging tasks. Let us talk about challenging task. The moment challenging tasks are given to a group. So, what will happen eventually is that the group members know that yes, the task is very challenging and they ensure that now we are increasing our effort, so as to enable the team to reach this challenging task or achieve this challenging task.

Sometimes now it is also about not talking about whether it is going to be a simple task in a routine task or sometimes a complex task. So, this also will drive group effectiveness, are you going to be keeping the always a similar simple task. Then over the period, you do not see that the members are always excited about continuing to keep up their performance. Sometimes creating a challenging task, questioning or the abilities are very challenging tasks will also improve the group performances.

(Refer Slide Time: 16:46)

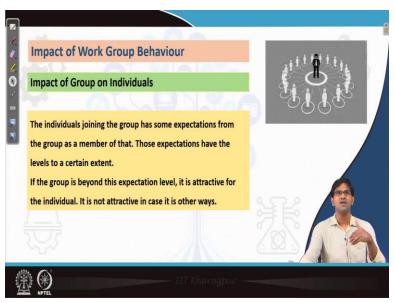


Then we will also going to talk about the impact of the performance and satisfaction, right? The workgroups are always part of the larger organization; they will provide a favourable or unfavourable climate for an operation. Now, as I said, constraints might be created by the strategy or maybe the culture or maybe the organizational function itself. So, that will actually impact the work behaviour. So, there is also the relationship between the structure within the organization, if it is a restricted structure or maybe sometimes organic or flexible structure that will promote the group. Now sometimes as a group, you might come up with some suggestion of performing or the way you want to address the problem or perform a task. Probably, if your organization structure is very rigid in nature that it will not allow you to introduce those new changes or suggestions then it will also bring down the performance.

Then, we talk about these satisfactions. Most people always prefer to communicate with people who are of the same status, right? Within a group, lets we are talking about high-status, moderate, then low-status. So, if you see even in your class or even in your organizations probably know people who are with the high status they want to talk only with the high-status individuals. Or otherwise, if it is a high-status individual wanted to interact with the low status know they will having differences they will not value much of these low-status individuals.

The moderate this is same is the case where low-status individual will be very happy to conversant with then or low-status individuals so in the large groups, there are also people with the low status. When the large group where the moment the number of members in a group is huge there is always a probability that some section of the members will have a lower satisfaction. Because why? the interactions are not going to be uniform across all members probably there is a high possibility that now you have some subgroups been formed within a larger group. And probably the interaction patterns are limited and there is a conflict or competition between the subgroups that might have a lower satisfactions or probably some of the members in a group are valued or appreciated much than the other members that will also lower down on the satisfaction.

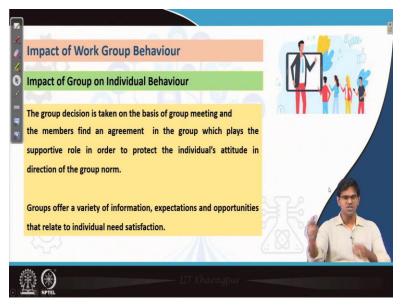
#### (Refer Slide Time: 19:09)



Now, let us see how is this workgroup behaviour impacting the individual right? So, an individual who joins a group, any member who wants to become a part of a group, they will definitely have an expectation, right? So, if the group is beyond the expectations level and it is very attractive for the individual. So, let us 'X' wants to join the group "A". So why 'X' is willing to or showing interest to join the group. Definitely, there will be an expectation, I have these expectations. When I join this group probably as we discuss, the need for an individual to becoming a member in a group there can be a security or maybe a better performance or status or recognition can be multiple reasons there will be an expectation. When they are able to join the group and if they are able to fulfil this and also offers the additional benefit of this probably these members are, these groups are very attractive to them.

And in case if though their expectations are not met by becoming a member of the group and what will happen it will lower down their morale and they feel regret then, why should I have become a member of the group? What will eventually happen, though they are part of the group they become a non-performer, or probably they will also become a non-functioning member in a group which is very challenging for an organization to manage.

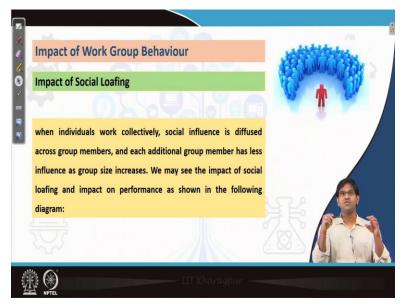
### (Refer Slide Time: 20:43)



Then comes when you talk about the decision perspective, a group decision is always taken the basis of the group meetings or members always find an agreement in a group to play the supportive role in order to protect the individuals' attitude in a group. Sometimes, we also see group offers a variety of information's expectations, opportunity, individual needs satisfaction. So, groups also have a positive impact on the individual group.

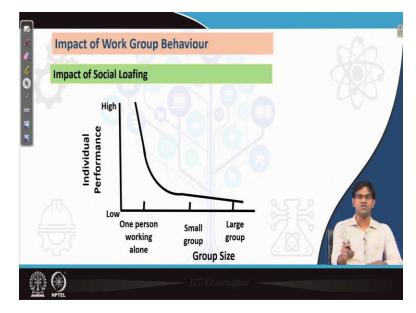
Because when we talking about taking decisions. There are a lot of members, who had a lot of values they offer a variety of insights and information and they will also know to be support for an individual to get satisfaction. Because as an individual, maybe I have some limitations that I do not know much about in a certain area, where it is very important in an organization. Probably because of my membership in a group, I have more advantage of knowing that, or learning about the knowledge. So, there is an advantage for me to having some satisfaction being a member in a group.

### (Refer Slide Time: 21:42)



Now, we are going to talk about Social Loafing. The concept of social loafing as I already said as the size of the group increases, there are a probability or the social loafing is also otherwise called as a free riding, free riders. The individuals who are part of the group but what they do they spend they put less effort. They will put less effort in a group where, if you just reflect back in your workplace or maybe in your college assignments or somebody you would have seen that.. Let us say five members out of the five members you always find three or four members are putting a lot of effort in doing this task or completing the assignment, submissions. But one member now you see they are all called social loafers or maybe the free riders where they spend very-less effort they do not put the effort, they say that yes, I am being a part of a group. But anyway the group members will put an effort to ensure that the group is achieving the task. So, this is very challenging to manage. How do we handle these free riders in a group?

### (Refer Slide Time: 22:53)



If you see the graph, it will be like that when as an individual. If you are always alone, what will happen now? One person working alone you see the individual performance is really high. As group sizes are increasing in a small group you see there is an individual performance at least a little higher than being alone. But you see the large size where, this is not always that is some caution, I should make it is not always the case that it will see. But what we are seeing is yes, there can also be a possibility that as the social loafing increases as the social loafing behaviour increases among the members obviously what will happen? The performance of an individual is going down. Because there is always a belief that yes, there are X number of individuals in the group, and they will also put an effort. So, this belief a concept which is actually influencing people then they lower down their effort in a group and seeing that no other member will put.

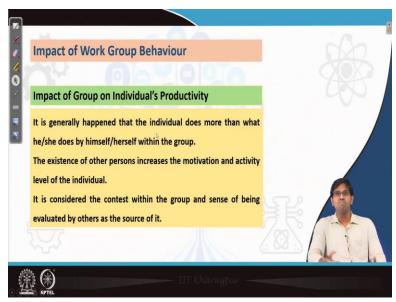
They become a free rider though, you see that individual performance in a large group is always lower. But when they put in alone, they do. So, now the question comes the biggest question comes then why do we should we go for a group or not? Yes, as an organization you have to go for a group, but what you can do is superordinate goals. So, these are the one of the ways to handle it meaning that each individual member, though you are in a group each individual member should have a target or a performance standard.

Unless otherwise, you do not create this performance standard or individual performance assessment, what will happen? You will see these phenomena. When they are alone, they are really

good, when they are in a group because this group is evaluated, an individual is not going to be penalized, then they will go on the lower end. We want a better performance because we are talking about a synergy effort. What is going to succeed or help organizations?

So, we have to create superordinate goals where each individual owns accountability for the functioning of a group. So, that will improve the performance of the group.

(Refer Slide Time: 25:24)



Then, what are the impacts of the group on an Individual's Productivity? So, it is generally you seen that individual does more than what he or she did within a group, as we have seen just now that no individuals being in a large group, they lower down their performances. But we also expect that yes, as an individual the individual productivity goes down because of the multiple factors, we talked about a social loafing or a free rider. But as I said the superordinate goals will be able to drive the individuals to perform. But if you look at the other way, the existence of the other members will increase the motivation and activity of the individuals. See for example: let us say, there is a challenging target. If you are alone what will happen you will bring down your morale, morale will be low.

Because you say it's very difficult. Sometimes, you will be excited about it. But the moment you keep seeing the target over the period. You have seen a come-on this is becoming very difficult for me. How am I going to achieve it? But if you look at what you see in a group, what will happen

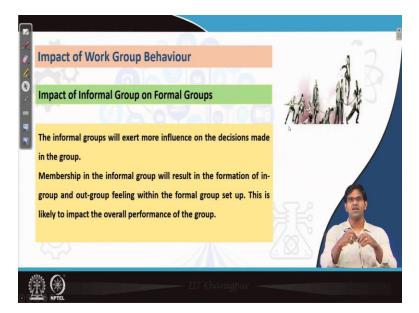
now you see that you build confidence as a member that you say yes, it will increase your motivation. This is a challenging task.

You say we can do it, right? that attitude will drive them to know in individual productivity as well. It is also a contest within the group sense of being evaluated by the other members. So, sometimes I do this you do this. So, that is healthy competition within a group that will also increase the individual productivity. But as you said there is also a certain limitation as we talked about some member may put less effort. But when being alone they are actually a good performer. So that has to be always moderated by the organization that is very important that is why we are actually learning part of this course. So, you should understand some members are individual performers but if you want them to be in a team and then perform. But ensure that the individual is also moderate, the individual performance is also valued recognized and rewarded sufficiently.

So, that that individual performer also will become a performer in a group, then impact of group decision-making process, now most of the individuals act deliberately uncontrolled while they are alone. But when they are in a group their decision been influenced by the group. Now we say sometimes you will see that if you are alone as an individual you are always risk averse. But probably if you are in a group, you will see that now you take risky decisions.

Because you say that individuals being in a group, they feel that now we can take a risky decision because if you are alone you do not take a much risky decision. So, sometimes the group decision process is also impacted by the existence or being in a group. So, that has a lot of impacts.

(Refer Slide Time: 28:26)



And the impact of informal groups on formal groups. If you remember in the very first lecture when we were talking about the different types of a group, I was indicating that why should we learn about an informal group? and then I also talked about how the informal group will also have lot of impact on the formal group? So, when I say in a formal group, if you just do a recap formal groups of one which are formed by an organization, where informal groups are on their own they form.

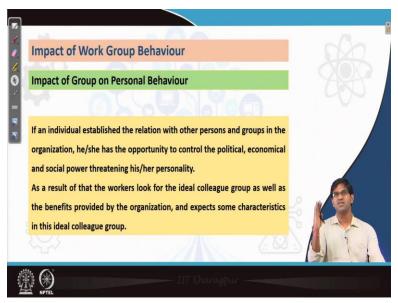
Because of their similar attitudes or interest, they form. So, in a larger organization we always see in a group you there is a possibility of the formation of smaller informal groups. These informal groups influence the decisions they will indirectly influence the decisions of the group. Because they become very strong and they wanted to see that now their informal group members are protected and they try to create the in-group and out-group feeling.

And there can be possibility of within groups, there can be sub-groups there will be a conflict between the sub-groups also possible. And also now we can also see some of the impacts on the personal health, where we say that sometimes there is conflict within a group. It will bring down morale. Let say some individuals feel that yeah I am not that conducive. I do not see a conducive group environment.

I might feel very low I have a low-moral and I put less effort and I feel that ok again I need to go

to the same group and work I am not that happy to work with the members. So, these members treat me differently, there can also be the possibility that the organization should be aware that yes, it will also impact you in a bigger sense.

# (Refer Slide Time: 30:09)



So, these are the some of the important things as an organization has to be cautious and try to understand, how it will impact?

# (Refer Slide Time: 30:15)



But these are the references. Today we discussed what are the factors which are leading to the effectiveness of the group behaviour? And also we understood now how it is going to impact the individuals or group decision-making process and also on personal productivity. And in the next

class, we will talk about group decision making and the limitations and the strength of the group decision-making process, thank you.