**Concept of Management and Evolution of Management Thought**
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Lecture - 31
Organization Theory - II

Hello, in our past lectures we have examined different aspects of organization, we have also examined different organizational theories, we have examined organizational change, the drivers of organizational change, how to go about bringing about planned changes in the organization and then we are discussing this various theories and particularly, we examined the systems view of the organization systems theory of the organization. We will continue our discussion to see and elaborate the organizational theories.
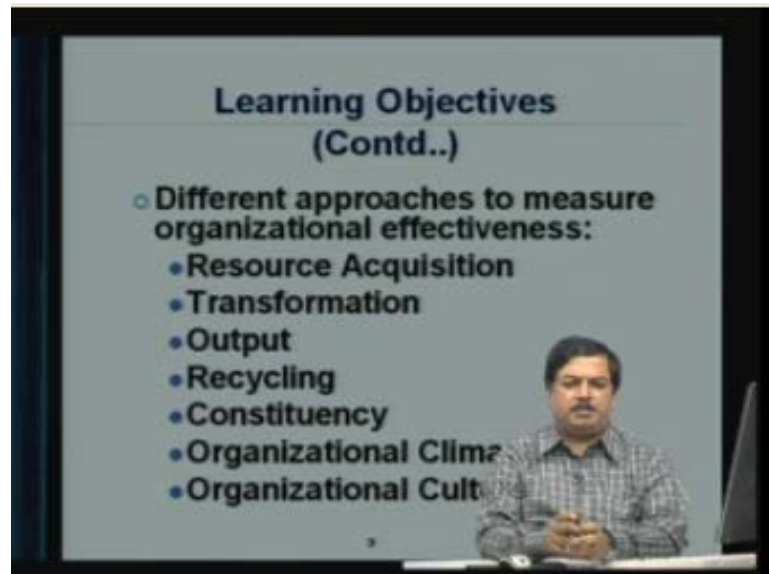
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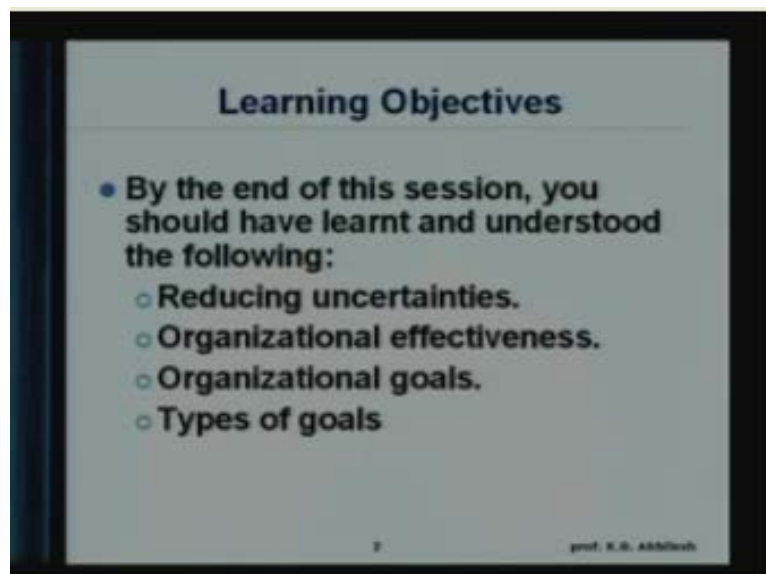
In organizational theory, this particular lecture I think you focuses on the organization and it is environment and particularly the how organizations go about reducing uncertainties, how organization pursues its goals and then how can we think of organizational effectiveness, the organizational goals and then we will also examine the types of goals and as we have defined organizations as goal oriented systems it is extremely important to see and understand the nature of goals and then we can relate human resource management and other functions of

management all contributing towards the overall performance and effectiveness of the organizational system.
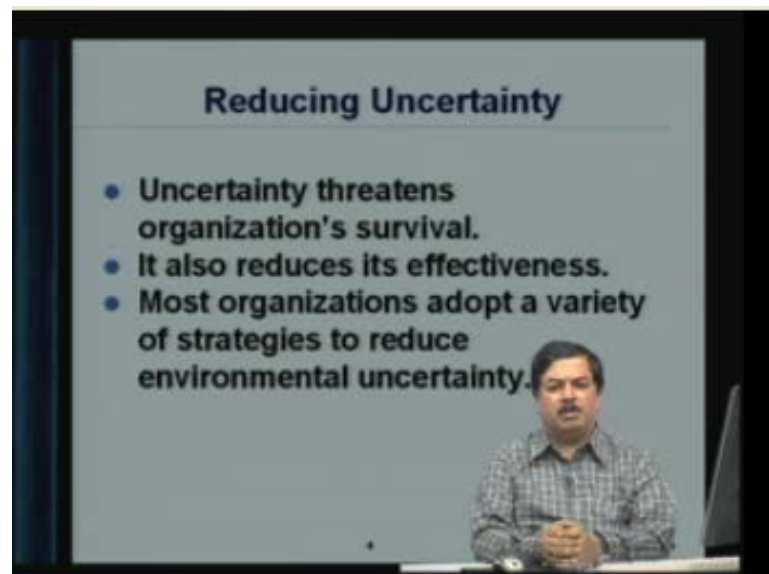
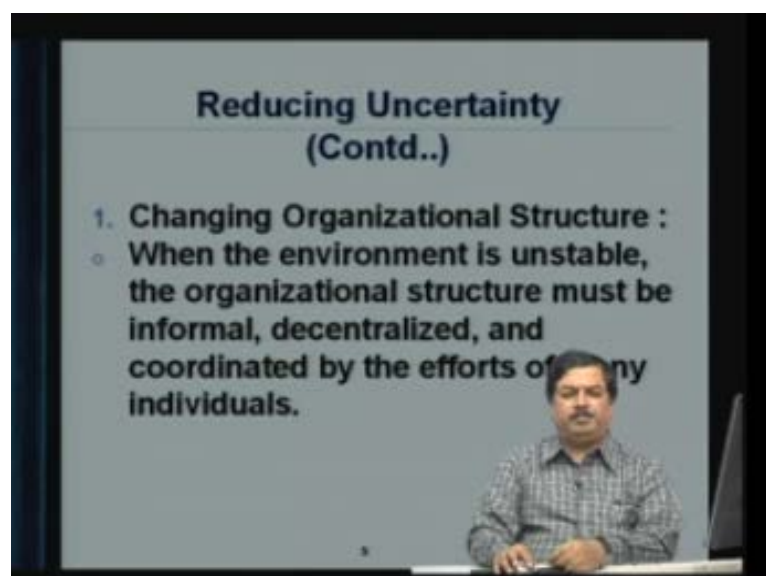(Refer Slide Time: 02:55)

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The discussion about organizational effectiveness has come a long way, people have approach this in terms of how do we look at this different approaches to measure these organizational effectiveness, one can see in terms of resource acquisition, transformation

without can also see the kind of output of the organization, how recycling and environmental friendly the organization could be the constituency and the satisfaction of this one can also see in terms of climate of the organization as well as the culture it builds and supports.

So there are different approaches to measure organizational effectiveness. We will also see how this multi view of organizational effectiveness has helped in building appropriate measures and also focusing on the on the different aspects of managing any given organization. Let us look at the reducing uncertainty, we talked about this in the previous lecture essentially the uncertainty comes because of the heterogeneity of the environmental elements, the relevant environmental elements that means one maybe having several lenders with the organization or you are supplying to the multiple customers and then you also have different suppliers, one is this the heterogeneity of these elements at the same time the rate of change, they are dynamic and they are changing its preferences or methodologies, the technologies.

So this fast changing nature of these environmental elements and the heterogeneous elements always contributes for the complexity and when causing the effect relationships are not known it increases that uncertainty. So the uncertainty threatens the organizational survival and organization finds it difficult to cope and spends lot of energy in understanding and developing strategies to deal with organizational uncertainties.

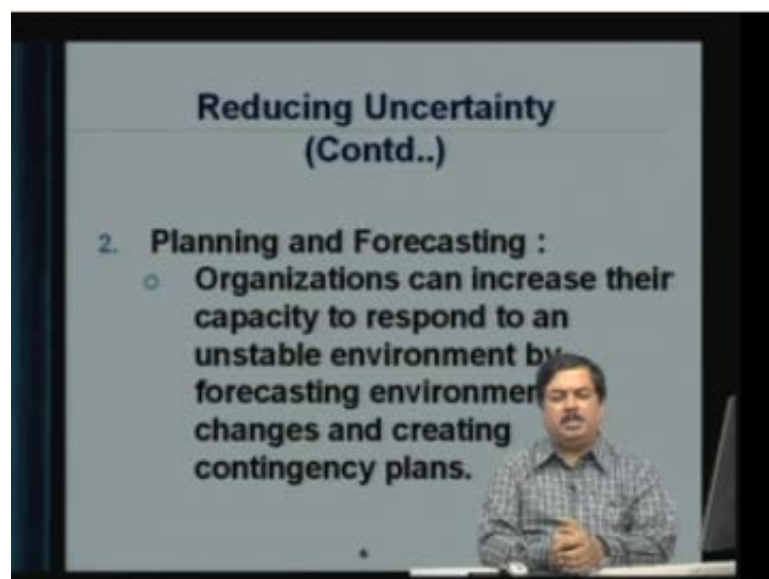(Refer Slide Time: 05:52)

So the organizational uncertainties means the environmental uncertainty, it also reduces its effectiveness because then they are not in a position to satisfy one or more elements internally or externally. So the most organizations adopt a variety of strategies to reduce environmental uncertainty and depending on the kind of resources they have the kind of alternatives before the organization defines the required strategy. So when we see the different approaches, different strategies of reducing uncertainty. We can list the following things one changing organizational structure, the changing organizational structure is where particularly the environment is unstable, unstable in the sense that the time rate of change is very high, the customer preferences are changing or the rules of the game, the standards itself is changing then the organizational structure need to be responding to these external changes. So it need to be informal that means less rules of the game then you know they decentralized and also they coordinated by efforts of many individuals.

So as we are trying to see the organization structure has to be what people call it as profit center kind of a thing, divisionalized kind of an organization and informal in the sense that the rule implementation depends upon to the exact conditions prevailing at that point of time. So they depending on the context depending on the external elements organization has to bend its rules in its some in terms of responding to the customer requirements or the conditions available in the market place.
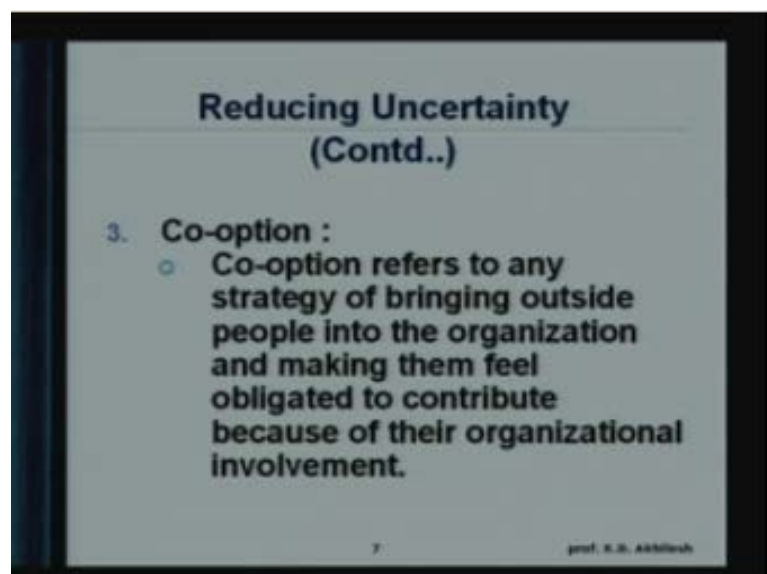
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The other kind of an effort could be from the organization is planning and forecasting, see here the organization can increase their capacity to respond to an unstable environment by forecasting the kind of changes which is coming and also creating contingency plans particularly, it is see you know seen in those organizations where they are exporting and one of the key elements affecting their effectiveness is the exchange rates and also able to see the changes in the political system of that country or they are able to forecast the kind of the economic conditions or the growth in economic conditions of different countries and different locations. The question is that how effectively the organization collect that required information, analyze and get some kind of a patterns and then with that understanding they take calculated risks.

So the planning and forecasting functions within the organization helps to classify, to codify some of the things what is happening at the organizational environmental level. So that appropriate capacities can be built or appropriate understanding can be developed within the system. So that proper response can be there at different levels in the organization and also one can have a backup plan the backup plan gives that kind of a if things go wrong. So question in terms of the if and then analysis if those things can be done then it helps the organization to see what kind of changes are likely to come and and regarding that the organization would have a kind of a next level alternative plans.

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Reducing Uncertainty (Contd..)

3. Co-option :
   - Co-option refers to any strategy of bringing outside people into the organization and making them feel obligated to contribute because of their organizational involvement.

So that it can reduce that uncertainty. The third kind of a strategy what simply can be described by co-option, co-option refers to any strategy of bring outside people into the organization. So in other words what you are trying to do is to get some significant people on board so on so that they feel obligated to contribute and the because of their organizational involvement because we have involved them in the strategic decision making levels. So co-option helps particularly, when the environment is hostile and also environment you really do not know they cause effect kind of a relationship then it is better to bring some of the significant people who are heard who are seen as important people.

So then if you bring them on board they can take care of the requirements, for example IIM Ahmedabad had this you know or the N. R. Narayan Murthy as the chairman. So the question is when some changes are happening at the highest level then the because of such senior people involvement in the organization can help the organization to deal with and reduce that required uncertainty and some of the people who also participated in different forums, in different activities of the community can always it interpret, what is happening at the industry level, what is happening at the societal level, what is happening at the policy level. So such information when it is gathered and interpreted to the organization to that extent the uncertainty gets reduced and the organization feels more comfortable to handle such situation.
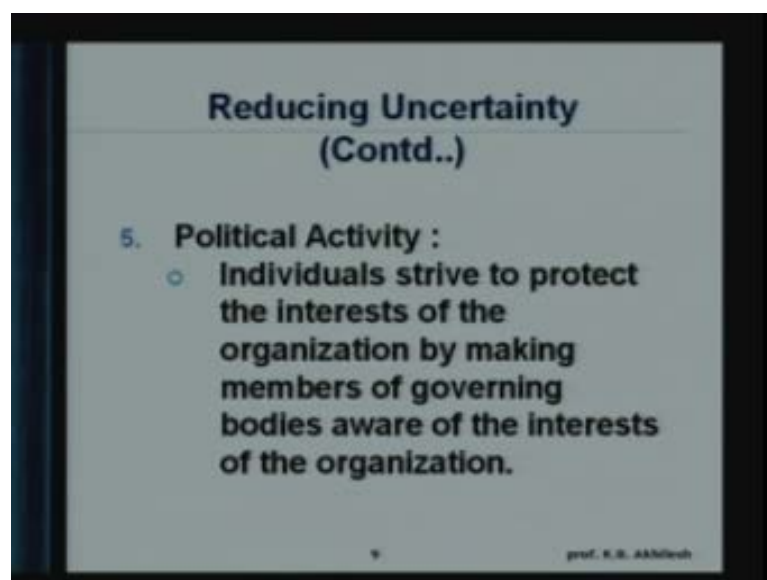
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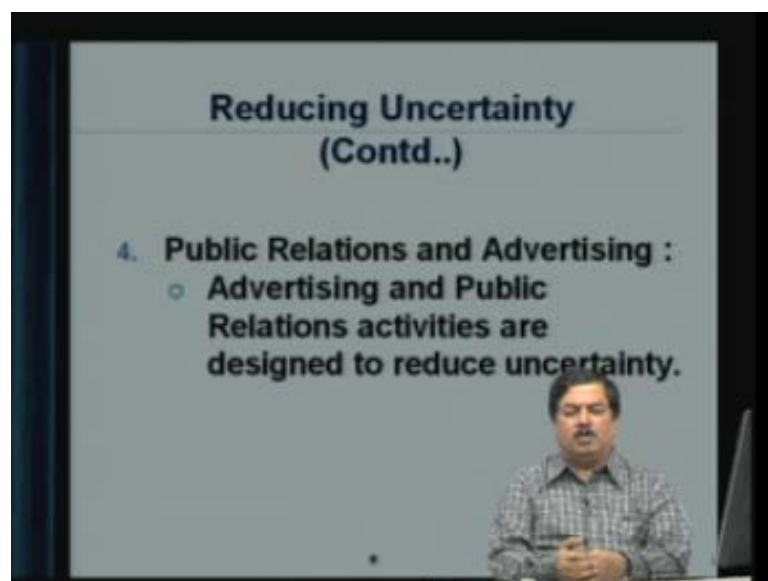
The next strategy before the organization to reduce uncertainty is the public relations and advertising. It becomes extremely important to get into that kind of a campaigns when the when the organization is looking for more funds, organization is looking for investors and the market rumors and market information you may not really know, how it is being shared or who is creating what kind of understanding in the market place and that is the time where a good advertising and public relations help the organization to reduce such ambiguities and reduces that uncertainties.

So a clear positioning of the organization in the public domain would always help and a good what one can call it as the public sympathy of the organization can always get that kind of a support and the public perception becomes extremely relevant not only that all the important stakeholders might be the unions or might be the investors or may be in the customers or it may be the suppliers. It is good to get into that good relationships with them and also they got media planning sending the required material and in different ways reaching the information to them would all help the reducing that uncertainty because then the that confidence with of the organization to initiate new activities or new programs get strengthened through that reduction of uncertainty.

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Reducing Uncertainty (Contd..)

5. **Political Activity :**
    ○ Individuals strive to protect the interests of the organization by making members of governing bodies aware of the interests of the organization.

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The next one can call it as a political activity here the organization representatives try to protect the interest of the organization by making members of the governing bodies aware of

the interest of the organization. So that means you also create that require lobbies, you also create a required campaigns. So along with the public relations you also reach out to the significant others in the community and involve them.
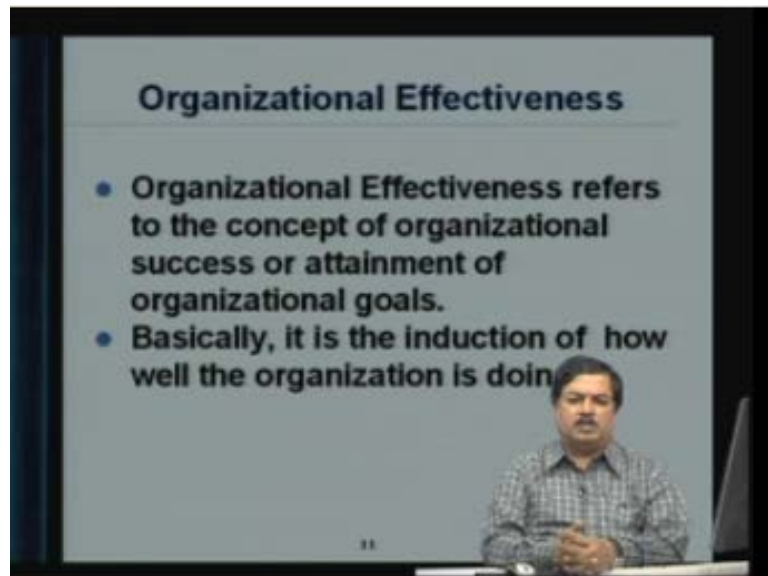
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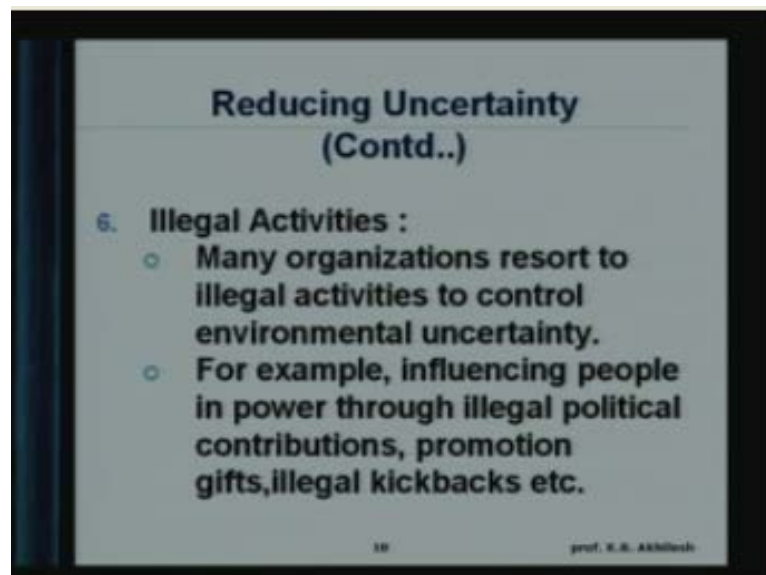
So that the so that the capacity is built in the organization to deal with such situations, one can also extend this to the what people would call it as illegal activities. So that means many activities done by the organization which goes against the law of the land then many organizations resort to illegal activities to control environmental uncertainties through influencing people in power through illegal political contributions then promotions give you know giving gifts, illegal kickbacks, commissions etcetera. So that they try and reduce these things and the organization gets into a kind of a trap around these illegal activities. It is extremely important to plan and promote organizational effectiveness through a systematic understanding of the environmental elements, mapping these element and generating you know the generating the kind of actions which requires a suitable and a proper response of the relevant elements in the environment.

So let us look at the various dimensions of organizational effectiveness, organizational effectiveness refers to the concept of organizational success or attainment of organizational goals. So it is definitely the performance and one who would like to see it as performance plus satisfaction, performance some hard aspects of the achievements as well as the soft, the

feeling aspect the emotional aspect about the achievements. So basically it is the it is the induction of how well the organization is doing. So we need to define whether the organization is performing or not and if performing, so what level of performance and with what satisfaction.
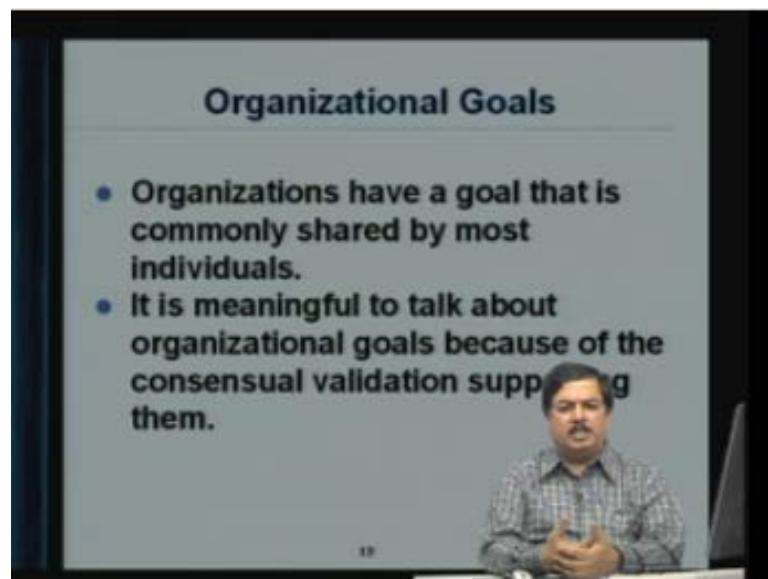
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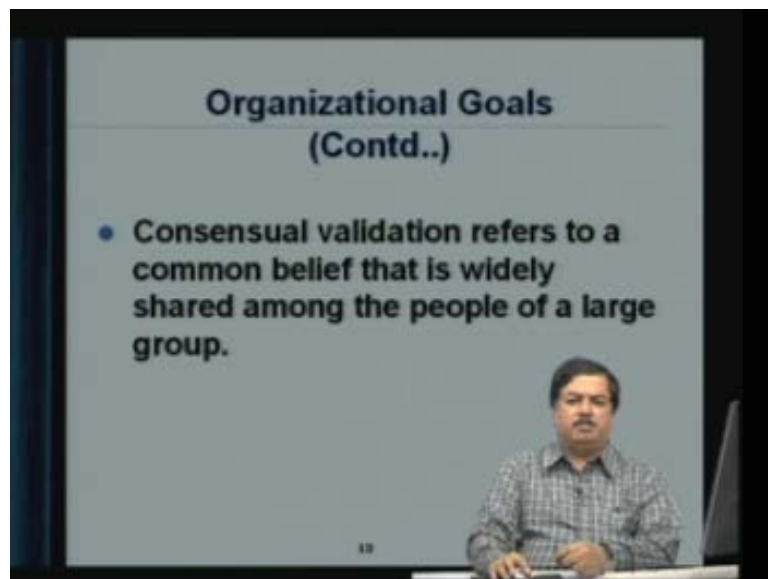
So the organizational effectiveness literature, the OE literature has established and then these explore this dimension in different ways. Organizational goals have you know that the this you know basically it is commonly shared by the most individuals. So it is meaningful to talk about organizational goals and effectiveness together. So that one can see what kind of consensuses what kind of understanding what kind of support is there within the organizational system.
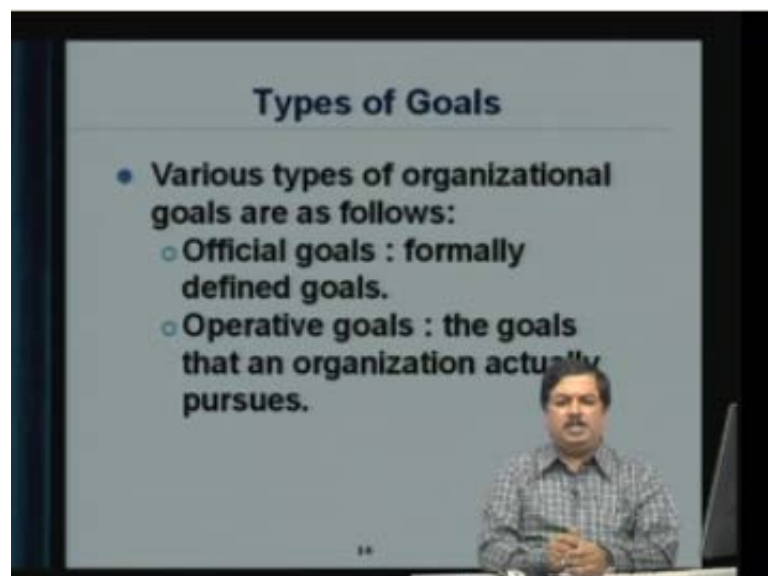
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So the consensual validation refers to a common belief that is widely shared among the people of a large group. So it may be top management it maybe the middle management in the functionaries and the kind of employees and the workers and also the outsiders if there is a good alignment good understanding then the organizational goals strives as a kind of a benchmark but when you see the goals of the organization it is both the official goals as well as the operative goals.

So the types of organizational goals when you see one is very formally described and defined what is there in the book, the other is what can call it as operative where the organization actually what it perceives one side they may talk about highly participative kind of a decision making as the objectives of the organization, goals of the organization to create a very transparent participative kind of a climate but also in practice we may see that only certain people are involved in certain task and they are involved in some significant decision making.

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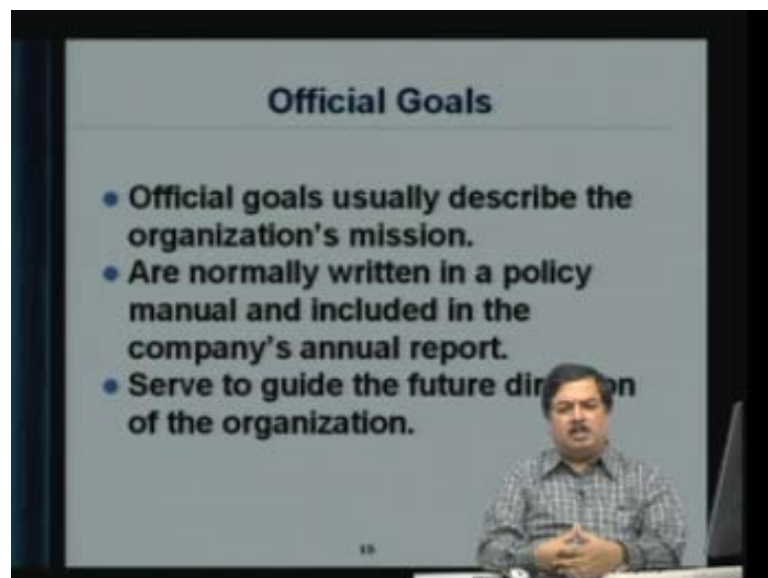
So the operative goals really give some understanding of how the stated official goals are implemented and to what level of effectiveness they usually describes the official goal, the organization's mission. So it is stated as a mission statement sometimes it is also further elaborated in different documents of the organization. So normally it is written in a policy manual or included in the company's annual report or it is also written in terms of the some of the slogans and some of the programs it adopts. So one need to see the secondary and the

other kind of documents to understand what are the official goals of the organization? So it also serves as a guide the future direction of the organization. So what it is trying to promote, what it is trying to support things like that.
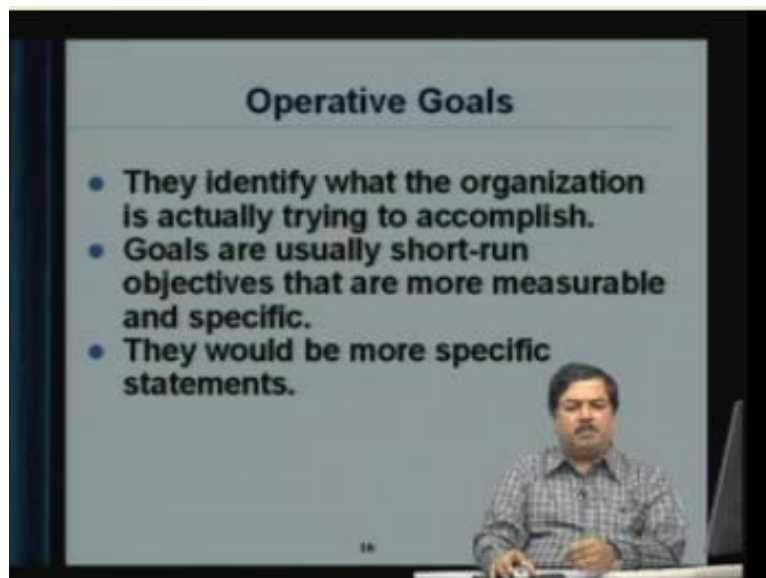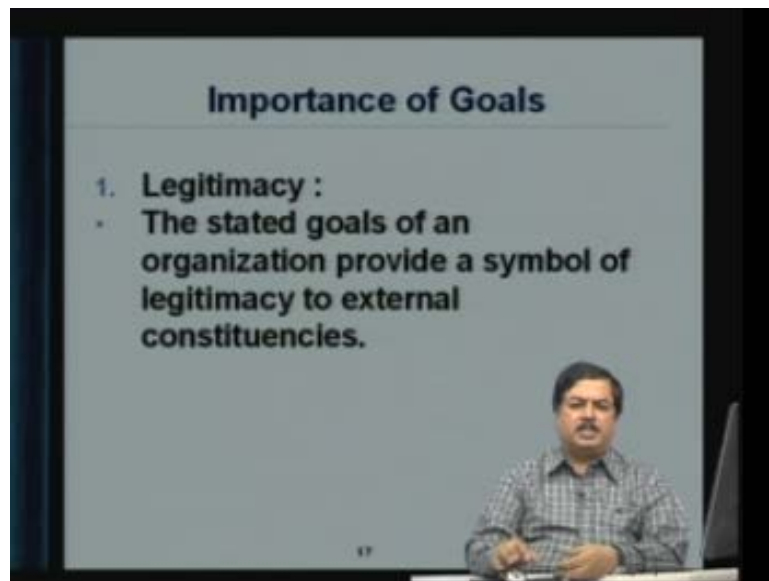
So the official goals to the operative goals the one can see the the realities in terms of how this the stated goals are being implemented. So the operative goals identify what the organization is actually trying to accomplish, what kind of steps they have followed. So goals are usually short-run objectives. So you can one can see in a more measurable and a very specific way whereas the previous one official goals comes as grand statements. So they would be operative goals would be much more specific and a specific statements are verifiable in terms of supportive actions and alternatives but when you see the importance of the goals itself basically provides the kind of legitimacy that is the stated goals of an organization provide a symbol of legitimacy to external constituencies.

So then they can understand what this organization is focusing on, it provides that kind of a recognition, it maybe about the quality, it maybe about the speed with which they deliver, the way they take care of the customer interest. So, many of these things stated as the values and goals of the system. So what we are talking about is specific goals stated by the organization and the goals also provide a direction and it motivates the employees.
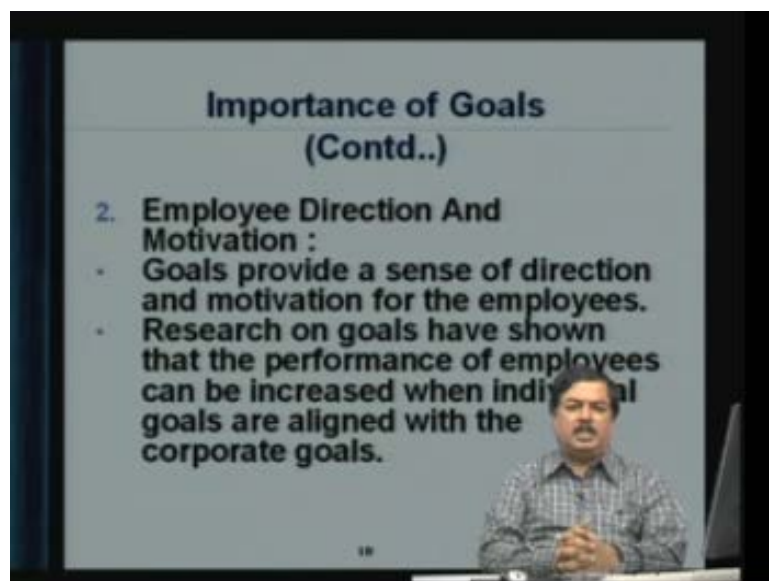
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So the goals provide a sense of direction and the lot of and several research study show goals have shown that is the research on goals have shown that the performance of employees can be increased when the individual goals are aligned with the corporate goals. So the synchronization, the identification of what the individual believes and also what the corporate perceives then it makes lot of sense. The employees where they have been trained, they have been trained in a particular ideology and they pursue set of goals and if they find their

organization also pursue similar objectives and they are contributing and making a difference then the motivational levels, the alignment of the individuals with the organization is very high. I think that is how the goals provide a basis for that required understanding of the individual, when individual goals are in conflict with the organizational goals, it also provides in disharmony or a dissonance and then we there are conflicts which employee needs to handle because now, we are not able to meet what is required by the organization, the goals also provide in terms of the decision guidelines.

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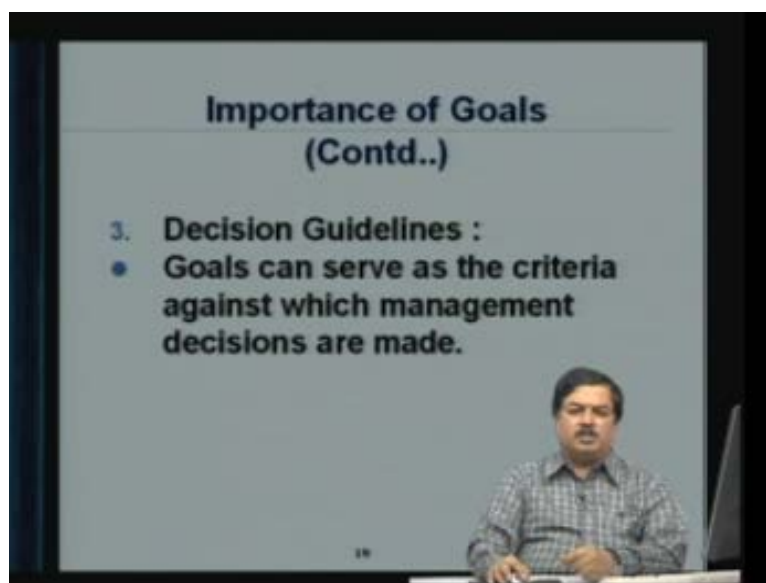
So they can serve as the criteria against which the decisions are made particularly, when it comes to the customer and meeting the customer expectations. So one need to go different ways out of the ways and then organization believes yes, these goals are extremely important deadlines are important in some organization costs are very important, in some organization innovations are very important, in some organization teamwork is important. So if individual alone strives and contributes that is not seen as a good goal achievement where the expectation is to see that kind of a required teamwork. So the goals provide a criteria for decision making goals also provide reduce uncertainties in terms of what is that one should focus on.

So the members of the organization they make it you know understand very clearly, what is that they have to be in or what is that they should not be doing, for example part of the

reengineering many organization define their goals, redefine their goals for example public sector organizations define look we are not here to just to create employment, we are not here to do some you know the where to people who are feeling that profits are not necessarily very important thing but then they redefined you know when the profits are necessary.

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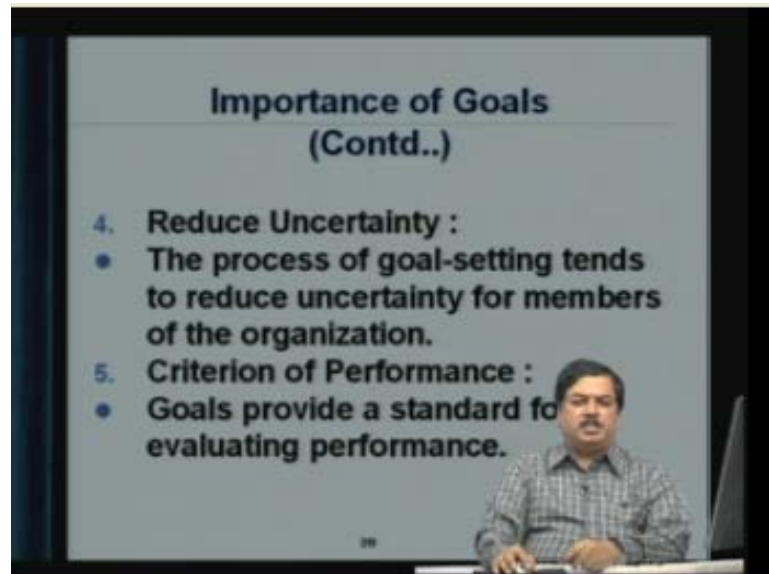
So that means once the priorities are defined one such things are clarified the organizational ambiguity comes down that is where it reduces that uncertainty. So the process of goal setting tends to reduce at uncertainty for the members of the organization and then it also becomes a criterion of performance. So when you see on time delivery or delivery before the due date when it is seen as an important goal of the organization then it becomes the benchmark how many times you have deviated from this stated goals.

So that means goals provide a standard for evaluating performance when we use organization performing at six sigma level. So that basically we are trying to talk about that they are meeting that most of the time the goals whatever stated and then without any deviations.
So the goals provide a clear basis of understanding how much different constituencies of the organization performing and how much of these things have contributed to the achievement of the goals.
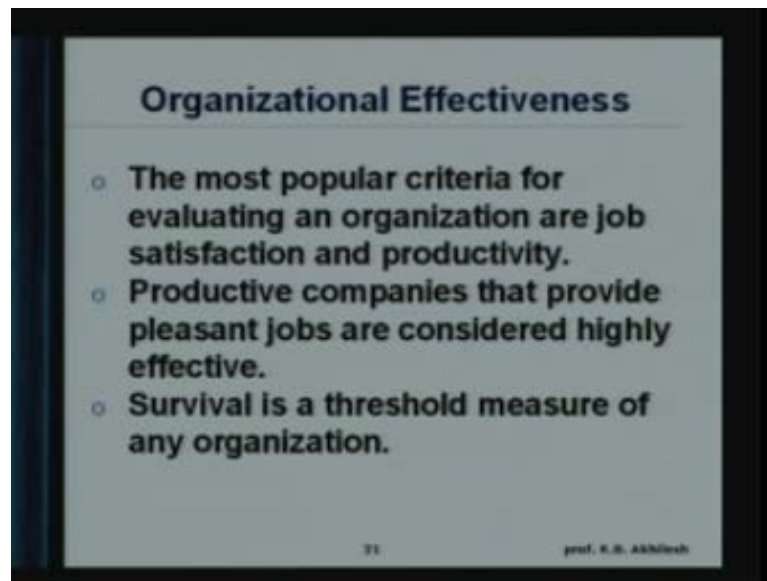
So coming back to this organizational effectiveness that we defined earlier that the organization has goal driven systems and then we need to see organizational effectiveness as part of achievement of the goals of the organization. So the most popular criteria for evaluating an organization are of two important things, one is the satisfaction of the members put it as job satisfaction and the other side is the productivity. So the use of the resources use of the time and the delivery of the results within the time within the you know set of people things like that.

So what we are trying to see is productive companies that provide pleasant jobs are considered much more effective or highly effective and also the survival is a kind of a threshold measure of any organization. So that is measured in terms of growth in terms of the changes but how whatever brought in from the previous year to the current year and any positive change is seen as the survival existence. So the organizational effectiveness is basically a multifold, multi view of the organizational performance and organizational delivery as well as the involvement and satisfaction of the members of the organization.
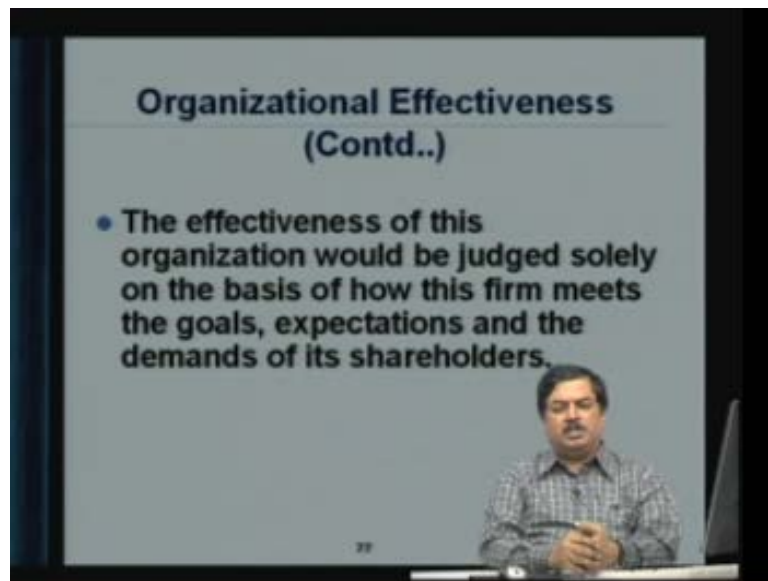
So the effectiveness of this any organization could be judged solely on the basis of how they firm meets the goals expectations and the demands of its shareholders better stated at all these stakeholders. So that means the organization effectiveness can be seen in terms of the perceptions the views of both internal as well as the external people, external people those of them who are receiving the products and services of the company it could be the product quality, it is in terms of the timeliness, in terms of the product support and the may be in sometimes it is the support towards the trading and the use of the given technology and also meeting all the required expectations and also the stakeholders who would like to see it as and particularly, the shareholders who would like to see it as sometimes dividends, sometimes it is the market value of the of the equity and things like that.

So the question is effectiveness can be viewed in multiple ways and the appropriate criteria and the use of such things become extremely important. Let us look at different approaches of determining the effectiveness of the organization, the first one we can call it as the resource acquisition approach, in this resources acquisition approach what we are trying to focus is that what is the ability of the organization to exploit its environment by acquiring scarce and valued resources.
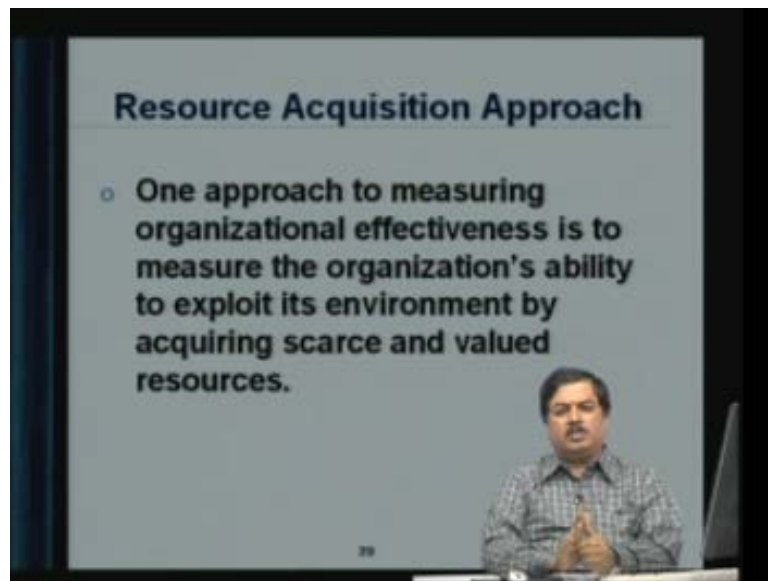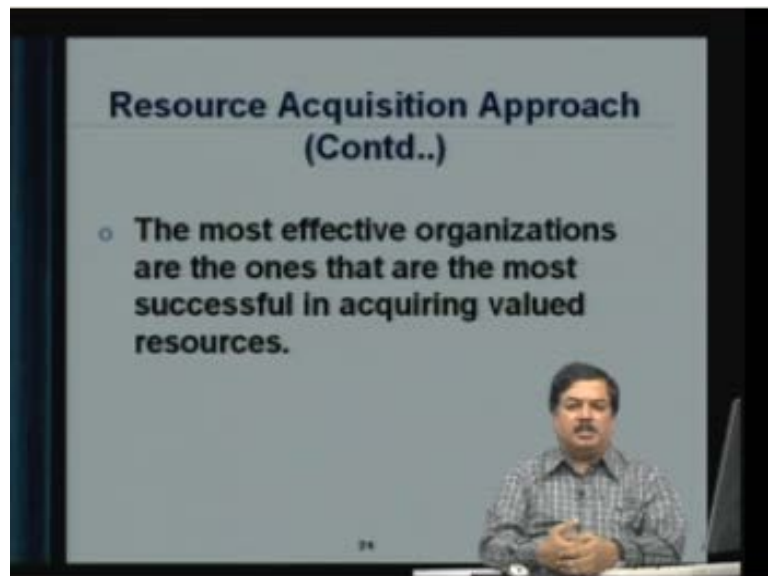
So that means one, one can view that are you in a position to attract some of the best talents in the community or best talents not only from the city or the town where you are operating but from different parts of the state, different parts of the nation and different parts of the globe that talks about the resource acquisition that is particularly, the human resource. So if you are a most preferred employer I think that is the concept if the if you are the most preferred employer then your organization is effective because you are able to attract the best of the talents and similarly, that you are able to get the resource in terms of the material resources also in terms of the for example your shares are oversubscribed in a particularly in an IPO situation.

So that means how many times it was oversubscribed talks about that your resource acquisition capacity and the public perception of the organization. So in a in a way you are talking about organization is very effective. So the several researches have focused on the resource acquisition approach because the organization need to have a great internal strength to do this, to acquire the best of the material best of the finances at the and you know for example customers if they pay money and wait for your products for 3 years they talks about that yes that you are the you are in a much more comfortable position and then there is a trust is established between the customer and the organization.

So the resource acquisition also talks about the the every year you are able to get the new customers that means how many new customers you are you have added to your list of the customers is could be another dimension. So getting the talent, getting best of the finances getting best of the raw materials then also the new customers, all these are part of this kind of a resource acquisition approach of judging the organizational effectiveness.

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So the in other words you one need to define what is this valued resources and then arrive at the set of measures in terms of the with the available pool of material, with the available pool of manpower, with the available pool of the supporting organizations or the customers how many top things you have acquired in the previous year that becomes an indicator of the organizational effectiveness. The resource acquisition approach to if you will focus on transformation approach the it incorporates both the measures of the human resources as well as the economic efficiency measures.

So the transformation approaches are also called as the best practices for example, one can see that this organization with about 50 people were how much they are producing and similarly will compared with another organization with similar technology with similar people what is that they are doing. So in other words, you are talking about per person output per person value addition or you are talking about some kind of this efficiency measures or the productivity measures that gives the idea of this transformation. So the transformation approaches talks about the overall performance of the organization in relation to the per person or per unit of inputs what is that it is, what it is doing.

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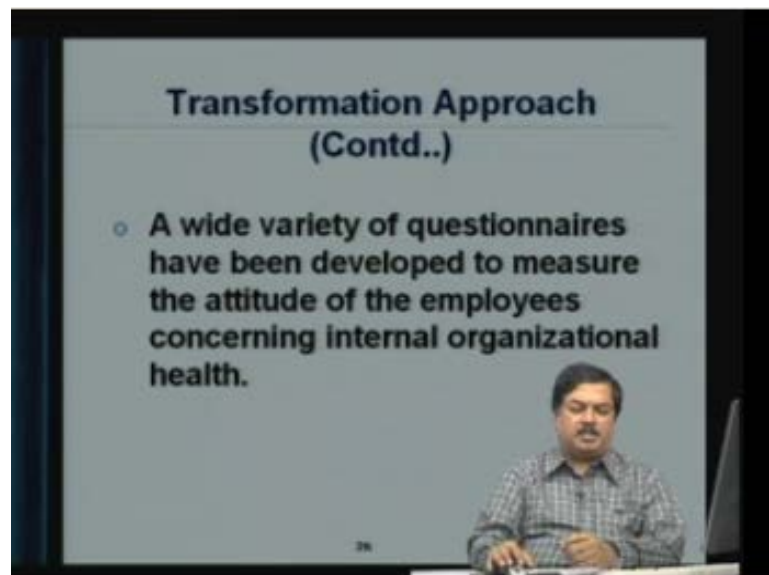
So then people talk about the efficiency the performance as well as the effectiveness of the system. So, the transformation approach that one can always see in terms of a variety of questionnaires have been developed also some of the specific measures have been developed

concerning the internal organizational health. So people talk about that Indian worker produces something about 30 shirts, a Chinese worker would produce something about 53 shirts. So then you know one can always see okay why it is so what is happening what is the what are all the inputs which go into definition of the skill and performance attitudes and things like that.
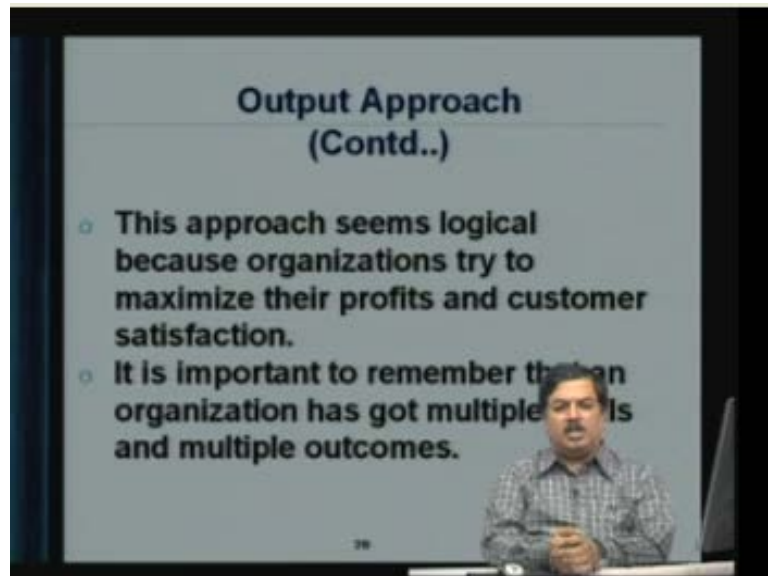
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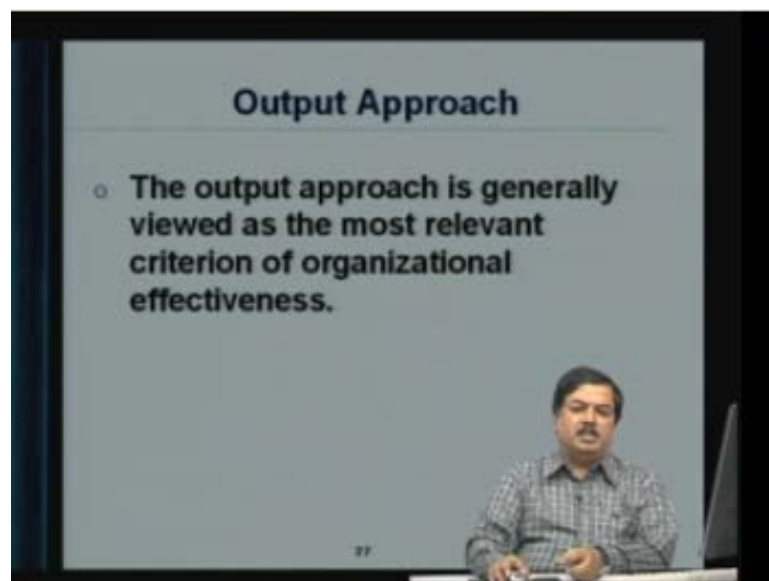
So the transformation approach provides a basis of analysis of the multiple inputs but all focusing on the end results and in relation to one of the input variables and some of refocusing only on the output approach. So the output approach is generally viewed as the most relevant criterion of organizational effectiveness. So that means you are focusing only on the growth, you are really not bothered about the kind of inputs, the kind of resources you have utilized but you are able to talk about number of machines produced, number of in terms of the volumes created, the wealth created, the profits generated and the said that new markets, you are able to reach it is basically concerned about the output.

So the output approach focuses on the what is that organization has done compared to the previous years and the also a continuous improvement is there or not one can see in this kind of an output approach. So this seems logical because organizations try to maximize their profit as well as the customer satisfaction.
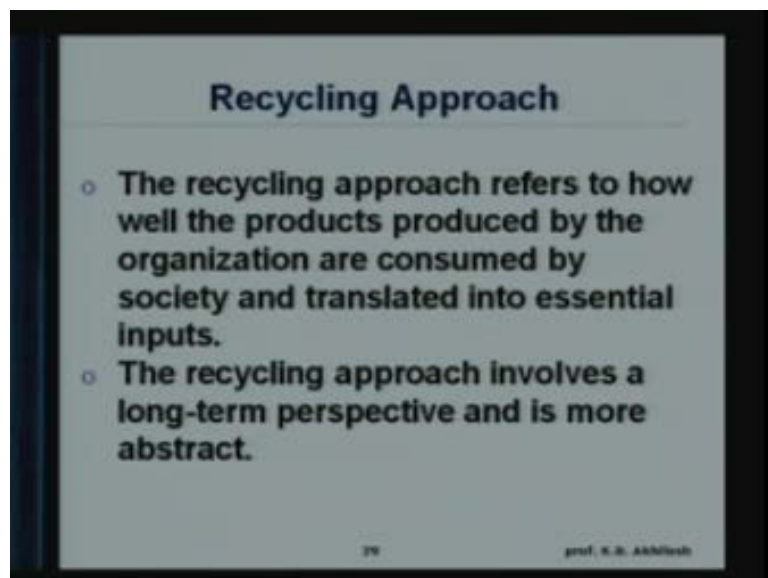
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So one has to see this the one has to see this kind of a multiple things, multiple goals and then one need to talk about this output approaches. The output approaches sometimes it could be the profits are increasing but not necessarily the numbers, sometimes the numbers are more but it may contribute to the inventory and the profits may be coming down.

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So the output approaches has to take care of this multiple sometimes conflicting, sometimes misleading kind of an indicators but one need to identify what could be the best indicators and then work around the things to decide the organization as effective or otherwise, the next approach one can call it as the recycling approach. In the recycling approach, what we are talking about is the how well the products produced by the organization are consumed by the society and also translated into essential inputs. So that means you know the are you not environmentally friendly, so the paper industry may be you know may be checked very clearly, how much you are creating problems in terms of the deforestation.

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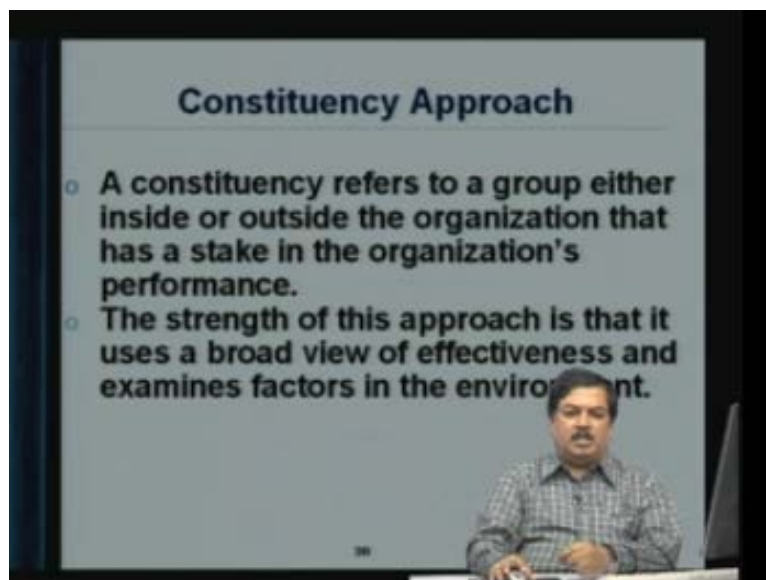
So the recycling approach involves a long-term prospective particularly, when people define evaluate in terms of public policy in terms of the environmental friendly approaches, one can would come to the judgment how much of this recycling, you are able to do how much you are gained in the you know as an organization, how much you are environmental friendly I think these dimensions will come when somebody is trying to evaluate in terms of the recycling approach. Another dimension of coming to the or deciding about organizational effectiveness is the constituency approach. The constituency refers to a group of basically, we are talking about the significant others both inside as well as outside the organization and has a stake in the organizational performance.

So it is basically the customer satisfaction when you assess do this through this some kind of a service quality questioner or it could be the suppliers they feel happy about the kind of payments you do or you pay as they supply things like that as well as the internal constituents in terms of the employees and the managers. So how they think about the organization, so strength of this approach is that it uses a broad view of the effectiveness and examines the factors in the environment because some constituents or some constituency are not really satisfied with the organization some are interested in the growth, investors prospective could be the growth or some investors may be thinking about the dividends. So the immediate returns on their investments.

So the constituency approach sometimes also brings in the inherent kind of a conflict in the stakeholders and the kind of interest groups and how some of these interest groups can be reconciled or sometimes not. So the a good understanding of the constituencies enable to integrate all of them could bring in more effective or increase effectiveness of the organization.

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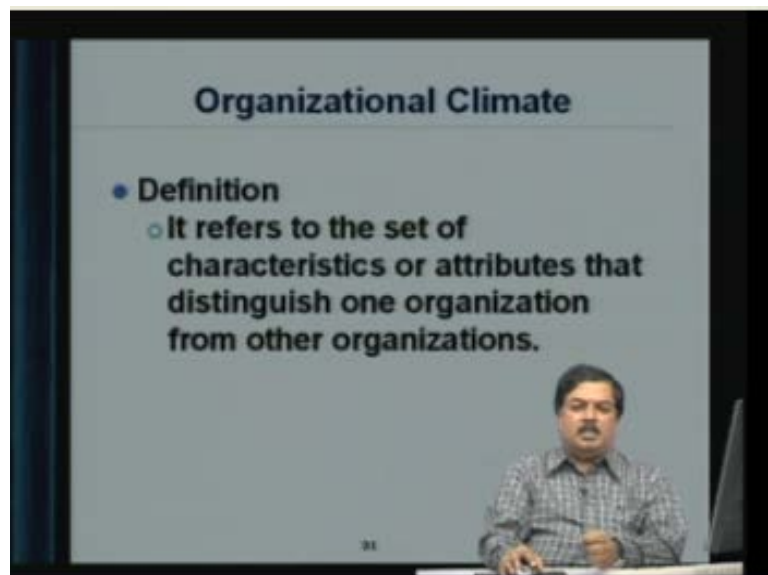
The next one can see the dimension is organizational climate as we know the organizational climate is a kind of a set of attributes, set of characteristics that distinguish one organization from the other and how people feel how people describe their experience to work in an organization.
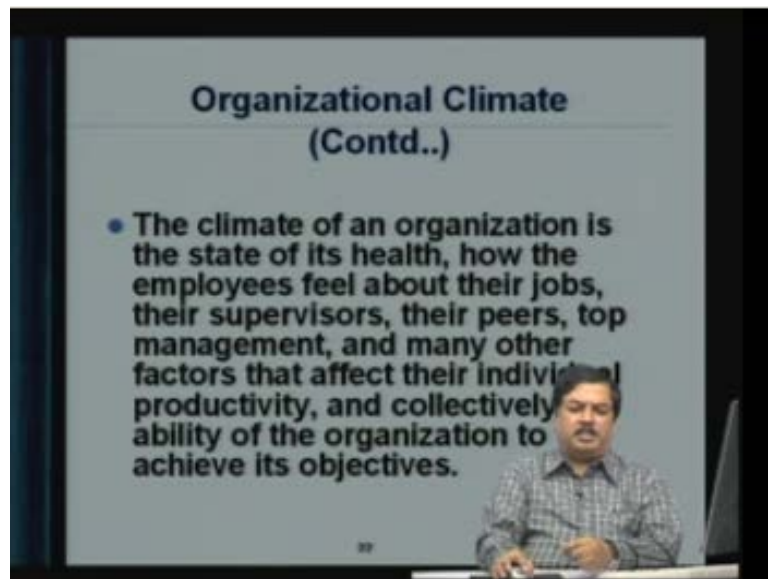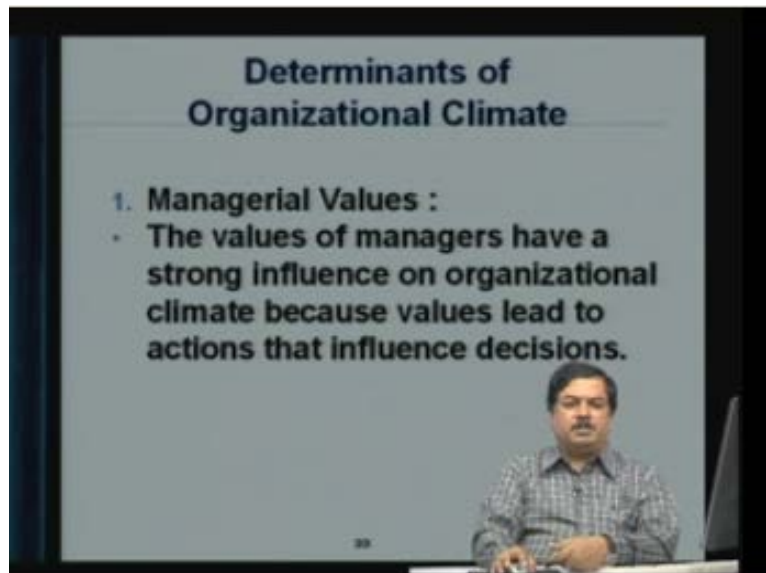
So the organizational climate is the state of its health, how the employees feel about their jobs, their supervisors, their peers, colleagues, top management and many other factors that affect the individual productivity and collectively the ability of the organization to achieve its objectives. So it is basically the employees feeling, it is employees perception, it is employee experiences articulated in some key words about how it feels for them to be in a particular system.

So it is the system of governance, it is the system of practices, a set of priorities and how the set of priorities are perceived and with what support, with what recognition, with what involvement I think these are all the things which one can describe the organizational climate as. So the climate of an organization has been studied very extensively to look at the implication for its individual motivation and involvement, however much more is the organizational climate is seen as an important intervening variable in determining the effectiveness of the organization.

So the how the organizational climate gets defined or determined is because of the following and basically it is the managerial values. The values of managers have a strong influence on organizational climate because as you see the actions of the managers, it influences the decisions and the and whatever they how they pursue these values in terms of the decisions

creates that kind of a perception of the of the employees, it sometimes autocratic or in sometimes it is participative.
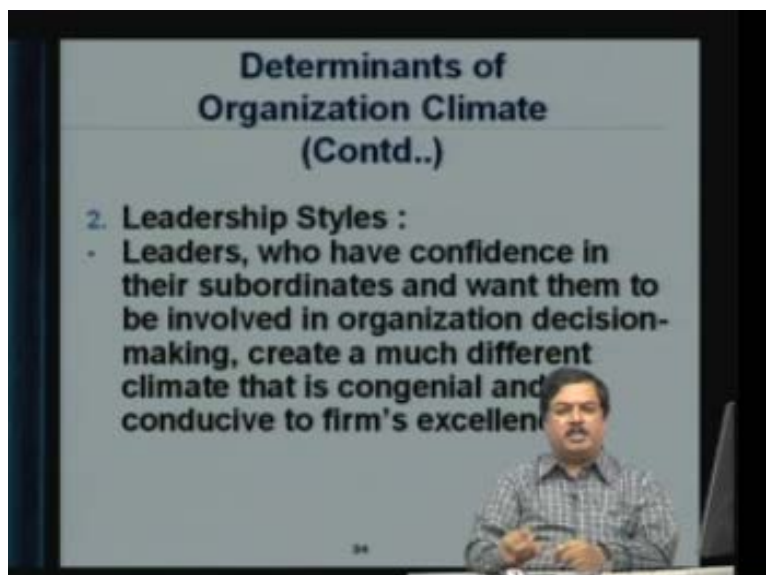
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So it is also articulated in terms of the leadership styles where they have a confidence in their subordinates and they want they you know employees to give their best gives that opportunities for them to participate in decision making and when this, when they do such

things it builds that kind of a respect congenial atmosphere and helps for the for the achievement of the excellence where members are not supported where members are not guided properly, the leadership fails as well as the organizational climate is then described as not very favorable. The organizational climate also gets influenced around a macro-economic conditions where organization is not able to perform under very adverse conditions.

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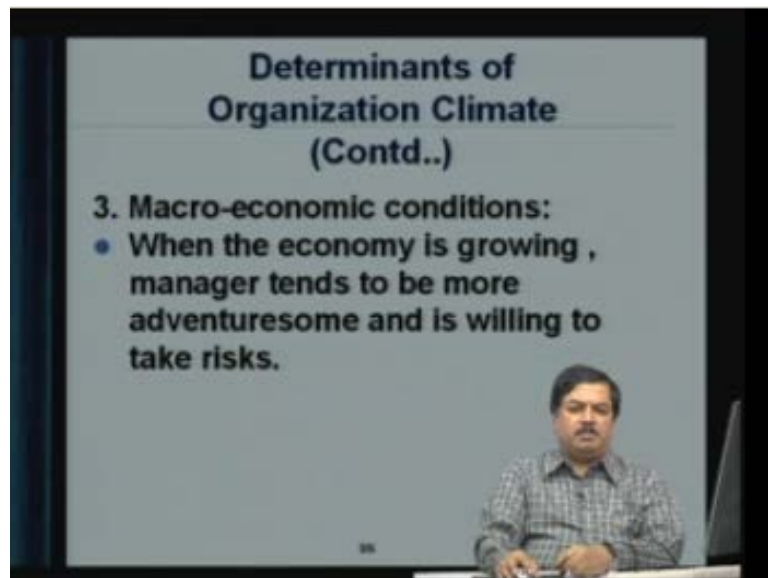
So when the economy is growing the managers tend to be much more adventurous more risk taking and more contributing and demanding such contribution at all levels. But when the economic conditions are not favorable then it sets in a kind of a lethargy, it sets in a kind of a feeling of doom, it sets in a kind of the anxiety at different levels and the climate also perceive, gets perceived accordingly. The other important thing is the organizational structure, so the several characteristics of the organization structure what we have discussed earlier tend to have a great influence on the organizational culture and organizational climate.

So when people get empowered or the when the organization practices are decentralized and there is empowerment and also there is a specialization and then where people can identify their contribution to the overall success of the organization, their structure enables a good climate and provide that required culture of performance. The organizational structure when it is centralized when employees are treated as the cog in the wheel kind of an expression.

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So then the individual contribution, individual involvement is at stake and the structure does not enable people to people to perform. So organizational structure needs to be understood in relationship or in relation to what kind of climate, what kind of culture it is creating. An another important thing is the characteristics of the members and particularly, the personalities of the organizational members also contribute significantly to the climate of the organization in a typically if they are the solo performers if they are not interested in the

others if they are not supportive to the colleagues if they are highly competitive many of these things do matter.

So in a very competitive climate but they do not have respect for the others is one kind of a situation or in characteristics of the members may be they are preferring the work with the groups but not as individuals or they are not experts in other particular area, they are too generalist. So many of these of the you know characteristics of the members as well as the personality influences the way, the rewards are perceived the way the members are supported in task performance.

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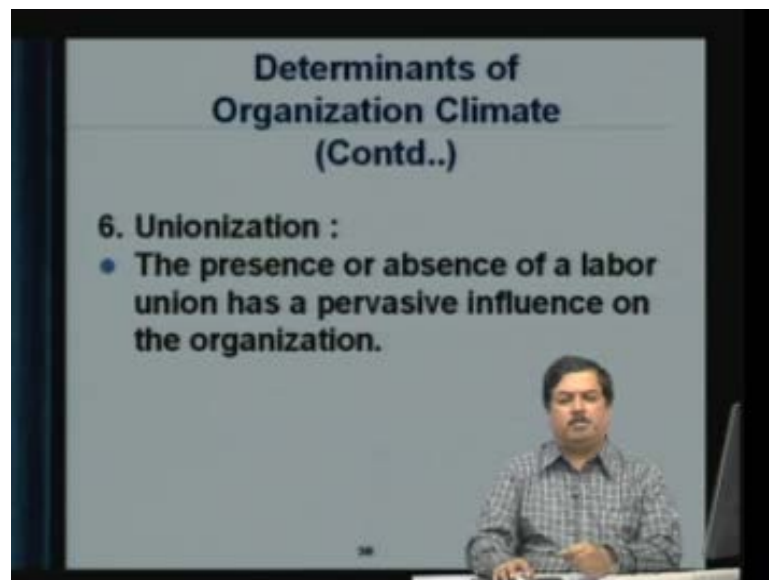
The other important variable one can also see the unionization. So the unionization itself is nothing wrong that is not the presence or absence of a labor union but also the kind of influence it has on the members of the organization is important, so dual loyalties when unions pursue or question many of the activities of the organization and people also use the word militant unionization would always affect the climate of the organization particularly, the teamwork, relationships and the perceptions of different groups within the organization and there could be a gap between the management and the labor.
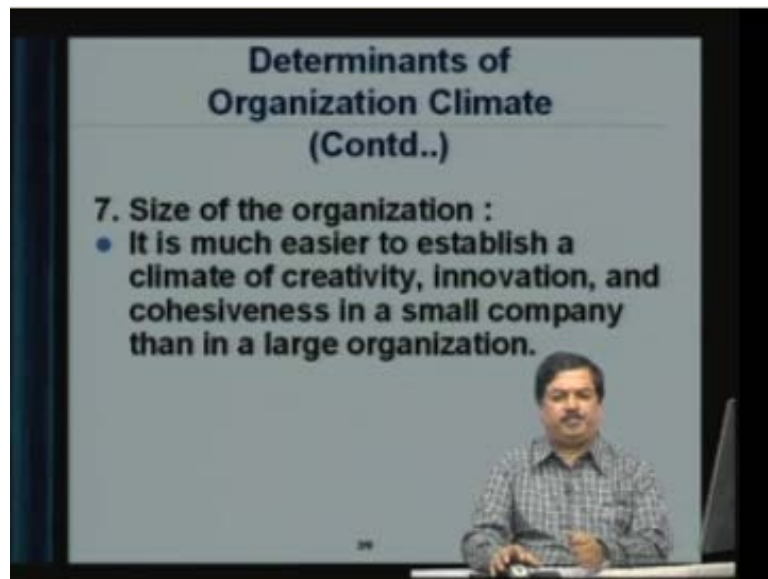
So the unionization also has to happen in a positive way and that unions which are trusted by the management and where the unions trust the management can contribute significantly in building appropriate climate in the organization. Another dimension of the climate is the size of the organization as the organization grows, so we have seen earlier there is a you know when the organization is very small there is a high climate of creativity, innovation, cohesiveness and high degree of participation.

Now such things are possible in small company but as the organizations grow then things become more impersonal, more and more things are governed by the by the rule book and the organizations become more and more bureaucratic and such rule driven behaviors highly centralized kind of a system and too many coordination mechanisms in the organization and many of these elaborate structures which can come because of the size of the organization can always affect make this organizational climate as non-challenging routine and you know the organization may not take enough risk in moving forward and also lethargies can get developed at different levels of the organization.

So it is very important to see how the size of the organization affecting the organizational climate and it is important to create smaller organizational system with much more elaborate governor structure which is empowered, which is decentralized at the same time not affecting the coordination efforts of the organization. The definitely the other point which affects the

satisfaction and the perception of the organizational members is the nature of the work a routine task, repetitive task, do create, a kind of a monotony resulting in a kind of a purposelessness, meaninglessness and a kind of an alienation at the workplace to the kind of jobs and the type of industry contribute to creating a unique organizational climate as well as the culture. So the climate leads to the culture over a period of time.
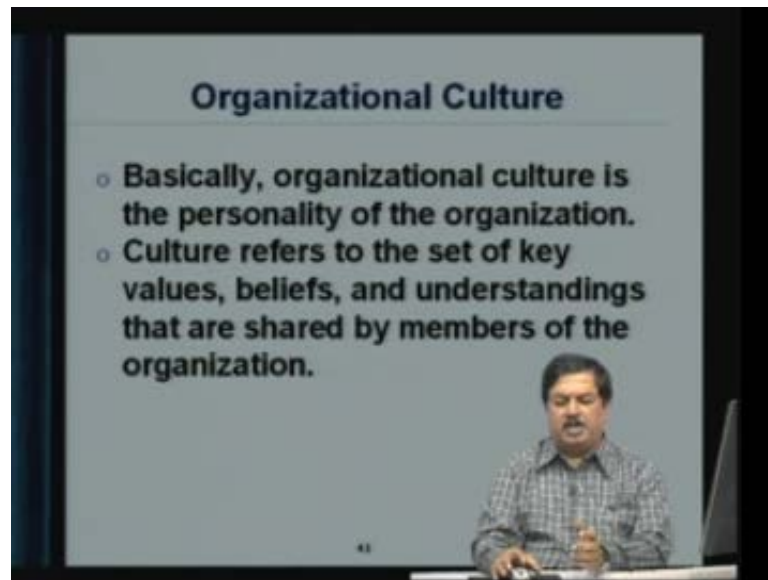
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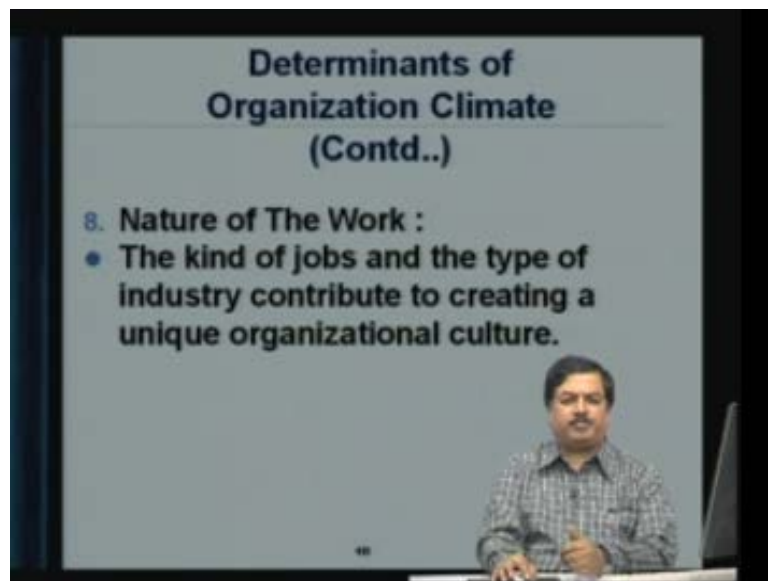
So the nature of the work in some other system could be a group but the team task team task support much more collaborative practices. So how these work gets defined in terms of its specialization, what kind of interdependencies it brings, what kind of information sharing practices it demands all defines the organizational climate if the nature of the work sometimes provides that individual recognition, it provides that intrinsic motivation, climate seems to be better in such task and task performance. We will move onto the from this understanding of organizational climate to the organizational culture, I did refer to this organizational culture previously, when climate leading to the organizational culture.

So the so if in terms of the initial perceptions and repetitive reinforcement of such perceptions defines the organizational culture. So that means a climate over a period of time contributes and defines how the culture of the organization is so when we are talking about culture it is the basically we are talking about the personality of the organization, it refers to the set of key values believes and understandings that are shared by the members of the

organization, one can see the culture in different ways the it is one of those terms that are very difficult to express distinctly but everyone knows that when they sense it.
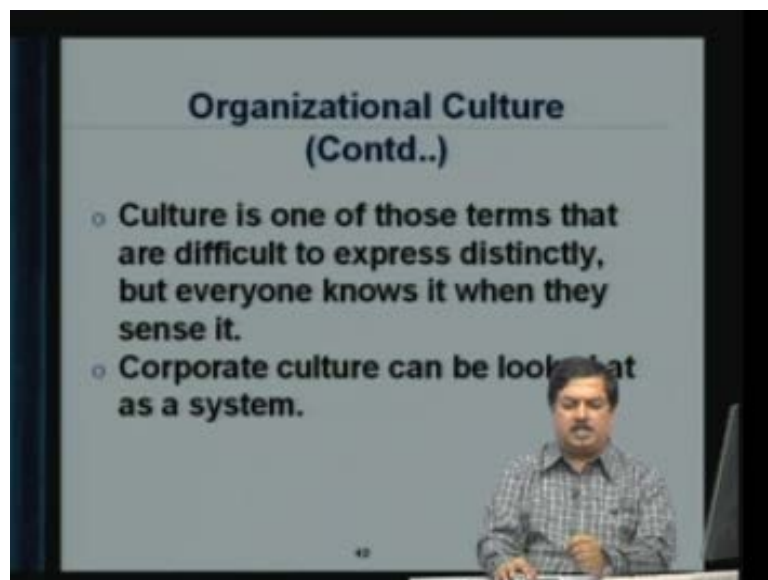
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So in sometimes it is those people who are part of the organization it is for them very difficult to describe what the organization culture is but for an outsider it becomes very obvious whether the culture of the organization is supportive excellence or not whether the culture of
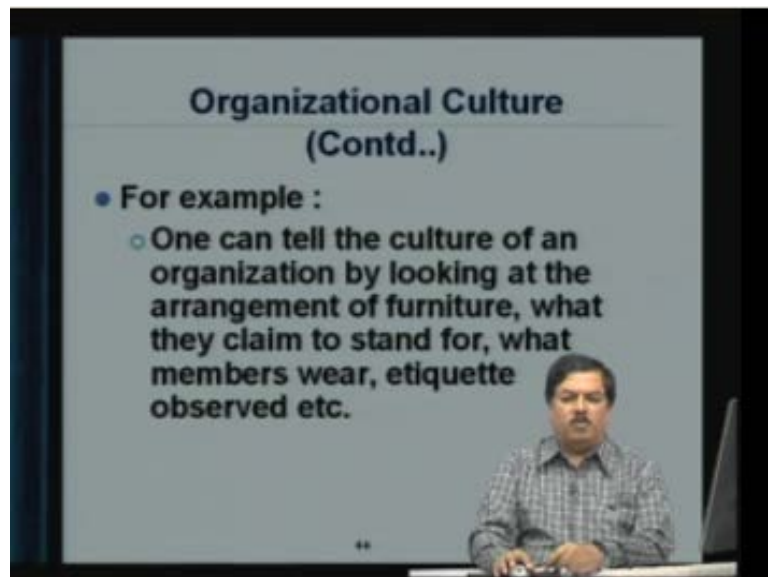
the organization is highly customer centric or not whether the culture of the organization supports cleanliness quality or not you know things like that. So the corporate culture is always best looked best examined and by an outsider and it is a system of practices pursued at different levels.

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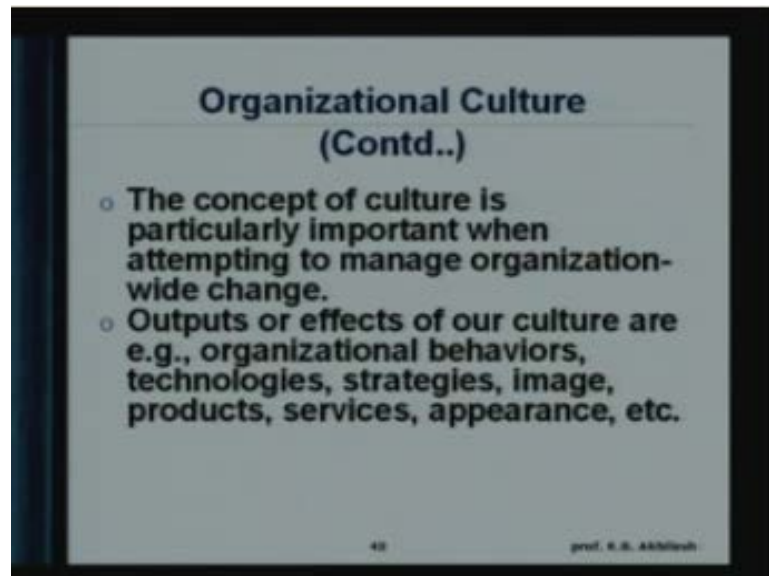
So the concept of culture is particularly important when we are trying to attempting to particularly the manage organizational wide changes. So outputs or the effects of our culture if you see they seeing an organizational behaviors, the technologies, the strategies, the kind of it may the products services appearances etcetera many of these things in a different way in an indirect way as well as direct way talks about the culture of the organization. So whether it is the different practices driving different values one can feel the culture of an organization just by looking at the arrangement of furniture, how the offices are defined and what do they stand for, so what do the members wear in terms of their in terms of their you know the many of the practices.
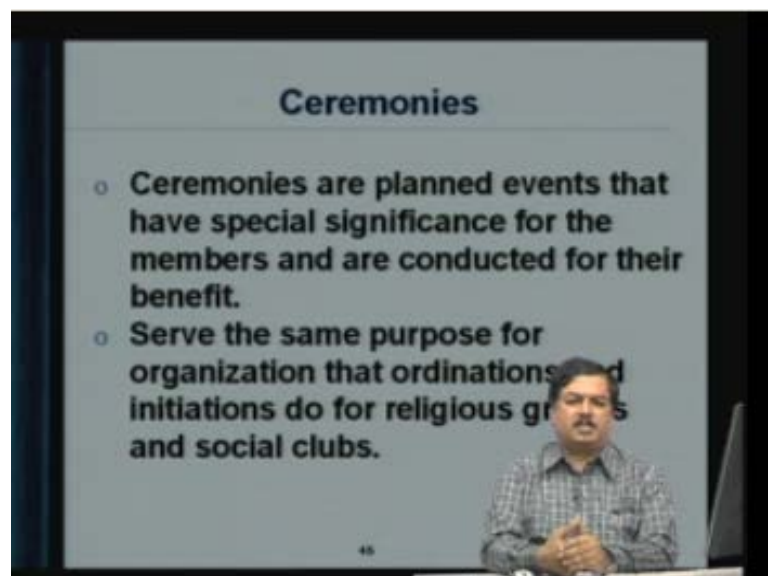
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So that defines whether the organization is highly stratified or the organization is highly participative organization has many places where people discuss informally or the organization is extremely formal protocol driven, so things like that. So the buildings the furniture the arrangements the facilities many of these things define what is the culture of the organization one can also examine in terms of the ceremonies, what kind of events are celebrated whether such things are recognized you know goes for the recognition of the individual performance.

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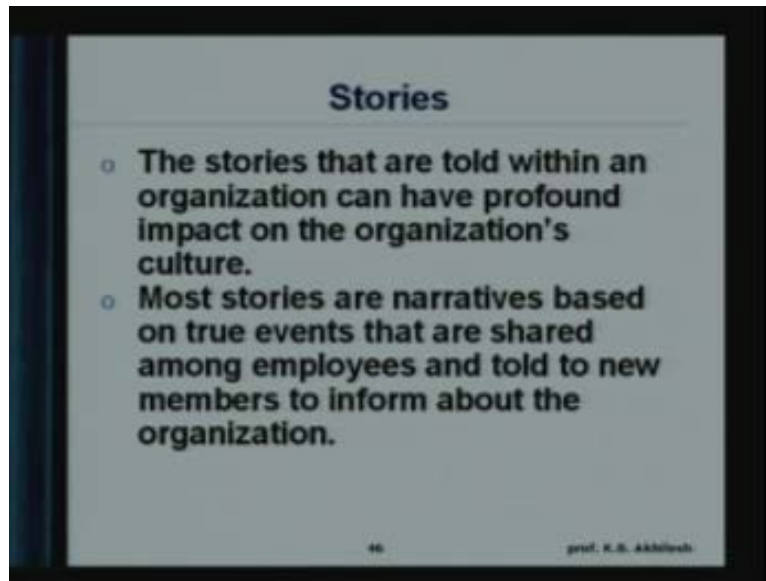
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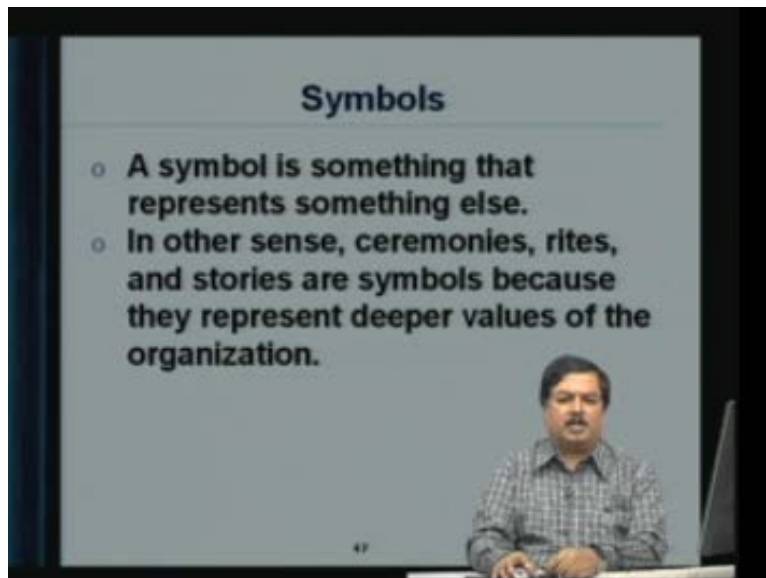
So the it also serves as the kind of a purpose the what this organization is really thinking about, so sometimes it is much more religious and perform some of those things or whether it is as we see it as a kind of a social club. So the what is organization not only the ceremonies but also the stories what kind of stories are told within the an organization, can have a profound impact on the organization's culture, most stories are narrative based on true events that are shared among employees and told to new members to inform about the organization.

So what kind of stories are told what kind of successes examples are there in the past. So the stories and also the symbols is something that represents you know the you know all the things, so the ceremonies the rituals the stories the symbols all these becomes part of the deeper values of the organization. So how do they represent quality, how do they celebrate quality, how do they celebrate delivery, what kind of language they use?
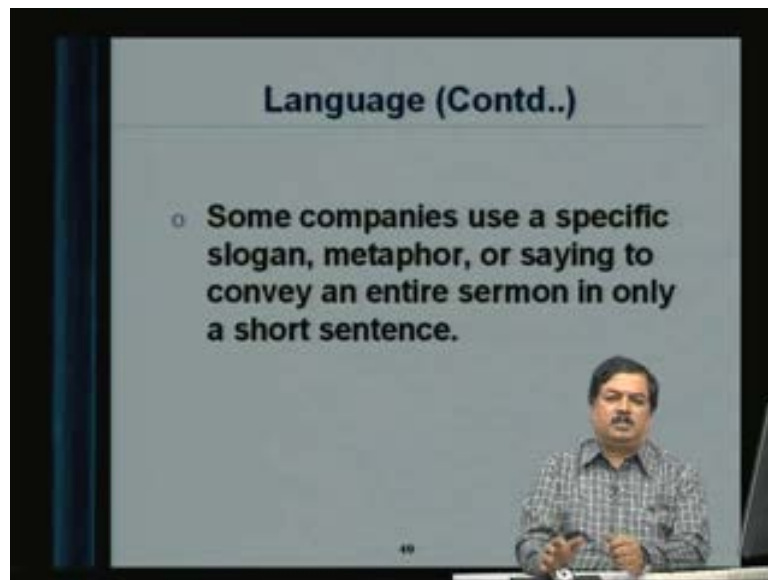
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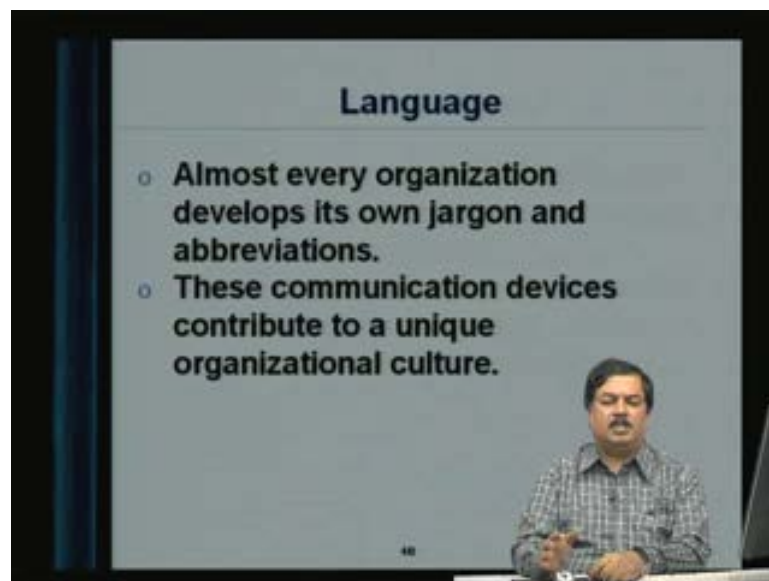
So the say every organization develops its own jargons and abbreviations. So how many layers, how many protocols, how many rules? So these communication devices contribute a very unique organizational culture whether the people are told well in advance or people are guided or people are instructed, people are shouted at. So the language and the context of this use of this language, so if sometimes the kind of metaphors the symbols and to convey what the organization stands for so also do explain the kind of culture it supports.
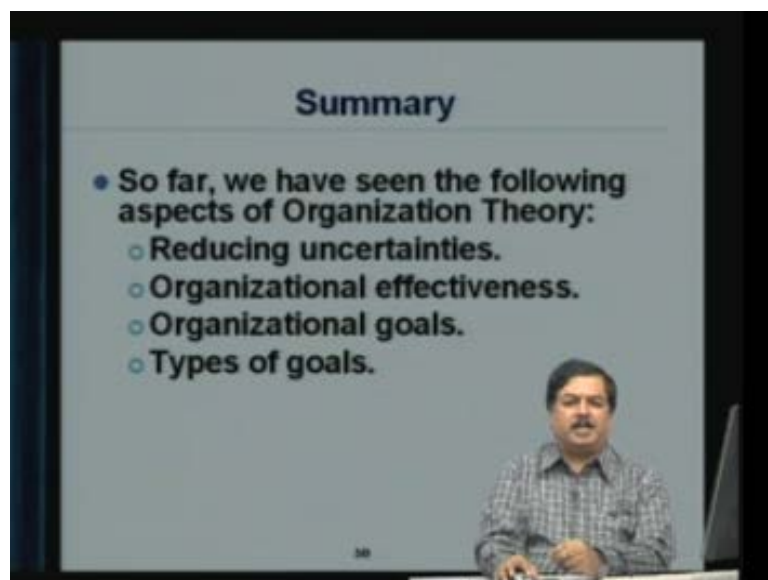
So the point is that we need to understand organizational effectiveness and its dimensions through clearly examining, how the effectiveness is viewed the goals and the and the details of how the goals and the goal pursued of goals is supported through the climate and culture of the organization. So far we have seen the following aspects of the organizational theory, reducing uncertainties, the concept of organizational effectiveness and the organizational goals and the types of goals and we also try to look at the organizational effectiveness in terms of the following perspectives, resource acquisition, transformation, output, recycling,

different constituencies, organizational climate and organizational culture and what we will do we will move onto an another important dimension of the organization that is the groups and the group dynamics.
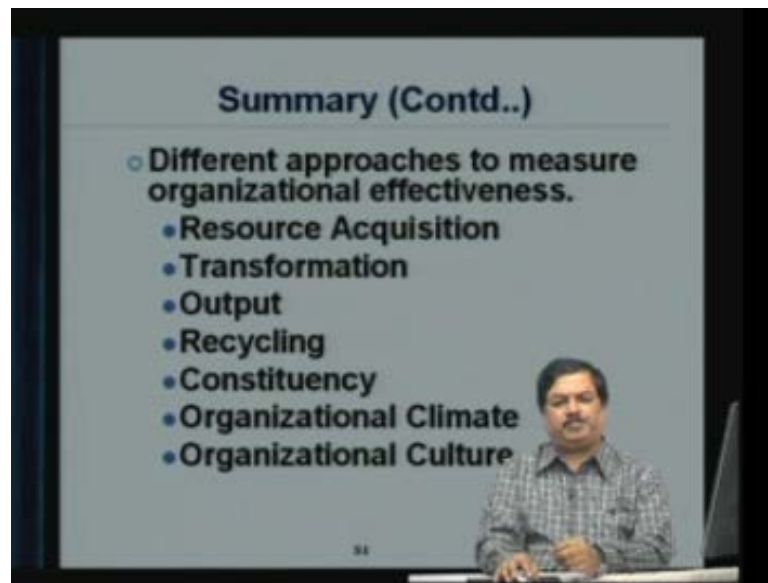
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So in the next lecture we shall have a close look at the following the concept of group dynamics, the types of groups, how groups form and groups develop and the stages of a group development.