


Organizational Behaviour - an Introduction
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Lecture - 03
Introduction to Organizational Behaviour - Part 3


Hello all, warm welcome to this lecture series on Organizational Behavior. I am Dr. M. P. Ganesh and this is going to be the 3rd section of our first chapter; which is on Introduction to Organizational Behavior. A quick recap of what happened in the previous two lectures.



Outline


- Defining Organization, behaviour and Organizational Behaviour
- Basic assumptions of OB
- Fundamental Ideas
- Levels of OB
- Why study OB?
- OB and HRM
- Applications of OB
- Historical Developments in OB
- Emerging Concerns







What is an organization?







So, what we did in the previous two lectures was to define organizational behaviour. So, in order to understand what is organizational behaviour, we need to explain what is an organization? What is behavior? And what is organizational behavior? In fact, we spent considerable amount of time in understanding these three term terms or these three concepts.

Organization

- Organizing: Arranging the activities of the enterprise in such a way that they systematically contribute to the enterprise's goals.
- A deliberate arrangement of people to accomplish some specific purpose.
- An organization is a consciously coordinated social entity, with an identifiable boundary, that functions on a relatively continuous basis to achieve a common goal or set of goals.



What is a behaviour?

- Response of the organism or system to various stimuli or inputs, whether internal or external, conscious or subconscious, overt or covert, and voluntary or involuntary.





Organizational Behaviour

- Understanding human behaviour at work (individual, interpersonal, groups dynamics etc).
- Systematic study of human behaviour in organizational settings.
- OB is multidisciplinary in nature.



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**"I always give 110% to my job.
40% on Monday, 30% on Tuesday, 20% on
Wednesday, 15% on Thursday, and 5% on Friday."**





Basic assumptions of OB

- Organizations consist of people.
- Motivated people work effectively.
- Disparity between organizational and individual goals.
- Impact of policies and procedures on people are not always predictable.





In the second lecture we understood or we try to look at what are the basic assumptions of organizational behaviour as a discipline.





Fundamental Ideas

- Each individual is different.
- Multiple roles of employees.
- Motivation: the force behind.
- Human dignity.





And also what are the fundamental ideas which are basis for organizational behaviour as a discipline.



Levels of organizational Behaviour

- Organizational process: change management, organizational culture and climate.
- Group process: team dynamics, conflict, leadership, power and politics.
- Individual processes: perception, personality, attitudes, motivation.



We also looked at the three levels in which organizational behaviour can be understood or how an individual's behaviour can be understood at three different levels. In fact, I have given you a homework, if you remember the homework; I asked you to answer me whether the larger social group has an influence on individual behaviour or individuals influence the larger social group like organizations. What is your answer?

Is it like (a) larger social group strongly influence individual behavior? Or is it (b) individuals strongly influence larger social groups like organization? In fact, both are correct ok. I will explain why both are correct. I will give an example.

Let us say in your college or in your institution/workplace; how will you call your supervisor or your teacher or your boss? Many times in India we call our teacher or boss as sir or ma'am.

Even if we call them by their first name we will use this, let us say; Ganesh sir or Chitra ma'am and things like that ok. So, why do we call our supervisors or teachers by second name by using sir or ma'am many a times? Why because it is part of the organization culture.

So, organizational culture is nothing, but the larger social norm in that particular group. So, social norm means unwritten rule ok. So, if you are a newcomer to this social group like this particular organization you need to understand what are the social norms and you will try to adapt to these social norms. For example, if you are a European student; usually in Europe people will call their supervisors or teachers by their first name.

So, let us say a European or someone from a western culture comes to India and they will find this to be new. And, they will find it a little bit uncomfortable in the beginning and slowly they will adapt to this new culture. So, let us say you are working in an organization where you call your boss by their name, first name, but you are move to another organization where everybody calls each other by sir, ma'am.

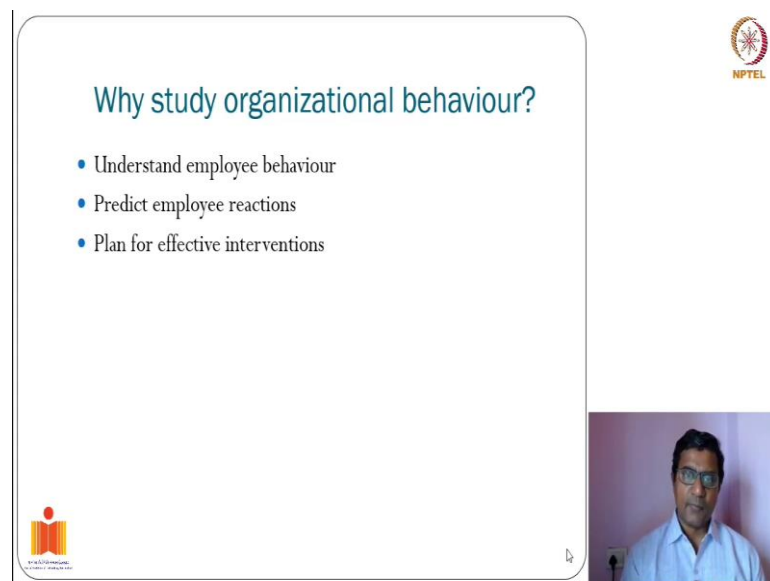
Initially you will take some time, but slowly you will try to adapt. Or at least initially you will not resist too much and behave in a way you want to many a times. So, in that sense larger social group influence the individual behaviour. So, how does individuals behaviour influence larger social group? So, even the same idea of culture how the unwritten social norm evolves over a period of time through individual's behavior.

Maybe when the organization was young the smaller group which existed at that point created this culture. And this culture could have carried over for later points in time for the organization or sometimes when a new leader comes the leader can also change the culture of the organization. So, what I am trying to say is both individuals influence

larger social group and larger social groups influence individuals. So, why this understanding is important?

Why do you need to understand this inter dependency of top down and bottom up influences? Why because if you want to understand human behaviour you cannot generalize just by saying 1 plus 1 equal to 2. So, if you want to define a certain behaviour, understand certain behaviour you need to understand both the influence of larger social group on individuals, individuals influence on larger social groups.

And also how these two things are interdependent on each other; how they intertwine each other; this macro influencers and micro influencers. So, you have to understand the complexities involved in understanding human behaviour. In fact, this is what I have been keep on insisting throughout my lectures. Looking at things in a critical manner and trying to understand the context of the particular behavior.



The image shows a presentation slide with a white background and a thin black border. At the top right, there is a small circular logo with a red and white design, labeled 'NPTEL'. The main title of the slide is 'Why study organizational behaviour?' in a teal-colored font. Below the title, there are three bullet points, each starting with a teal dot: 'Understand employee behaviour', 'Predict employee reactions', and 'Plan for effective interventions'. In the bottom left corner, there is a logo for IIT Madras, featuring a stylized orange and red 'M' shape. In the bottom right corner, there is a small inset video frame showing a man with dark hair and glasses, wearing a light blue shirt, speaking. The overall layout is clean and professional.

So, why study organizational behavior? Not necessarily you have to be a practitioner to apply organizational behavior. Even at this point as a student for you, understanding organizational behaviour is very important. For the simple reason that the institute or the college where you study is also an organization. You do not need to be a manager to use or to apply organizational behaviour theories and models.

Even at this level you can understand people around you, you can understand why certain things influence in a certain way, to understand how groups within the institute work, the group dynamics. You can also use these organizational behaviour concepts to

build trust in your group or in your friendship and things like that. So, even if you are not working organizational behaviour is going to help you a lot.

Especially if you are; if you are a working professional organizational behaviour has three important functions; one to understand human behaviour or to understand employee behavior. I will give a simple example ok; many of these large manufacturing organizations in organizations which are like very huge which are there for many years, they find a very important challenge which is attrition at the middle level management. Especially, when people who have spent considerable amount of time 5 to 7 years, they quit the organization.

And for the organization it is not a good thing because; these people who have worked there for significant number of years 5 to 7 years or the middle level manager management. When they leave they lose a skilled work workforce. somebody who has been trained in the organization for so long and somebody who has established.

So, many networks in the organization when someone at that particular level at that number of work experience leaves they also take the connections, the unwritten knowledge or tacit knowledge, the softer knowledge, which cannot be recorded in the organization with them when they leave.

For example; I have been working here for 5 to 7 years and I understand or I build connections outside the organization like with suppliers, with customers and with other organizational entities. So, when I leave these connections are also lost for the organization. So, people leaving at this level is a significant level of costs for the organization both financial cost and social costs. So, how to retain these employees?

So, first we need to understand why people at this level with this number of work experience in these kind of organizations leave. In an IT company maybe attrition employee quitting the organization might be more in the first 2 years at the lower level. So, in bigger manufacturing organizations people leave at the middle level 5 to 7 years of work experience. So, why people leave at this stage? Just think; is it because they are not paid well, is it because they do not like the organization they get bored? What is the reason?

One important reason is career growth, at this level in large organizations, especially manufacturing organizations which are bottom heavy which means are many people at the bottom and very few people at the top.

When you are at a middle level you feel there are very less chances for you to grow to the top ok. So, it is not just about money you cannot retain them by saying will pay you more, it is also about the kind of recognition you get when you go to the top the status you get when you go to the top ok.

So, this idea can be explained or this particular idea that people at this level are motivated by these needs comes from the theory Maslow's Hierarchy of needs which says employees are at different levels. Not just employee, humans are at different levels and they get satisfied by or they are motivated by different types of needs. So, initially people are driven by job security or pay things like that.

At certain level people are driven by the kind of work environment or friends they have, at a certain level people are driven by recognition, certain level people are driven by growth and things like that. So, maybe at middle level when they spend 5 to 7 years they are driven by recognition. So, you understand that using this theory of Maslow's Hierarchy of needs.

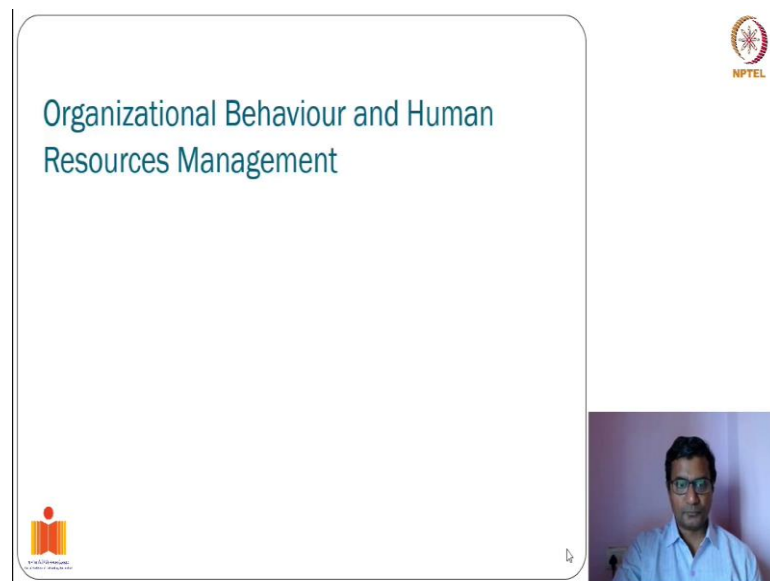
So, now, you can predict employee reactions or employee behaviour. So, let us say that this particular employee has been working there for these many years at the middle level. You can anticipate that there are more chances this person will feel stagnated and try to leave or maybe quit the organization. So, you can predict vulnerable group or groups with high chances that they might leave.

So, what can you do? You can plan for effective interventions, so intervention is not necessarily paying more. So, what can you do when people are driven by growth needs or recognition needs? You cannot necessarily promote everyone to the top because the organization structure may not allow so many people moving to the top. So, what can you do?

So, usually one thing organization do organizations like this do is; they have job rotation kind of interventions. Which means instead of moving them vertically you can move them horizontally, send them to newer department, give them newer responsibilities,

help them learn new areas, new skill sets which are required for new functions and things like that. So, employees will feel that they are they are in a continuous learning process, it is not like they have stagnated.

So, if you can understand a simple theory or a very basic theory like Maslow's Hierarchy of needs theory, it can be very useful to understand these kind of problems in organizations and predict and intervene in the right way. So, there are many theories like this which can be very useful and application oriented. So, if you study organizational behaviour, it will help you understand or help you master these things.



So, organizational behaviour has a lot of application in organizations especially in the area of human resource management; almost all organizations have this department called human resource management department. So, role of human resource management department is to select the right kind of people, train them properly, evaluate their performance in a right way, reward them so that they feel motivated and also help them have a better quality of life in the work or helping employee welfare.

So, in all these functions of human resource management organizational behaviour as a discipline you can contribute to a larger extent. For example, selection; in selection the basic idea of selection is finding out the right person for the right job. So, being a right person for the right job is not necessarily about the kind of skill set you have.

It is also about the kind of attitude one has, the kind of personality attribute or the personality qualities of the employee all these things are very important in recruitment.

So, things like psychometry; measuring these qualities and trying to see how much a person will fit into this particular job. I will give an example: let us say you are recruiting for a marketing job. Apart from knowledge in marketing or a degree in marketing what is it do you require or expect from a person who is going to work in this marketing kind of a job? you have to go out in a sales kind of a job, talk to people, persuade them, should be able to convincingly make the sales pitch and things like that.

You would like someone who is very extroverted; extroverted means someone who enjoys socializing, likes to talk, likes to communicate. And also someone who has the capacity to negotiate or will be able to influence others; convince; persuasiveness. So, all these qualities you will look for and not just the knowledge in sales and marketing. So, psychology or organizational behaviour helps you recruit people with these qualities for this particular job.

And also another important area in selection where organizational behaviour can be very useful is biases in selection. Especially in interviews there are many individual biases of the interviewers will influence their selection decision. Like stereotyping you have certain assumptions about these are the things which reflect a deeper quality. When somebody speaks very good English, you assume that this person is knowledgeable, somebody who has a certain body language you assume that this person will be confident. So, these are some of the assumptions or biases we make as interviewers. So, knowledge of organizational behaviour will help people who were part of selection to overcome these biases.

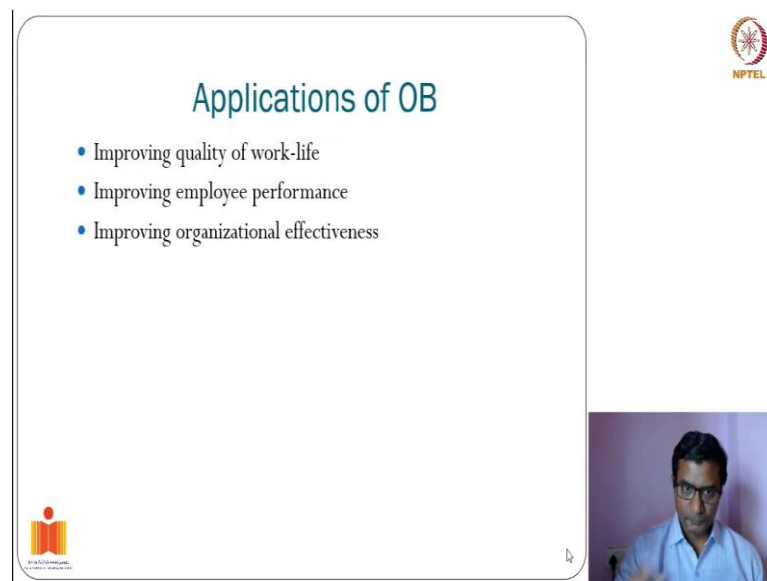
Second important area where like I said organizational behaviour can help managers is performance evaluation and performance management. So, what kind of criteria we can use to evaluate performance. So, when you evaluate performance in workplace how will you define performance, is it just measure tangible things like observable numbers or is it other things like leadership qualities or willingness to learn and things like that.

So, how do you measure these qualities when you may when you evaluate a employee in workplace? And also similarly evaluation biases; so if you are evaluating what kind of biases can happen if you are a supervisor you are evaluating a subordinate what kind of biases can happen? One important bias or common bias evaluators or managers have

when they evaluate subordinate is halo effect. Halo effect means you look at two, three qualities and then you generalize the employee performance ok.

So, for example, in the classroom there are some students who will nod, who will show interest in the class; teacher may assume these students will perform more. when they correct their papers they will match that face and think this person is a very interested and committed student; so unknowingly we give more marks; similarly, in workplace also this can happen.

And the third area, which is employee welfare in human resource management; OB can contribute to a very significant level, more specifically in stress management. Especially in recent days all these service jobs in IT or hospitality sector, there are lot of stress which these employees undergo. So, organizational behaviour can help employees overcome stress and avoid burnout.



The image shows a presentation slide with the title "Applications of OB" in a teal font. Below the title, there are three bullet points: "Improving quality of work-life", "Improving employee performance", and "Improving organizational effectiveness". The slide is framed by a thin black border. In the top right corner, there is a circular logo for NPTEL. In the bottom left corner, there is a logo for IIT Madras. In the bottom right corner, there is a small inset video frame showing a man with glasses and a light blue shirt, who appears to be the presenter.

So, like I said where can we apply organizational behavior; One, improving quality of work life; so when I say quality of work life it is not just people behaviour in work. if you remember in one of those earlier videos on the brief description of this course; I spoke about workspace and workplace.

What is the difference? workplace is the place where you work with people around you, the physical infrastructure, the culture of the organization and things like that. Work space is the area of work which means work is not necessarily which you leave after you


come back from your office or from your workplace; you carry the influence of the work. So, we call it work life in balance and all those things.

So, for example, the stress that your work makes will also influence your family life or your personal life. Similarly, what happens in your family life or personal life will also influence your work both positively and negatively. So, understanding these dynamics will help managers come up with better interventions to make this as a positive experience. So, by doing this we can improve employee performance in long run.

When employee performance is better in long run; not necessarily tangible performance, Performances like organizational commitment, extra role performance which is helping your coworkers, loyalty towards the organization, things like that, in long run it will help the organizational effectiveness.



So, these kind of organizations which have committed workforce, loyal workforce, happy workforce, will perform better in long run. So, organizations which stay for very long period of time in a successful manner are the ones which have these kind of employees. Not just high performing employees, but committed and happy employees ok.

So, these are the areas where OB can be applied or understanding of organizational behaviour can be applied. So, I will stop here.



Historical developments of OB

- Industrial psychology: applying psychological techniques in industrial set-up.
 - Walter Dill Scot (1869-1955):- applying psychology in advertisement and selling
 - Edward K Strong Jr.:- guidance and vocational training (Strong – Campbell interest inventory).
 - Hugo Munsterberg (1863-1916):- research into industrial accidents and book “Psychology and Industrial Efficiency”
 - World Wars and Industrial Psychology



In the next chapter we are going to look at history of OB or what are the significant time periods in the development of OB as a discipline. If you look at the last point, I have mentioned about world wars or industrial psychology. Which means; during world war there was a significant amount of improvement in understanding human behaviour in workplace or industrial psychology as a discipline and it evolved a lot during the world wars.

It is very ironical something very negative like world war which helped us understand or helped in the area of organizational behavior. I want you to think about why this would have happened. just do a Google search or just think and try to come up with some understanding of why world wars would have contributed to developments in industrial psychology.

So, we will meet in the next lecture. And, meanwhile have a happy day and stay well.

Bye.