



"ज्ञान, विज्ञान आणि सुसंस्कार यांसाठी शिक्षण प्रसार" - शिक्षणमहर्षी डॉ. बापूजी साळुंखे  
Shri Swami Vivekanand Shikshan Sanstha, Kolhapur.

# VIVEKANAND COLLEGE, KOLHAPUR

(An Empowered Autonomous Institute)

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## Department of Management Studies



**Course Name**                      Organisational Behaviour

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**Unit No.**                            01

**Unit Name**                        Introduction to OB

**Faculty Name**                  Mr. T.P.Sawant (MBA)

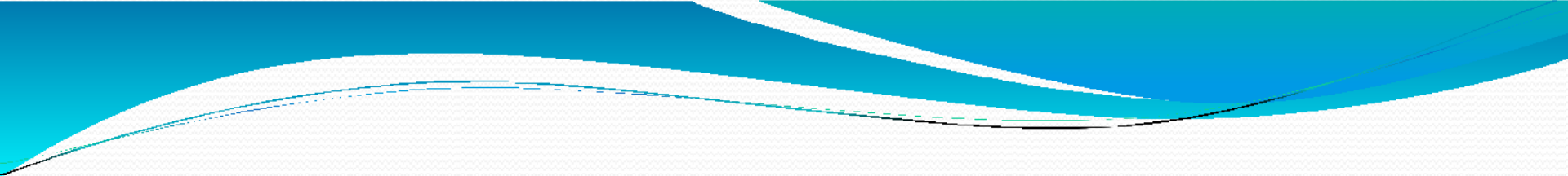


# Chapter Content:

- **Introduction to Organizational Behaviour:**
  - Definition, Importance, Scope,
  - Fundamental Concepts of OB

# Introduction

- **The study of organizations and of the collection of people within them together comprises the field of organizational behavior.**
- **Organizational behavior (OB) is the study of human behavior in organizational settings, the interface between human behavior and the organization, and the organization itself.**



**Organizational Behavior is a field of study that investigates the impact that individuals, groups, and structure have on behavior within organizations for the purpose of applying such knowledge towards improving an organization's effectiveness.**



# What is Organizational Behavior?

- ☐ **Organizations are social systems.  
Organization is a combination of humanity  
and technology.**
- ☐ **OB is the study and application of  
knowledge about how people act within the  
organization.**
- ☐ **It is a human tool for human benefit .**

# Contd.

- **A complex set of forces affects the nature of organizations today.**

**It can be classified into four areas:**

- 1. People**
- 2. Structure**
- 3. Technology**
- 4. Environment**

# Contd.

- When people join the organization to accomplish the goals/ objectives, some kind of structure is required. They use machinery, gadgets & technology to achieve the organizational goals. At the same time they are influenced by external environment.





Organizations are defined as social arrangements, constructed by people, who can also change them.

----Buchanan (1997)

Organizations are a system of cooperative activities - and their coordination requires something intangible and personal that is largely a matter of personal relationships.

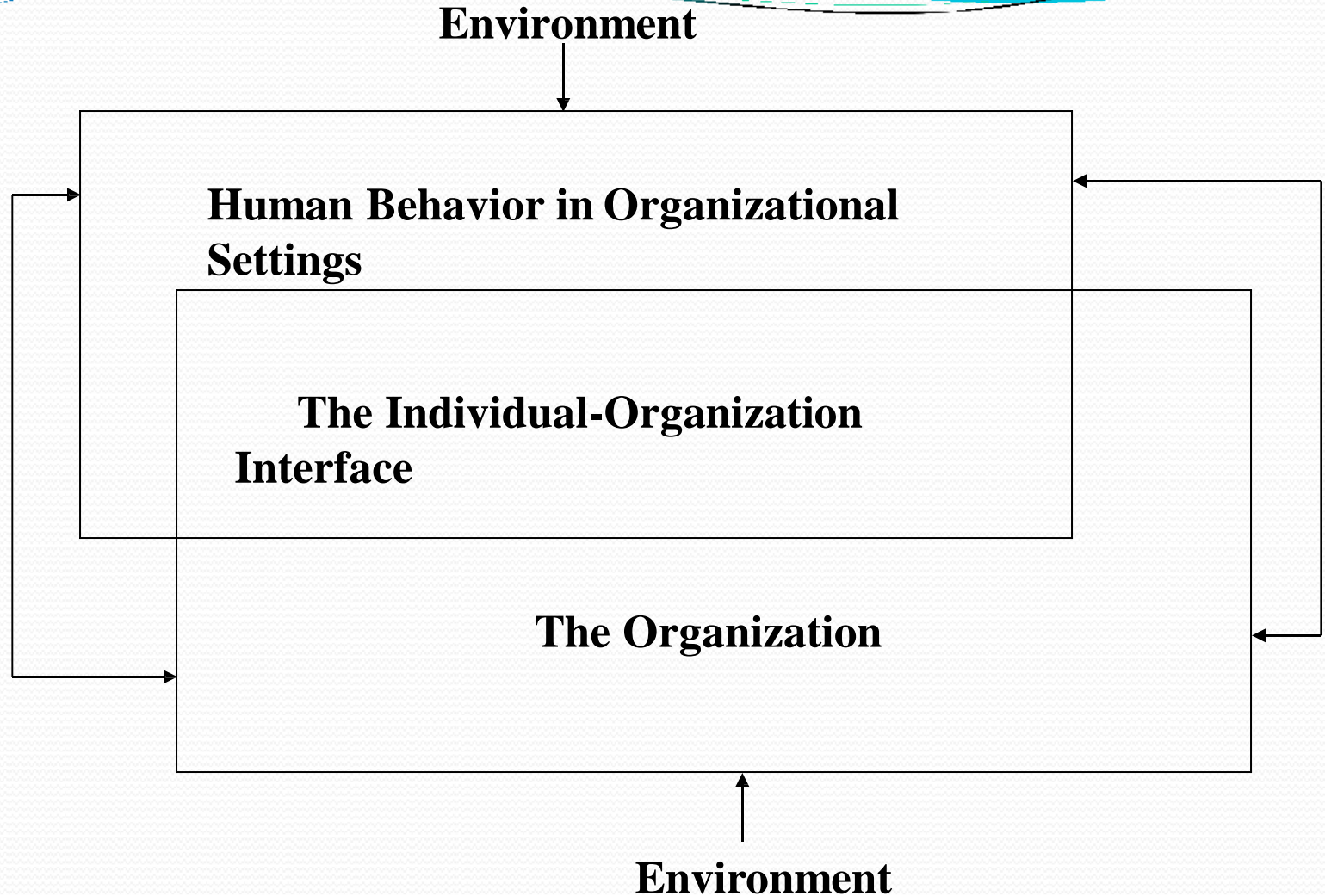
---- Barnard (1938)

OB is concerned with “the study of the structure, functioning and performance of organizations, and the behavior of groups and individuals within them”.

---- Pugh (1971)



# The Nature of Organizational Behavior



# Nature of OB

- ❑ A field of study and not a discipline
- ❑ Interdisciplinary Approach
- ❑ An Applied Science
- ❑ Normative and Value Centered
- ❑ Humanistic & optimistic
- ❑ Oriented Towards Organizational Objectives
- ❑ A total Systems Approach

# Nature of Organizational Behavior

- Multidisciplinary: Draws from multiple fields like psychology, sociology, economics.
- Goal-Oriented: Aims to improve performance and employee satisfaction.
- Dynamic: Constantly evolving with the changing workforce.
- Humanistic: Focuses on employee well-being and growth.

# Importance of OB

- ❑ OB provides a road map to our lives in organizations.
- ❑ OB uses scientific research to understand and make organization life, as it helps to predict what people will do under various conditions
- ❑ It helps to influence organizational events –to understand and predict events
- ❑ It helps individual understand herself/ himself in better fashion.
- ❑ It helps manager to manage human resources effectively.  
Eg. Motivation
- ❑ It helps organizations for maintaining cordial industrial relations.
- ❑ It is also useful in the field marketing.

# Importance of Organizational Behavior

- Understanding how to motivate and engage employees.
- Building better leadership and team dynamics.
- Promoting innovation and adaptability in the organization.
- Enhancing communication and collaboration between employees.

# THE SCOPE OF THE ORGANIZATIONAL BEHAVIOUR

- **Impact of personality on performance**
- **(b) Employee motivation**
- **Leadership**
- **How to create effective teams and groups**
- **Study of different organizational structures**
- **Individual behaviour, attitude and learning**
- **Perception**
- **Design and development of effective organization**
- **Impact of culture on organizational behaviour**
- **Management of change**
- **Management of conflict and stress**
- **Organizational development**
- **Organizational culture**
- **Transactional analysis**
- **Group behaviour, power and politics**
- **Job design**
- **Study of emotion**
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# Major Contributing Disciplines to the field of organizational Behavior

1. **Psychology**: how individuals behave in response to a stimulus.
2. **Sociology**: how individuals relate to groups and to each other.
3. **Social Psychology**: How individuals and organizations perceive conflict, threats and undergo stress.
4. **Anthropology**: understanding customs traditions and social mores of people since the organization is a microcosm of the larger society.



# Contd.

5. Political Science: **Understanding Power, Authority and Corporate Politics.**
6. Economics: **Appreciating monetary (wage and bonus) and non monetary incentives (housing, schooling and medical care) to employees so that they are motivated to produce more efficiently and effectively.**

# Challenges for OB

- || Globalization to Respond
- Managing Diversity
- || Improving Quality and Productivity
- || Improving Customer Service
- || Improving People Skills
- Stimulating Innovation and Change
- || Coping with Temporariness
- || Working in network organization
- || Helping employees balance work-life conflicts
- || Creating Positive work environment
- || Improving Ethical Behaviour

# Evolution of OB

## **Robert Owen-(1800)**

- ❑ Young Factory Owner-First to emphasize the human needs of employees and refused to employ children
- ❑ Taught workers to improve working conditions
- ❑ Father of personnel management

## **Andrew Ure-(1835)**

- ❑ The Philosophy of Manufacturers -1835
- ❑ Value of human factor in manufacturing
- ❑ Provided welfare facilities to workers
- ❑ J.N. TATA in 1886 Instituted a pension fund & 1895 began to pay accident compensation.

# Evolution of OB

## **William Gilbreth-(1914)**

- “The Psychology of Management

## **F.W.Taylor-(1916)**

- Father of Scientific Management
- Time & Motion Study
- Piece Rate Method

# Evolution of OB

- **Henry Fayol (1916)**

- Administrative Management , Principle of Governing Behavior, Management Quality

- **Elton Mayo-(1920's & 1930's)**

- Human behavior at Harvard University
- Hawthorne's Experiments/Plant

- **Abraham H. Maslow (1954):**

- Need Hierarchy Motivation model

- **Douglas McGregor (1960):**

- Theory X and Theory Y Managerial Style

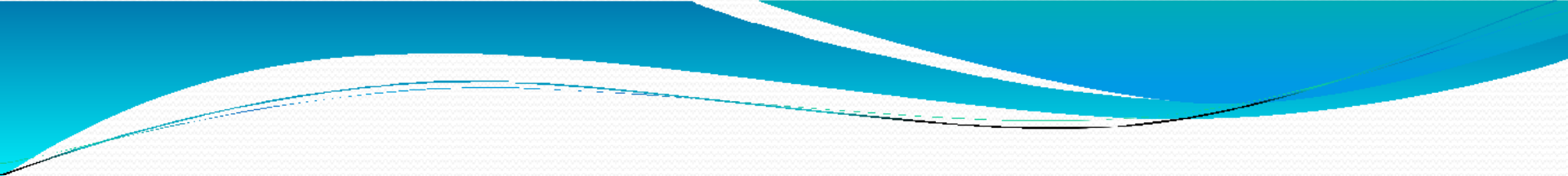
- **Henry Mintzberg (1960) :**

- Managerial Roles : Interpersonal, Informational and Decision making

# Evolution of OB

- **Peter Drucker (1909 -2005)**
  - Father of modern management
  - Importance of change
  - How to bring best out of people
  - Innovation
  - Entrepreneurship



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- *Interpersonal Level:*
  - *Group Level*
  - *Inter-group Level*





The co-operative relationships help the organisation in achieving its objectives.

- *Controlling and Directing Behaviour*
- *Use of Power and Sanction*
- *Leadership*
- *Communication*
- *Organizational Climate*
- *Organizational Adaptation*

# Hawthorne Effect

- Illumination Experiment.
- Relay Assembly Test Room Experiment.
- Interviewing Programme.
- Bank Wiring Test Room Experiment

# Illumination Experiment:

- This experiment was conducted to establish relationship between output and illumination. When the intensity of light was increased, the output also increased.
- The output showed an upward trend even when the illumination was gradually brought down to the normal level.
- **Therefore, it was concluded that there is no consistent relationship between output of workers and illumination in the factory. There must be some other factor which affected productivity.**

## Relay Assembly Test Room Experiment:

- This phase aimed at knowing not only the impact of illumination on production but also other factors like length of the working day, rest hours, and other physical conditions. In this experiment, a small homogeneous work-group of six girls was constituted. These girls were friendly to each other and were asked to work in a very informal atmosphere under the supervision of a researcher.
- Productivity and morale increased considerably during the period of the experiment. Productivity went on increasing and stabilized at a high level even when all the improvements were taken away and the pre-test conditions were reintroduced.
- **The researchers concluded that socio-psychological factors such as feeling of being important, recognition, attention, participation, cohesive work-group, and non-directive supervision held the key for higher productivity.**

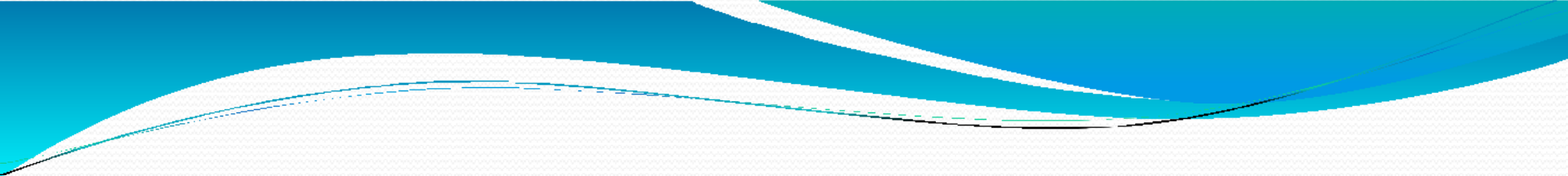
# Mass Interview Programme:

- The objective of this programme was to make a systematic study of the employees' attitudes which would reveal the meaning which their "working situation" has for them. The researchers **interviewed a large number of workers with regard to their opinions on work, working conditions and supervision.** Initially, a direct approach was used whereby interviews asked questions considered important by managers and researchers.
- The researchers observed that the replies of the workmen were guarded. Therefore, this approach was replaced by an indirect technique, where the interviewer simply listened to what the workmen had to say.
- **The findings confirmed the importance of social factors at work in the total work environment.**



# Bank Wiring Test Room Experiment:

- This experiment was conducted by Dickson with a view to develop a new method of observation and obtaining more exact information about social groups within a company and also finding out the causes which restrict output. **The experiment was conducted to study a group of workers under conditions which were as close as possible to normal. This group comprised of 14 workers.**
- After the experiment, the production records of this group were compared with their earlier production records. It was observed that the group evolved its own production norms for each individual worker, which was made lower than those set by the management. Because of this, workers would produce only that much, thereby defeating the incentive system.
- Those workers who tried to produce more than the group norms were isolated, harassed or punished by the group.

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- The findings of the study are:-
  - Each individual was restricting output.
  - The group had its own “unofficial” standards of performance.
  - Individual output remained fairly constant over a period of time.
  - Informal groups play an important role in the working of an organization



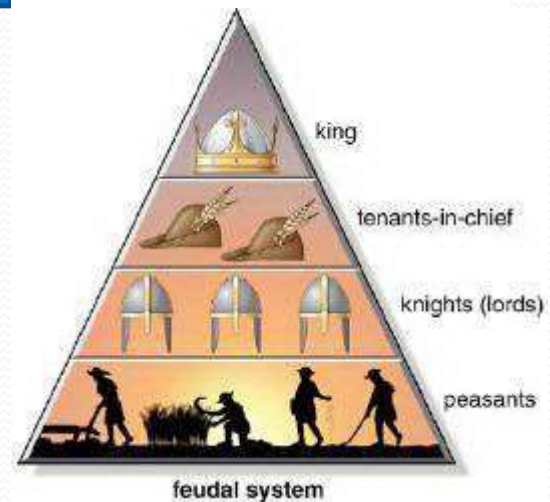
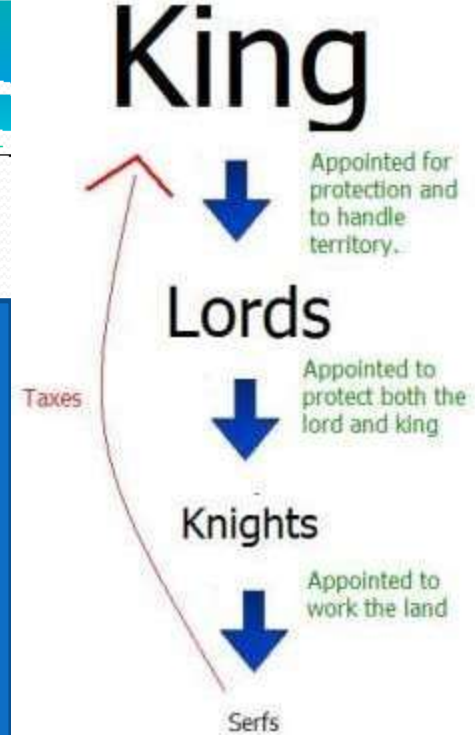
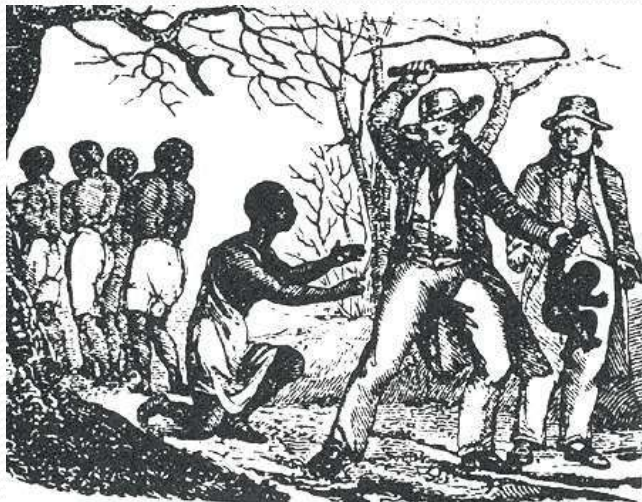
# Contributions of the Hawthorne Experiment:

- ❑ A business organization is **basically a social system**. It is **not** just a techno-economic system.
- ❑ Management must **learn to develop co-operative attitudes** and **not rely merely on command**.
- ❑ **Participation** becomes an important instrument in human relations movement. In order to achieve **participation**, **effective two-way communication network is essential**.
- ❑ Productivity is linked with employee satisfaction in any business organization. Therefore **management must take greater interest in employee satisfaction**.
- ❑ Group psychology plays an important role in any business organization. **We must therefore rely more on informal group effort**.

# Models of OB:

## Traditional Models

- Feudalism
- Slavery





# Modern Models of Organizational Behavior

- ☐ **Autocratic Model**
- ☐ **Custodial Model**
- ☐ **Supportive Model**
- ☐ **Collegial Model**
- ☐ **SOBC Model**

# Autocratic Model

<b>Basis of Model</b>	<b>Power</b>
<b>Managerial Orientation</b>	<b>Authority</b>
<b>Employee Orientation</b>	<b>Obedience</b>
<b>Employee psychological results</b>	<b>Dependence on Boss</b>
<b>Employees needs met</b>	<b>Subsistence (Survival)</b>
<b>Performance result</b>	<b>Minimum</b>



# Custodial Model

<b>Basis of Model</b>	<b>Economic Resources</b>
<b>Managerial Orientation</b>	<b>Money</b>
<b>Employee Orientation</b>	<b>Security &amp; Benefits</b>
<b>Employee Psychological Results</b>	<b>Dependence on Organization</b>
<b>Employees Needs Met</b>	<b>Security</b>
<b>Performance Result</b>	<b>Passive Cooperation</b>

# Supportive Model

<b>Basis of Model</b>	<b>Leadership</b>
<b>Managerial Orientation</b>	<b>Support</b>
<b>Employee Orientation</b>	<b>Job Performance</b>
<b>Employee Psychological Results</b>	<b>Participation</b>
<b>Employees Needs Met</b>	<b>Status &amp; Recognition</b>
<b>Performance Result</b>	<b>Awakened Drives</b>



# Collegial Model

<b>Basis of Model</b>	<b>Partnership</b>
<b>Managerial Orientation</b>	<b>Teamwork</b>
<b>Employee Orientation</b>	<b>Responsible Behavior</b>
<b>Employee Psychological Results</b>	<b>Self Discipline</b>
<b>Employees Needs Met</b>	<b>Self Actualization</b>
<b>Performance Result</b>	<b>Moderate Enthusiasm</b>

# S O B C Model

<b>Basis of Model</b>	<b>Facilitator</b>
<b>Managerial Orientation</b>	<b>Empathy</b>
<b>Employee Orientation</b>	<b>Belongingness</b>
<b>Employee Psychological Results</b>	<b>Ownership</b>
<b>Employees Needs Met</b>	<b>Higher Order Needs</b>
<b>Performance Result</b>	<b>Passion and Commitment</b>

# S-O-B-C Model

## Stimulus

- **Overt & Covert Stimuli**
- **Physical, Socio-Cultural & technological Environment**

## Organism

- **Cognitive Mediators**
- **Physiological being Environmental**

## Behavior

- **Overt & Covert responses & Patterns of Behavior**

## Consequence

- **Overt & Covert**
- **Positive & Negative**
- **Consequences and Dynamics**



**THANK YOU**