

Class: TY BSc

Subject : Psychology of Human Behavior at Work

Chapter: Unit 1 Chapter 2

Chapter Name: Introduction to Organizational behaviour

Today's Agenda

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2. Discipline that contribute to Organizational behavior
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3. Challenges & opportunities before OB
 1. Globalization
 2. Managing workforce diversity
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 4. Coping with temporariness
 5. Striking work life balance
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 7. Improving ethical behavior

1 Define Organizational behavior

**ROBBINS AND JUDGE, 2009**

OB 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 toward improving an organization's effectiveness."

**JOHN NEWSTROM AND KEITH DAVIS**

OB is "a the study and application of knowledge about how people - as individuals and as groups - act within organizations."

1.1 Meaning of Organisational behaviour

- Understand people better and hence manage them better.
- Understand what people do in an organization and how that affects their performance.
- 3 factors that determine OB are :- individual, groups and structure.
- OB aims to influence these 3 to improve organizational performance.
- Major areas to study in OB are:- motivation, learning, attitudes, leadership, perception, conflict, group dynamics, stress, organizational design.

2 Discipline that contribute to Organizational behavior

Organizational behavior is an applied Behavioral science built on contributions from a number of disciplines.

They are :

- Psychology
- Sociology
- Social psychology
- Anthropology

2.1 Psychology



Definition by **Robbins and Judge, 2013**

"A science that seeks to measure, explain and sometimes change the behavior of human and other animals."

- The contribution of psychology is on a micro or individual level.
- Early organizational psychologists studied the problems of fatigue, boredom and other working conditions that would impact efficient work performance.
- More recently, their contributions include learning, motivation, perception, personality, emotions, training, leadership effectiveness, job satisfaction, decision making process, performance appraisal, recruitment techniques, attitude measurement, work design and job stress.

2.2 Sociology



Definition by **Robbins and Judge, 2013**

"The study of people in relation to their social environment or culture."

Sociologists have studied group behaviors in formal and complex organization and made their contributions in the following areas:-

Intergroup behavior, organizational culture, organizational theory and structure, organizational technology, power and politics, conflicts.

2.3 Social psychology

- Social psychology studies how people influence each other by combining concepts and ideas from psychology and sociology to understand people's influence on one another.
- One major area of study is change - how to implement it and how to reduce barriers to its acceptance.
- Social psychologists have contributed in the following areas:- identifying communication patterns, group behavior and processes, building trust, decision making, power, conflicts, etc.

2.4 Anthropology



Definition by **Robbins and Judge, 2013**

"The study of societies to learn about human beings and their activities."

Anthropologists have contributed in the following areas:-

Differences in values, attitudes and behavior of people in different countries and within different organizations, different organizational culture and climate.

3 Challenges and Opportunities before OB

Due to the unpredictable and ever-growing changes in management practices, today managers are knowingly or unknowingly facing behavioral challenges and issues in their organizations.

They are as follows:

1. Globalization
2. Managing Workforce Diversity
3. Quality and Productivity
4. Coping with temporariness
5. Striking work life balance
6. Creating positive work environment
7. Improving ethical behaviour

3.1 Globalisation



Globalization is the economic integration of a country's economy at the global level.

Foreign Assignments

- lead to transfer to other countries, causing a challenge to manage a workforce with different needs, attitudes and aspirations.
- to be effective, manager needs to understand everything about the new location's culture as well as work force culture and deal with it sensitively.

Working with people from different countries

- Working with bosses, peers raised in different cultures, causing a hindrance in communication style, motivation, etc.
- To be effective, manager needs to understand how their culture and background has shaped them and adapt their managing style accordingly.

3.1 Globalisation

Handling the backlash of Anti- capitalism

- Capitalism focuses on efficiency, growth and profit. Such values are okay with certain parts of the world like USA ,AUSTRALIA but anger countries in the MIDDLE EAST, FRANCE.
- To be effective, manager needs to be sensitive to different values and strike a balance between them and the objectives of the organization.

Outsourcing and low cost of labour

- Labour in developed countries is far more expensive than developing countries
- Eg. For the same job, per hour rate will be \$6 in the US and in china it will be for as cheap as 30 cents.
- This causes criticisms from labour groups and politicians .
- Managers needs to strike a fine balance between the goals of the organization and their responsibilities to the community.

Danger of terrorism

- Terrorism has caused a cut down on business travel due to fear and also caused animosity amongst countries.
- Eg. an American manager working in Pakistan.
- To be effective, managers need to be sensitive to emotions.

3.2 Managing workforce diversity



Workforce diversity means differences in people working in the organization such as in terms of age, race, culture, gender, values, education, geography, income, and so forth.

Gender

- Rapid growth of women in the workforce causes attention on issues such as child care, maternity leave, sexual harassment, etc.
- To be effective, managers should ensure equal opportunities and no discrimination

Age

- Handling a young workforce is a big challenge as they are at their peak with regards to earnings, savings and productivity. Eg India
- Handling an aging workforce is a big challenge as they require strategic motivation and may lack adaptability. Eg US
- To be effective, managers need to work on strategies that strike a balance of age groups.
- What are the attributes that older workers bring to the job?
- What are the attributes that younger workers bring to the Job?

3.2 Managing workforce diversity

Urbanization in India

- As people are moving to the cities, the standard of living is getting compromised and the cost of living is increasing.
- What are the problems caused by urbanization?

Race & Ethnicity

- Race is associated with biology and heritage they belong to. Ethnicity is set of culture that overlaps with race. Eg. Asians, blacks.
- Racial discrimination may impact promotion decisions, pay scales, recruitment, etc.
- To be effective, managers need to follow laws and highly structured methods against race and ethnic discrimination.
- Managers should create a feeling of inclusiveness known as a positive diversity climate

3.2 Managing workforce diversity

Understanding religion

- Religious and non religious people question each other's belief system.
- People of different religions have conflicts over faith.
- There should be no discrimination based on their religion.
- Managers should develop sensitivity to the rituals/customs, dressing (turban, hijab), festival days ,etc

3.3 Quality and Productivity

- Quality is having a degree of excellence as compared to others and productivity means producing maximum out of minimum input and cost.
- Due to globalization, the demand of customers is ever-changing, they do not demand only products/services rather they demand quality products/services.
- Thus it is a growing concern for managers to give quality services/products and motivate employees so that productivity can be achieved from employee's best (100%) contribution.

3.4 Coping with temporariness

- Temporariness means everything at the job/employee level or organizational level is transient, nothing is permanent.

Employee level

- Employees job description keeps on changing.
- Employees work groups and departments keeps on changing because of assignments.
- Temporary workers in place of permanent workers to save on pensions
- Tasks are done by flexible teams rather than individuals.

Organization level

- Organizations are constantly transforming.
- Selling loss making divisions.
- Embarking on major capacity expansions.
- Engaging in mergers and acquisitions to consolidate their existing business.
- Downsizing
- Outsourcing or sub contracting noncritical divisions.

3.4 Coping with temporariness

- Update knowledge to cope up with new job description.
- Update technological knowledge
- Be flexible and inclusive
- Get use to the unpredictability and the insecurity of employment.
- Handle temporariness with tolerance and spontaneity
- Managers needs to find ways to overcome resistance from employees and make them embrace change.

3.5 Striking work life balance

- Due to globalization, organizations do not sleep. Some employee is working at some place somewhere in the world.
- Due to communication technology advancement, employees can operate virtually from anywhere.
- Organizations have become more demanding and expect employees to work harder.
- Dual-career couples has increased, making it difficult to remove time for family and friends.
- Flexibility in their jobs and work schedules.

3.6 Creating positive work environment

Focus on positive organizational citizenship/positive organizational behavior

- By focusing on what is good in the organization rather than what is wrong.
- By focusing on human strengths, fostering vitality and resilience and unlocking employee potential.
- By a technique called 'reflected best-self' -where employees speak about when they performed their best and thus managers understand how to exploit their strengths.

3.7 Improving ethical behaviour



Ethical dilemmas are "situations in which individuals are required to define right and wrong conduct."
Robbins and Judge, 2013

Some common ethical dilemmas are:-

- **Whistle blowing** - should report or ignore happening in the organization?
- **Politics** - whether to play politics to advance their careers?
- **Manipulation** - manipulating feedbacks and reports for ulterior motives.

3.7 Improving ethical behaviour

Coping up with ethical dilemmas:

- **Code of ethics** - constitutes of clearly written ethical and unethical behaviour. This is widely spread among employees.
- **Seminars** - Managers conducts seminars, workshops, training programs to improve ethical behaviour.
- **Protective mechanisms** - Employees can report cases of unethical behaviour anonymously.