Param Pujya Dr. Babasaheb Ambedkar Smarak Samiti's

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DAIMSR

Chapter I- Organizational Behavior

Programme Educational Objectives

Our program will create graduates who:

1. Will be recognized as a creative and an enterprising team leader.

2. Will be a flexible, adaptable and an ethical individual.

3. Will have a holistic approach to problem solving in the dynamic business environment.

Human Resource Management & Organizational Behavior Course Outcomes

- CO1-Students should be able to identify actual human resource management problems or issues related to recruitment, selection, training and development, performance appraisal and compensation management in the given situations/cases.

- CO2-For a given job profile, students should be able to design a job analysis and produce a job description and job specification.

- CO3-Students should be able to identify the suitable method from various traditional and modern methods of Performance Appraisal for a given situation.

- CO4- Given a situation, Students should be able to analyze fundamental concepts, principles, techniques and judgment in supply-demand forecasting and supply programs in determining HR planning.

- CO5- Students should be able to explain group dynamics and skills required for working in groups (team building).

- CO6- Students should be able to illustrate organizational change through Kurt Lewins Model.

Evolution of OB

4th Century B.C. - Kausalya's Arthasastra – Sound base for systematic management of human resources

1800 B.C. – Babylonian code of Hammurabi – minimum wage rate, incentive wage plan

Beginning of 19th Century – Total transformation of the industrial environment due to industrial revolution

19th century – Industrial revolution brought about materialism, discipline, monotony, boredom impersonality and work independence.

Industrial Revolution

- **1800** – **Robert Owen** - Welsh entrepreneur – Father of Personnel Management - Recognized how factory work was demeaning to employees

- **1835** – **Andrew Ure** – Published, 'The Philosophy of Manufacturers' – Human as a factor of production

- **1886** – **1895** - **J. N. Tata** – Instituted first humidifier, fire sprinklers, pension fund, accidental compensation

The Classical Era

1911 - **Frederick Taylor** – 'Father of Scientific Management' – converted broad generalizations into practical tools

- Develop a science for each element of an individual's work

- Scientifically select, train, teach and develop worker

- Cooperation with workers

- Divide work responsibility equally between management and workers

1924 - **Hawthorne** – 'Father of human relations movement' – laid foundation for understanding people's social and psychological behavior in the workplace.

What is an Organization?

An organization is a collection of people who work together to achieve individual and organizational goals

- Individual goals
- Organizational goals

As per Arthur Young, organizing is

- Grouping of activities
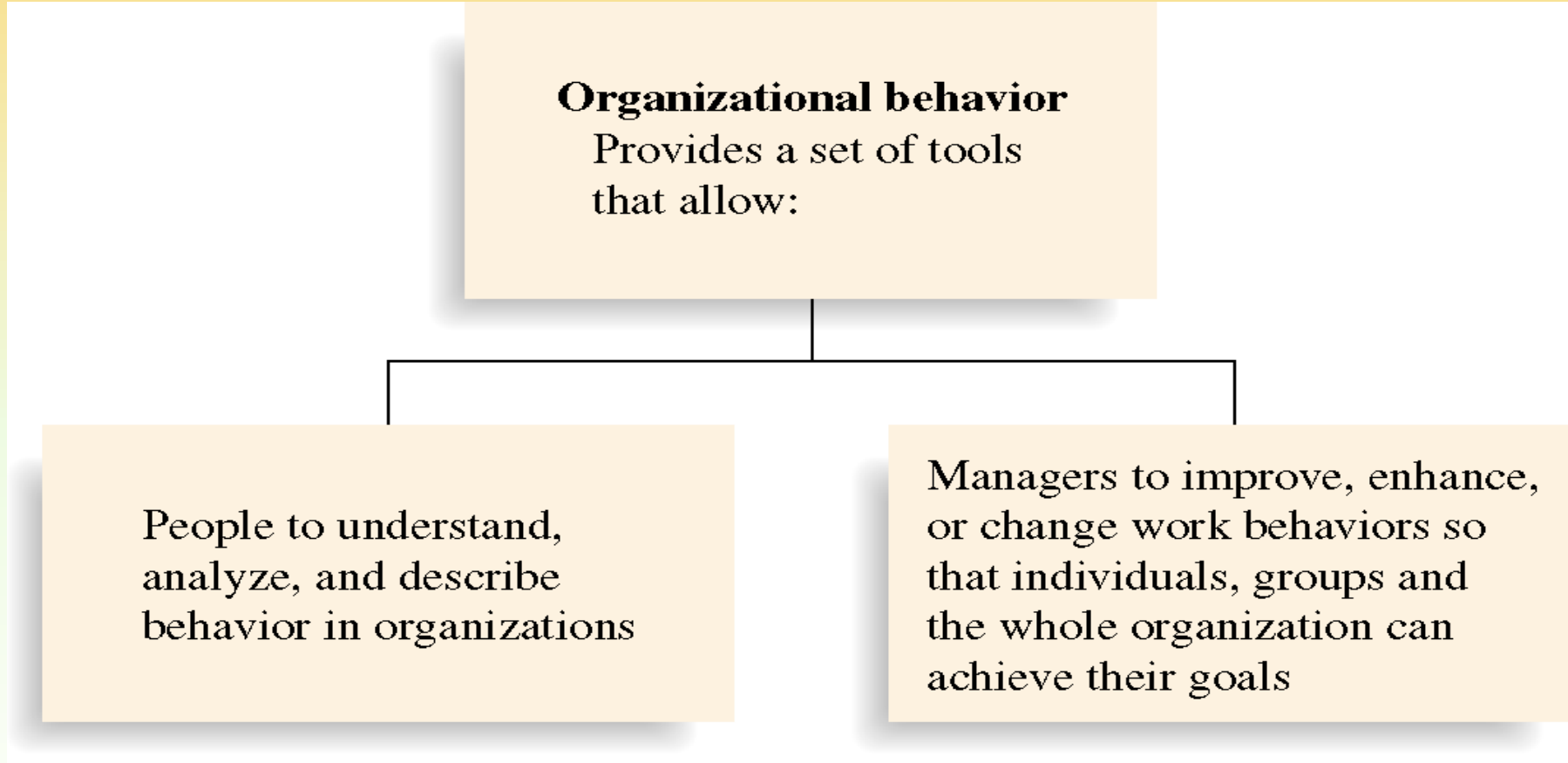- Establishing authority and responsibility
- Describing working relationships

Why do organizations exist?

➢To increase specialization and the division of labor

➢To use large-scale technology

➢To manage the external environment

➢To economize on transaction costs

➢To exert power and control

Features of organization

➢Identifiable aggregation of human beings

➢Deliberate and conscious creation

➢Purposive creation

➢Coordination of activities

➢Structure

➢Rationality

What is Organizational Behavior?

Organizational behavior
Provides a set of tools
that allow:

People to understand,
analyze, and describe
behavior in organizations

Managers to improve, enhance,
or change work behaviors so
that individuals, groups and
the whole organization can
achieve their goals

What is Organizational Behavior?

- Organizational behavior (OB): the study of factors that have an impact on how people and groups act, think, feel, and respond to work and organizations, and how organizations respond to their environments.

- Organizational behavior is a branch of the social sciences that seeks to build theories that can be applied to predicting, understanding and controlling behavior in work organizations.   **Aldag & Brief**

- Organizational behavior is a subject of management activities concerned with understanding, predicting and influencing individual behavior in organizational settings.
                    Callahan et al

Goals of OB

- **Explanation**
  - If we are to understand a phenomenon, we must begin by trying to explain it. We can then use this understanding to determine a cause.
- **Prediction**
  - It seeks to determine what outcomes will result from a given action.
- **Contro**l
  - The control objective is frequently seen by manager as the most valuable contribution the OB makes toward their effectiveness on the job.

Fundamental Concepts of OB

- **Nature of people**
  - Individual differences
  - Perception
  - A whole person
  - Motivated behavior
  - Desire for involvement
  - Value of the person
- **Nature of organization**
  - Social systems
  - Mutual interest
  - Ethics

Challenges and Opportunities for OB

1. Responding to Globalization
2. Managing workforce diversity
3. Improving quality and productivity
4. Improving people skills
5. Empowering people
6. Stimulating innovation and change
7. Coping with "temporariness"
8. Helping employees balance work/life conflicts
9. Declining employee loyalty
10. Improving ethical behavior

OB Model

➤ **Autocratic model** – managerial orientation is towards power

      i. only management decides right or wrong

      ii. Obedient orientation of employee

      iii. Useful approach

➤ **Custodial model** - managerial orientation is towards the use of money to pay for employee benefits

      i. employee dependence on the organization

      ii. Emphasizes rewards

      iii. Promotes employee satisfaction

OB Model cont.....

- **Supportive model** – depends on managerial leadership rather than on the use of power or money.

  i. Supports employee job performance

  ii. Management's lifestyle reflects support

  iii. Creates sense of participation

  iv. Limited application

- **Collegial model** – an extension of supportive model. It is based on the team concept in which each employee develops high degree of understanding towards others and shares common goals.

  i. Creates favorable working climate

  ii. Foster teamwork

  iii. Fulfillment of employees

OB and the workplace

1. It provides a **road map** to our lives in the organizations
2. It uses **scientific research** to help us understand and predict organizational life
3. It helps us **influence organizational events**
4. It helps an **individual understand** himself/herself and others better
5. It helps us understand **the basis of motivation** and its applicability
6. It is helpful for maintaining **cordial industrial relations**
7. It helps us understand the **fundamentals of marketing**
8. It helps an individual to **shape his or her career**
9. It helps us determine the **ways leading to motivated workforce, higher productivity** and better results.

OB and the new workplace

- ➢ Organizations have been **re-engineered** for great speed, efficiency and flexibility.
- ➢ Ego-centered leaders are being replaced by **customer centered leaders**.
- ➢ The currency of value is shifting from **products to information**.
- ➢ **Diverse workforce** is being acknowledged
- ➢ **Labor relations** are being re-invented

Four Key forces affecting OB

1. **People**

   Individuals

   Groups

2. **Structure**

   Jobs

   Relationships

3. **Technology**

   Machinery

   System

4. **Environment**

   Government

   Competition

   Societal pressures

6 Contributing Disciplines to the Organization Behavior Field

1. Psychology.
2. Sociology.
3. Social Psychology.
4. Economics.
5. Anthropology.
6. Political Sciences.

Psychology

1. Psychology has perhaps the first influence on the field of organizational behavior because it is a science of behavior. A psychologist studies almost all aspects Of behavior.

2. Psychology deals with studying human behavior that seeks to explain and sometimes change the behavior' of humans and other animals.

3. Psychologists are primarily interested in predicting the behavior of individuals to a great extent by observing the dynamics of personal factors.

Sociology

1. The major focus of sociologists is on studying the social systems in which individuals fill their roles. The focus is on group dynamics.

2. Sociological concepts, theories, models, and techniques help significantly to understand better the group dynamics, organizational culture, formal organization theory and structure, corporate technology, bureaucracy, communications, power, conflict, and intergroup behavior.

Social Psychology

1. It has been defined as the scientific investigation of how the thoughts, feelings, and behavior of individuals are influenced by the actual, imagined or implied the presence of others.

2. It deals with how people are affected by other individuals who are physically present or who are imagined to be present or even whose presence is implied.

Anthropology

1. The main aim of anthropology is to acquire a better understanding of the relationship between the human being and the environment. Adaptations to surroundings constitute culture. The manner in which people view their surroundings is a part of the culture.

2. Culture includes those ideas shared by groups of individuals and languages by which these ideas are communicated. In essence, culture is a system of learned behavior.

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Unit II: Learning, Perception, Attitude and values

Perception

Perception

- " The study of perception is concerned with identifying the process through which we interpret and organize sensory information to produce our conscious experience of objects and object relationship."

- " Perception is the process of receiving information about and making sense of the world around us. It involves deciding which information to notice, how to categorize this information and how to interpret it within the framework of existing knowledge."

- "A process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment."

The Perceptual Process

1. Sensation
   – An individual's ability to detect stimuli in the immediate environment.
2. Selection
   – The process a person uses to eliminate some of the stimuli that have been sensed and to retain others for further processing.

3. Organization
   – The process of placing selected perceptual stimuli into a framework for "storage."
4. Translation
   – The stage of the perceptual process at which stimuli are interpreted and given meaning.

Selection → Organizing → Interpretation

Perceptual Process

Receiving Stimuli
(External & Internal)

Selecting Stimuli
External factors : Nature,
Location, Size, contrast,
Movement, repetition, similarity
Internal factors : Learning,
needs, age, Interest,

Organizing
Figure Background ,
Perceptual Grouping
(similarity, proximity,
closure, continuity)

Interpreting
Attribution ,Stereotyping,
Halo Effect, Projection

Response
Covert: Attitudes ,
Motivation,
Feeling
Overt: Behavior

Factors influencing perception

A number of factors operate to shape and sometimes distort perception. These factors can reside in the *perceiver*, in the object or *target* being perceived or in the context of the *situation* in which the perception is made.

Factors influencing Perception
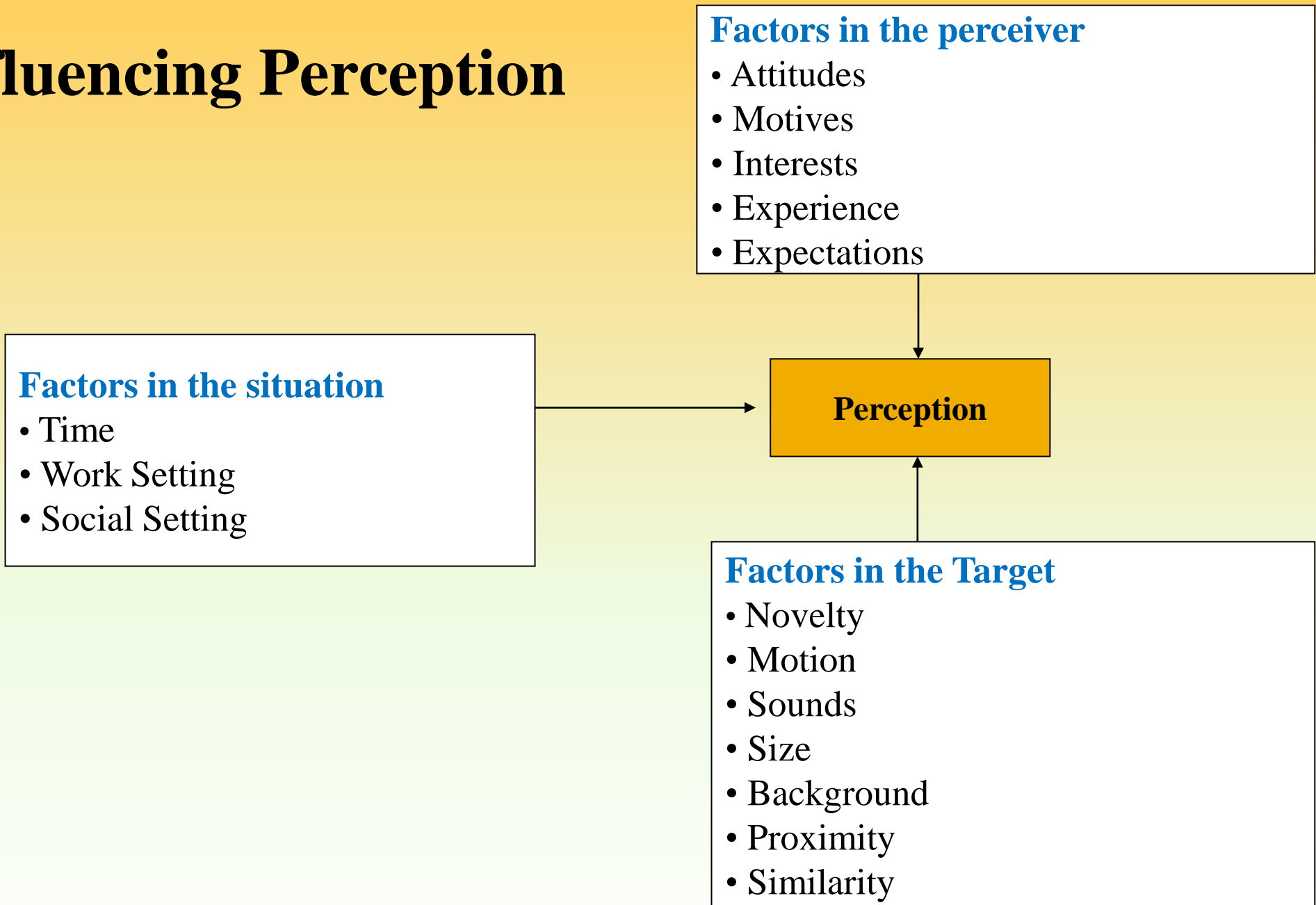
Factors in the perceiver
- Attitudes
- Motives
- Interests
- Experience
- Expectations

Factors in the situation
- Time
- Work Setting
- Social Setting

Perception

Factors in the Target
- Novelty
- Motion
- Sounds
- Size
- Background
- Proximity
- Similarity

For Internal Circulation and Academic Purpose Only

For Internal Circulation and Academic Purpose Only
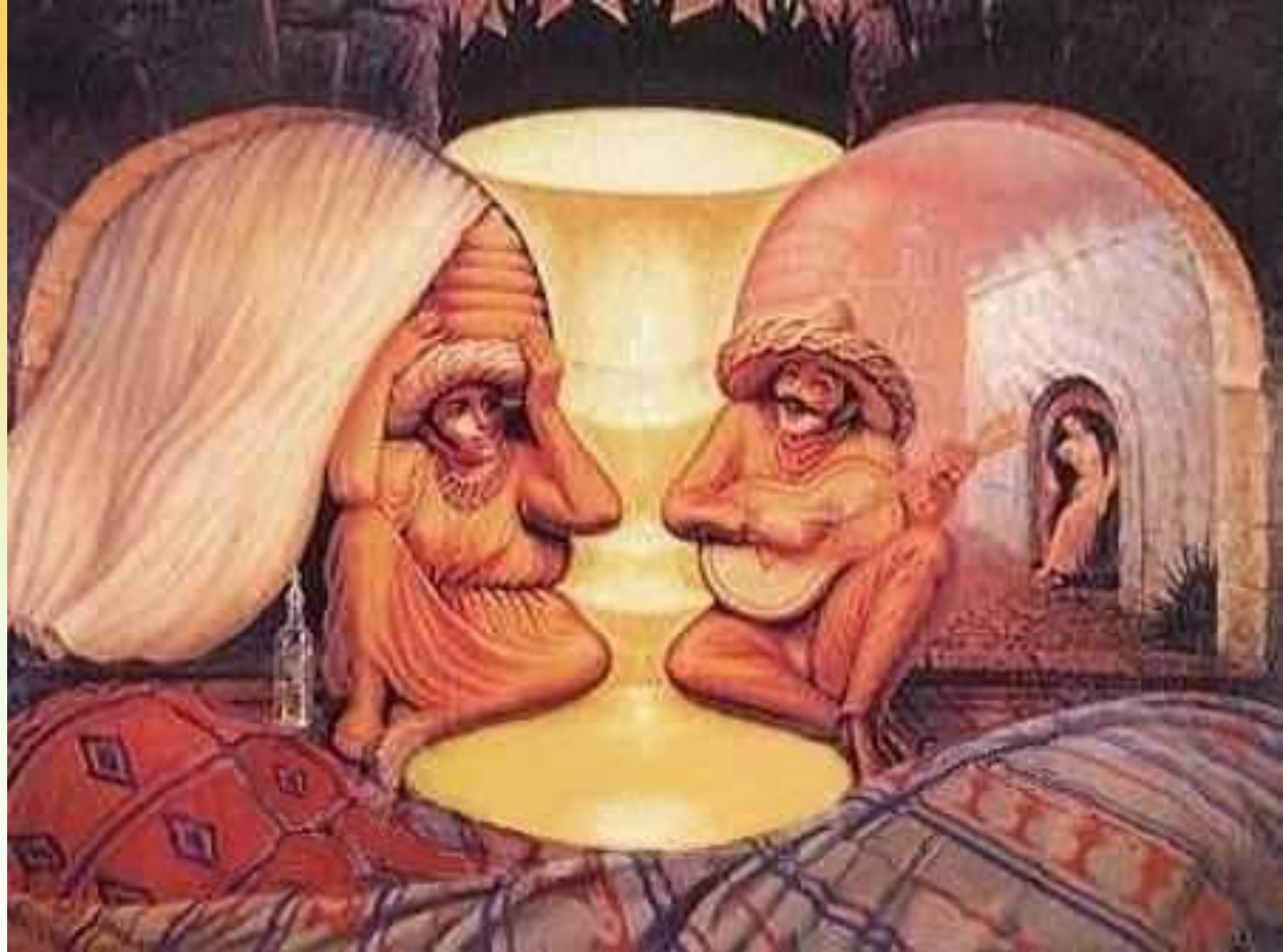
For Internal Circulation and Academic Purpose Only

Perceptual organization

- It is the process by which we group outside stimuli into recognizable and identifiable patterns and whole objects.

- Certain factors are considered to be important contributors on assembling, organizing and categorizing information in the human brain. These are

- **Ambiguous figure**

- **Figure ground**

- **Perceptual grouping**

- **Perceptual constancy**

Ambiguous

Perceptual organization becomes a difficult task when there are confusing and disorganized stimuli in the external environment.

Figure-Ground Illustration
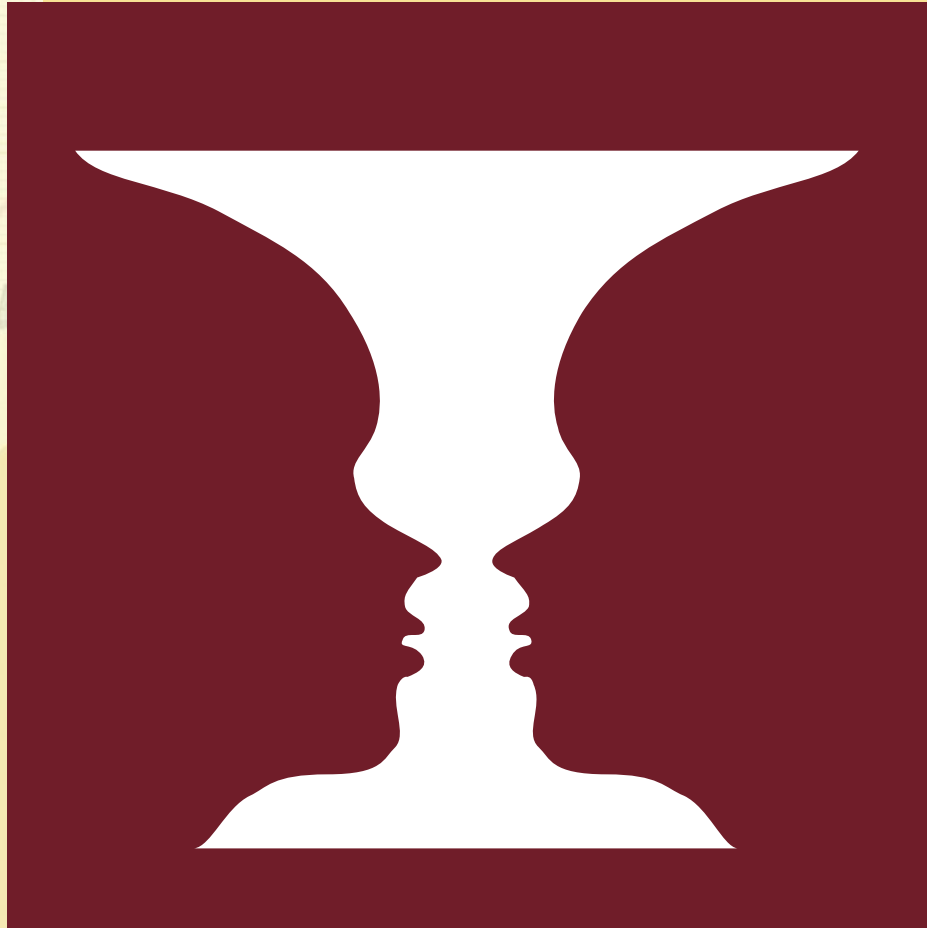
Field-ground differentiation

– The tendency to distinguish and focus on a stimulus that is classified as figure as opposed to background.
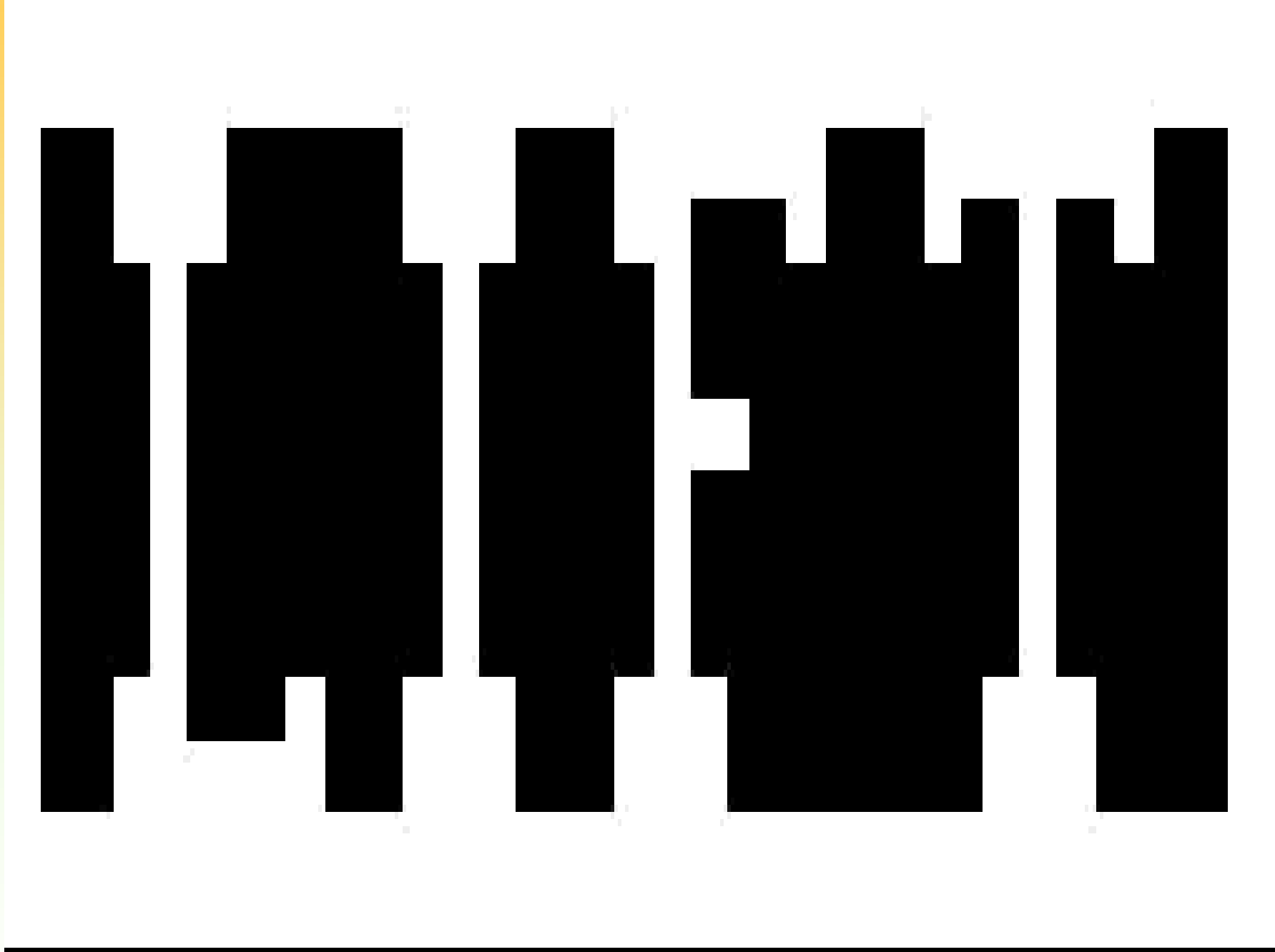
Colour Block (Identify the Colour)

RED   WHITE

YELLOW   BROWN

BLUE   GRAY

GREEN   ORANGE

PINK   BLACK

Perceptual Grouping

Our tendency to group several individual stimuli into a meaningful and recognizable pattern. It is very basic in nature and largely it seems to be inborn.

(Gestalt Psychologist)
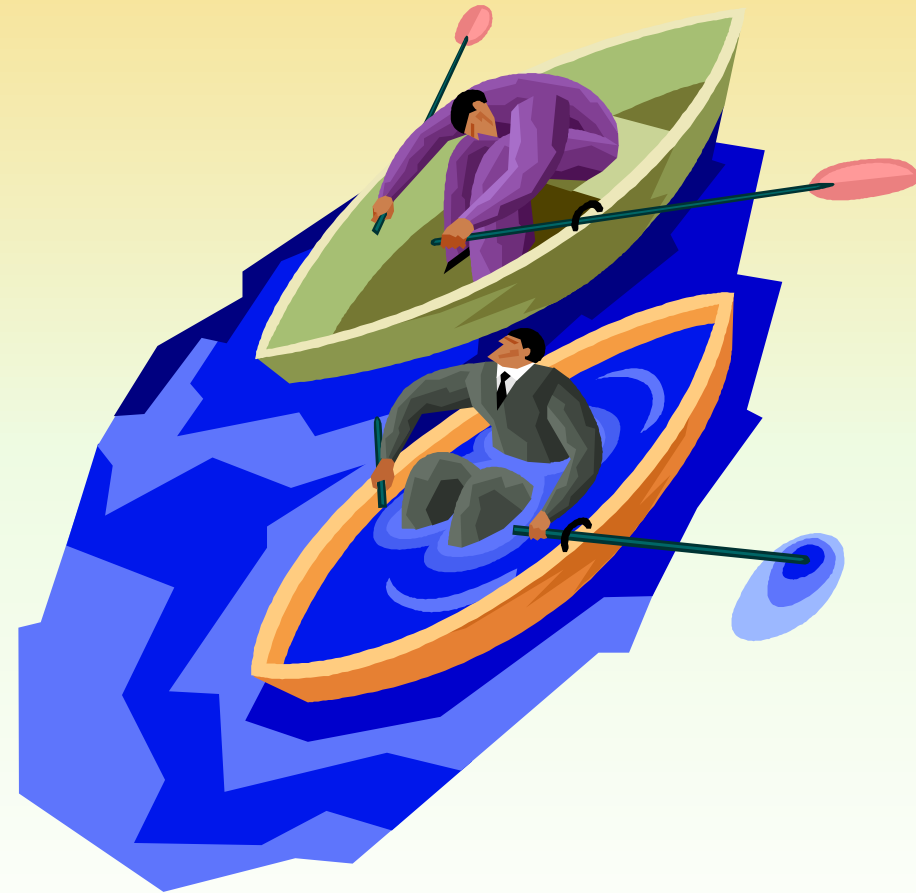
Some **factors** underlying grouping are:

▪**Principle of Similarity** is exemplified when objects of similar shape, size or color tend to be grouped together.

▪**Principle of proximity** underlines the tendency to perceive stimuli which are near one another as belonging together.

▪**Principle of continuity** is the tendency to perceive objects as continuing patter.

▪**Principle of closure** states that a person has tendency to perceive a whole when none exists.

Errors and Biases in Attributions

Fundamental Attribution Error

The tendency to underestimate the influence of external factors and overestimate the influence of internal factors when making judgments about the behavior of others.

Self-Serving Bias

The tendency for individuals to attribute their own successes to internal factors while putting the blame for failures on external factors.

Halo effect

o Drawing general impression of individual on the basis of a single characteristic i.e. if someone is good at one dimension, he/she is perceived to be good at other dimensions as well

Example:

He is very amiable
➔ *He must definitely be a good husband*
➔ *He must be soft-hearted*
➔ *He must be a true friend*
➔ *He must be a good son*

Factors leading to Halo Effect

- **Size**: Large companies are often thought to be better investment than small companies.
- **Price momentum**: A company whose stock price is rising is generally thought to be a good investment.
- **Growth**: Companies whose sales are growing rapidly are usually thought to be better investments than their slower growing peers.
- **Publicity**: Positive media coverage is a prime contributor to halo effect
- **Industry**: Companies in glamorous, fast growing industries are thought by many to be better investments than companies in stodgy industries.
- **Market**: When the market is growing up, investors tend to be more optimistic and forgiving and vice versa.

Stereotyping

o Stereotyping is tendency to assign attributes to someone solely on the basis of a category of people to which that person belongs

o The definition of a stereotype is any commonly known public belief about a certain social group or a type of individual. Stereotypes are often confused with prejudices, because, like prejudices, a stereotype is based on a prior assumption. Stereotypes are often created about people of specific cultures or races.

1. All teenagers are rebels.
2. All children don't enjoy healthy food.
3. Girls are not good at sports.
4. Guys are messy and unclean.
5. All Asians are good at math. All Asians like to eat rice and drive slow.

Stereotyping can lead to inaccuracies and negative consequences

o **Stereotyping is a four step process**

a. **Categorizing** people into groups according to various criteria such as age, sex, race, occupation, religion

b. **Inferring** that all people within a particular category possess the same traits

c. **Forming** expectations for other ; and

d. **Interpreting** their behavior according to our stereotypes

Advantages of stereotyping

➢ It enables us to respond rapidly to situation because individual may have had a similar experience before.

➢ It allows to think at the point of the stimulus instead of always having to go back to square one.

➢ It is a useful tool if individual are in a new situation and need to make quick judgments and fast decisions.

➢ It enable individual to categorize people into manageable boxes which allow them to form expectations about people and situations making life more predictable and easier to understand.

Problems with stereotyping

➢ Stereotyped traits do not accurately describe every person in that social category.

➢ We often ignore or misinterpret information that is inconsistent with the stereotype.

➢ Stereotypes are notoriously easy to confirm because they include abstract personality traits that are supported by ambiguous behavi0ours.

➢ We develop inaccurate stereotypes of groups that enhance our own social identity. – less favorable images of other groups, which involves subconsciously assigning inaccurate traits to people in those different groups.

Halo Effect

The halo effect is a psychological phenomenon that allows a general opinion of something, or someone, to be gathered from one element.

1. For example, if a chef is famous for making one particular dish, then the halo effect allows people to assume that he can cook anything with equal proficiency.

2. Some managers take a relaxed approach to reviews and assume that if an employee is proficient in some elements of the appraisal, then he is proficient in all of them. This can work the other way, as well.

3. if one of the accountants from the accounting pool becomes familiar with the accounting software, others ask for assistance in getting the software to work properly. It is then assumed that she knows a great deal about all the software titles in the company, and the halo effect in this situation could also get her labeled as a proficient in hardware repair as well.

Pigeonholing

➢ A stereotype is the label applied to **pigeonhole**.
➢ The stereotype triggers a pigeonhole , releasing whatever information is in the pigeonhole.
  ▪ A **pigeonhole** contains all the information that has been gathered about any particular item or subject.
  ▪ It also includes anything learned, that is applicable to the item or subject.
  ▪ Human mind sorts all the information that comes in and puts it in an appropriate pigeonhole.
  ▪ A category, typically an overly restrictive one, to which someone or something is assigned.
➢ 'people identified me with a homely farmer's wife and I could never escape that pigeonhole'
➢ 'I was pigeonholed as a 'youth writer''

- ➢ Human mind sorts all the information that comes in and puts it in an appropriate pigeonhole.
- ➢ When they identify something else that has the same, or what can be perceived as the same characteristics, it goes in that pigeonhole.
- ➢ A new pigeonhole is created whenever a new information that is considered important comes in.
- ➢ Eg. Specific information about trees becomes important – evergreen or deciduous, maple, oak, etc. when we see a tree, we observe limb configuration, leaf shape, etc. and the new pigeonhole '**oak tree**' is called up rather than the general pigeonhole 'tree'.

Compartmentalization

- Compartmentalization is a variation of pigeonholing. This is the process of placing certain beliefs and attitudes into different or special compartments.

- It separates different cognitions from each other.

- It is a 'divide and conquer' process for separating thoughts that will conflict with one another.

- If someone has two beliefs that conflict with one another, their mind will put them in separate compartments and will let them act out on one of them, without having to deal with a lot of internal conflict or guilt while committing that act.

Self-fulfilling prophecy

Expectations (Self-fulfilling prophecy) – Pygmalion effect

➢ People's preconceived expectations and beliefs determine their behavior, thus, serving to make their expectations come true

➢ Our perception can influence reality – It occurs when our expectations about another person to act in a way that is consistent with those expectations.

Steps in the SFP process:

      i. Expectations formed
      ii. Behavior toward the employee
      iii. Effects on the employee – better training, greater self efficacy'
      iv. Employee behavior and performance.

Perception: Implications for Managers

➢ Have a high level of self awareness

➢ Seek information from various sources to confirm or disconfirm personal impressions of a decision situation.

➢ Be empathetic- be able to see a situation as it is perceived by other people.

➢ Influence perception of other people when they are drawing incorrect or incomplete impressions of events in the work setting

➢ Avoid common perceptual distortions that bias our views of people and situations.

➢ Avoid inappropriate attributions

➢ Run Diversity Management Programmes

➢ Know yourself

Individual behavior, ability and learning

INTRODUCTION

- Human behaviour a complex phenomenon as it is most difficult to define in absolute terms. An individual's behaviour may change due to a change in the same environment or exposure to a different environment. Different people behave differently in the same or similar environment.

BIOGRAPHICAL CHARACTERISTICS

- **Age**: Age has impact on performance turnover, absenteeism, productivity, satisfaction and adaptability.

- **Gender**: Gender has impact on absenteeism and turnover.

- **Education**: it effects upon individual behavior largely through the level and type of education received.

- **Religion**: The religion and culture also determine attitudes towards financial incentives. People who are highly religious are supposed to have high moral values, eg; they are honest they do not tell lies or talk ill of others.

- **Marital status**: There are not enough studies to draw any conclusion as to whether there is any relationship between marital status and job performance.

BIOGRAPHICAL CHARACTERISTICS

- **Creativity:** Creative individuals possess three categories of attributes- Background experience, personal traits, cognitive abilities.
- **Experience**: Research indicates that there is a positive relationship between seniority and job performance.
- **Intelligence**: It is considered that intelligence is an inherited quality. Intelligence can be enhanced with efforts, hard work, proper environment and motivation. **Emotional intelligence** helps us monitor our emotions.
- **Ability**: Ability refers to the capacity or capability of an individual to perform the various tasks in a job.   **Stephen P. Robbins**

Two types ability of an individual are;
- Intellectual ability
- Physical ability

PSYCHOLOGICAL FACTORS

➢ **Personality**: Personality generally refers to personal traits such as dominance, aggressiveness, persistence and other qualities reflected through a person's behaviour.

➢ **Perception**: It is a process by which information enters our minds and is interpreted in order to give some sensible meaning to the world around as.

➢ **Attitude**: Attitude is just like perception but with a frame of reference. It is a tendency to act in a certain way, either favorably or unfavorably concerning objects, people or events.

➢ **Values**: Values determine what is right and what is wrong, where right or wrong is interpreted in terms of perceived values of the decision maker.

LEARNING

- According to **E. R. Hilgard**: Learning is a relatively permanent change in behavior that occurs as a result of prior experience.
- Learning can be defined as, "a relatively permanent change in behavior potentiality that results from reinforced practice or experience.

- **Important Components of learning:**
- Learning involves change
- Not all changes reflect learning
- Learning is reflected in behavior
- The change in behavior should occur as a result of experience
- The practice or experience must be reinforced in order for learning to occur.
- Contrary to popular belief, learning is not confined to one's schooling

Foundations of Group Behavior

Defining and Classifying Groups

- Two or more individuals, interacting and interdependent, who have come together to achieve particular objectives.

- <u>Formal groups</u> -- those defined by the organization's structure, with designated work assignments establishing tasks.

- <u>Informal group</u> – A group that is neither formally structured nor organizationally determined. Natural formations in the work environment that appear in response to the need for social contact.

-

Groups

- Command group – a group composed of the individuals who report directly to a given manager.
- Task groups -- also organizationally determined, representing those working together to complete a job task.
- Interest group -- people not necessarily aligned into common command or task groups who affiliate to attain a specific objective.
- Friendship group – those brought together because they share one or more common characteristics

Stages of Group Development

Model 1: The Five Stage Model

- Forming - Stage 1 - Uncertainty - "test the waters"
- Storming - Stage 2 - Intragroup conflict - constraints, who will lead and control?
- Norming - Stage 3 - Cohesiveness begins and relationships form
- Performing - Stage 4 - The group is fully functional
- Adjourning - Stage 5 - For non-permanent teams, it's time to wrap it up

Why are some groups more effective than others?

- External conditions imposed on group

- Group member resources

- Group structure

- Group processes

- Group tasks

- Outcome: Performance and satisfaction

External Conditions Imposed on the Group

- Groups are a subset of a larger organization consisting of the following:
- Organization Strategy
- Authority Structures
- Formal Regulations
- Organizational Resources
- Human Resource Selection Process
- Performance Evaluation and Reward System
- Organizational Culture
- Physical Work Setting

Types of Teams

- Teams can be classified according to their objective. The four most common forms of teams you are likely to find in an organization are problem-solving teams, self-managed teams, cross-functional teams, and virtual teams.

Four Types of Teams

- Problem-solving teams - usually 5-12 members from same department meeting to improve quality, efficiency and work environment

- Self-managed work teams - usually 10-15 members who take on responsibilities usually associated with management

- Cross-functional teams - members come together from different work areas or departments to accomplish a task

- Virtual teams – use on-line technology to tie together members in different geographic areas. They are made up of physically dispersed employees who use computer technology to achieve a common goal.

Multidisciplinary teams

A group composed of members with varied but complimentary experience, qualifications, and skills that contribute to the achievement of the organization's specific objectives.

Creating Effective Teams

- The value of teams can be powerful! Consider these four general categories…
- Work design (autonomy, skill variety, task identity, task significance)
- Composition (abilities, personality, roles & diversity, size, flexibility, preference for teamwork)
- Context (adequate resources, leadership, climate of trust, performance evals and rewards)
- Process (common purpose, specific goals, team efficacy, conflict, social loafing)

Factors which influence effective multidisciplinary team working

➢ Management structures

➢ Alignment of employment contracts of team members with broader employment policy

➢ Balancing generic vs specific professional roles

➢ The client group of the team

➢ Conflict resolution

➢ Training and preparation for working in multidisciplinary teams

➢ Information sharing and communication

➢ Insufficient nurturing of teams

Dysfunctional teams

- **There are five kinds of toxic teams. (Davey)**
1. The Crisis Junkie Team
2. The Bobble (Tassel)Head Team
3. The Spectator Team
4. The Bleeding Back Team
5. The Royal Rumble Team

How to handle dysfunctional team?
1. Start with a Positive Assumption
2. Add Your Full Value
3. Amplify Other Voices
4. Know When to Say "No"
5. Embrace Productive Conflict
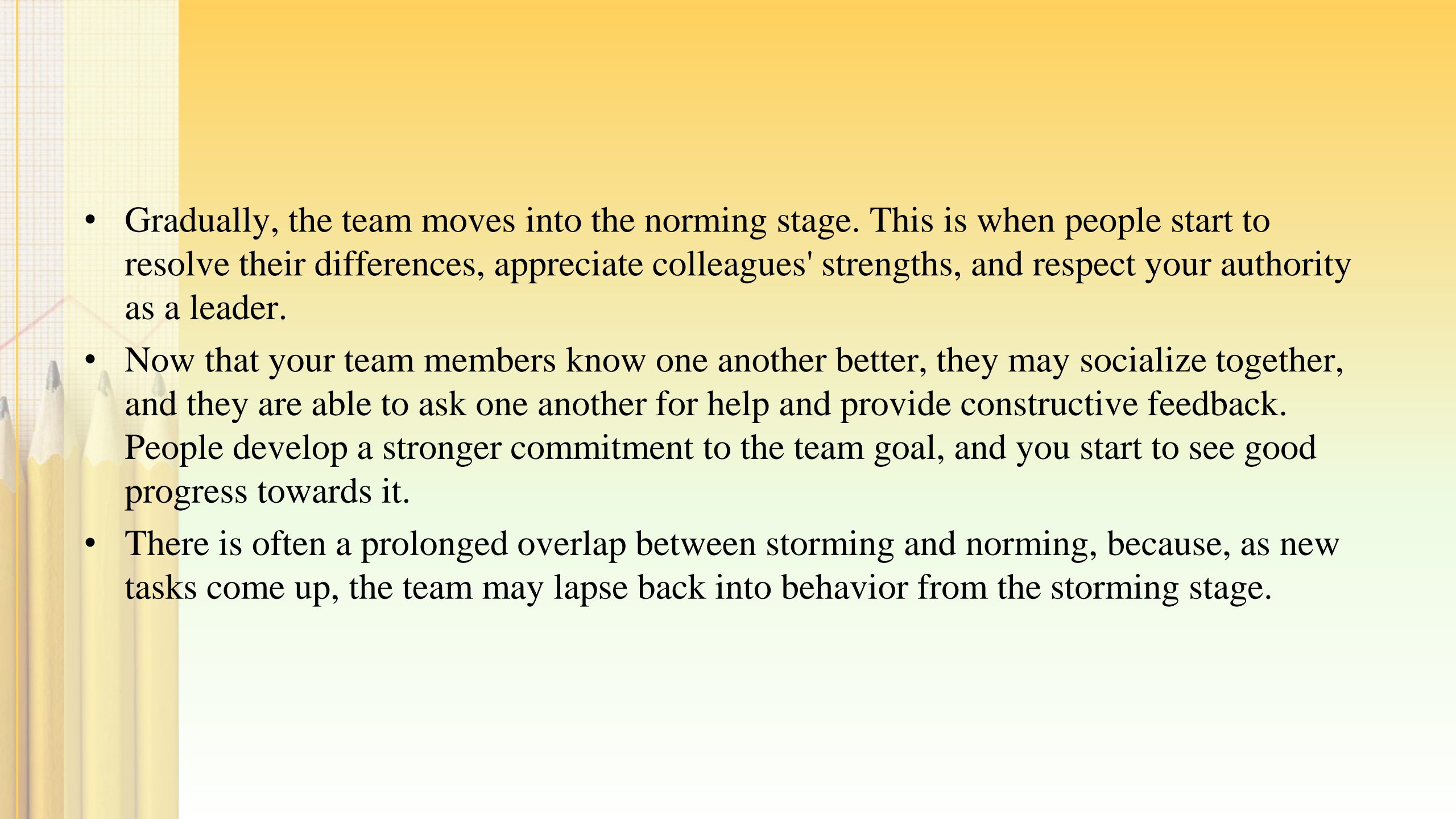
5 Stages of Team Development

- **Forming**

- In this stage, most team members are positive and polite. Some are anxious, as they haven't fully understood what work the team will do. Others are simply excited about the task ahead.

- As leader, you play a dominant role at this stage, because team members' roles and responsibilities aren't clear.

- This stage can last for some time, as people start to work together, and as they make an effort to get to know their new colleagues.

- **Storming**
- Next, the team moves into the storming phase, where people start to push against the boundaries established in the forming stage. This is the stage where many teams fail.
- Storming often starts where there is a conflict between team members' natural working styles. People may work in different ways for all sorts of reasons but, if differing working styles cause unforeseen problems, they may become frustrated.

- Gradually, the team moves into the norming stage. This is when people start to resolve their differences, appreciate colleagues' strengths, and respect your authority as a leader.

- Now that your team members know one another better, they may socialize together, and they are able to ask one another for help and provide constructive feedback. People develop a stronger commitment to the team goal, and you start to see good progress towards it.

- There is often a prolonged overlap between storming and norming, because, as new tasks come up, the team may lapse back into behavior from the storming stage.

- **Performing**
- The team reaches the performing stage, when hard work leads, without friction, to the achievement of the team's goal. The structures and processes that you have set up support this well.
- As leader, you can delegate much of your work, and you can concentrate on developing team members.
- It feels easy to be part of the team at this stage, and people who join or leave won't disrupt performance.

- **Adjourning**
- Many teams will reach this stage eventually. For example, project teams exist for only a fixed period, and even permanent teams may be disbanded through organizational restructuring.
- Team members who like routine, or who have developed close working relationships with colleagues, may find this stage difficult, particularly if their future now looks uncertain.

Eight Characteristics of High Performing Teams

- A clear, elevating goal;
- A results-driven structure;
- Competent team members;
- Unified commitment;
- Collaborative climate;
- Standards of excellence;
- External support & recognition;
- Principled leadership

Difference between Groups and Teams

Basis for Comparison	Group	Team
Meaning	A collection of individuals who work together in completing a task.	A group of persons having collective identity joined together, to accomplish a goal.
Leadership	Only one leader	More than one
Members	Independent	Interdependent
Process	Discuss, Decide and Delegate.	Discuss, Decide and Do.
Work Products	Individual	Collective
Focus on	Accomplishing individual goals.	Accomplishing team goals.
Accountability	Individually	Either individually or mutually

https://keydifferences.com/difference-between-group-and-team.html

Leadership

What is leadership?

What comes to your mind when you see this word?

Introduction (Cont.)

- **Leadership**
  - – Social influence process of involving two or more people
    - Leader
    - Follower
    - Potential follower

Definitions

- "**Leadership** is the inspiration and mobilization of others to undertake collective action in pursuit of the common good."

- Crosby & Bryson, 2005

- "**Leaders'** influence will turn on their own qualities character, expertise, prestige, intelligence, charm and credibility, but these will have little impact unless they engage the relevant needs and motivations of the persons being influenced.

- James McGregor Burns, 1978

Introduction (Cont.)

- **Leadership (cont.)**
  - **Two dimensions**
    - Leader intends to affect behavior of another person
    - Target of influence effort perceives intent as acceptable
      - Target must attribute behavior to a specific person
      - Consider the behavior acceptable

Introduction (Cont.)

- **Find leaders in different places in organizations**
  - Formal organization position
  - Personal qualities add or detract from leadership
  - Emergent leaders within formal and informal groups in an organization
  - Leaders at any organization level

Management and Leadership

- Managers sustain and control organizations
- Leaders try to change them
- Leaders have vision and inspire others to follow it
- Managers follow an organization's present vision
- Management and leadership requirements

  - Differs in different organizational positions
  - Differs at different times in an organization's history

Not the Same Thing!

Leadership

- Influencing and changing behavior.
- Inspiring a vision
- Manage people
- Understanding power & influence
- Putting people first!
- Acting decisively

Management

- Stewardship and accountability
- Executing plans
- Managing resources
- Planning, controlling
- Putting customers first
- Acting responsibly

Table 16–2 *Characteristics of Being a Leader and a Manager*

BEING A LEADER MEANS	BEING A MANAGER MEANS
Motivating, influencing, and changing behavior.	Practicing stewardship, directing and being held accountable for resources.
Inspiring, setting the tone, and articulating a vision.	Executing plans, implementing, and delivering the goods and services.
Managing people.	Managing resources.
Being charismatic.	Being conscientious.
Being visionary.	Planning, organizing, directing, and controlling.
Understanding and using power and influence.	Understanding and using authority and responsibility.
Acting decisively.	Acting responsibly.
Putting people first; the leader knows, responds to, and acts for his or her followers.	Putting customers first; the manager knows, responds to, and acts for his or her customers.
Leaders can make mistakes when 1. They choose the wrong goal, direction or inspiration, due to incompetence or bad intentions; or 2. They overlead; or 3. They are unable to deliver on, implement the vision due to incompetence or a lack of follow through commitment.	Managers can make mistakes when 1. They fail to grasp the importance of people as the key resource; or 2. They underlead; they treat people like other resources, numbers; or 3. They are eager to direct and to control but are unwilling to accept accountability.

Leadership Style

Importance of Leadership

- **Initiates action-** Leader is a person who starts the work by communicating the policies and plans to the subordinates from where the work actually starts.

- **Motivation-** A leader proves to be playing an incentive role in the concern's working. He motivates the employees with economic and non-economic rewards and thereby gets the work from the subordinates.

- **Providing guidance-** A leader has to not only supervise but also play a guiding role for the subordinates. Guidance here means instructing the subordinates the way they have to perform their work effectively and efficiently.

- **Creating confidence-** explaining and clarifying employee's role and giving them guidelines to achieve the goals effectively. It is also important to hear the employees with regards to their complaints and problems.

- **Building morale-** Morale denotes willing co-operation of the employees towards their work and getting them into confidence and winning their trust. A leader can be a morale booster by achieving full co-operation so that they perform with best of their abilities as they work to achieve goals.

- **Builds work environment-** An efficient work environment helps in sound and stable growth. Therefore, human relations should be kept into mind by a leader.

- **Co-ordination-** Co-ordination can be achieved through reconciling personal interests with organizational goals.
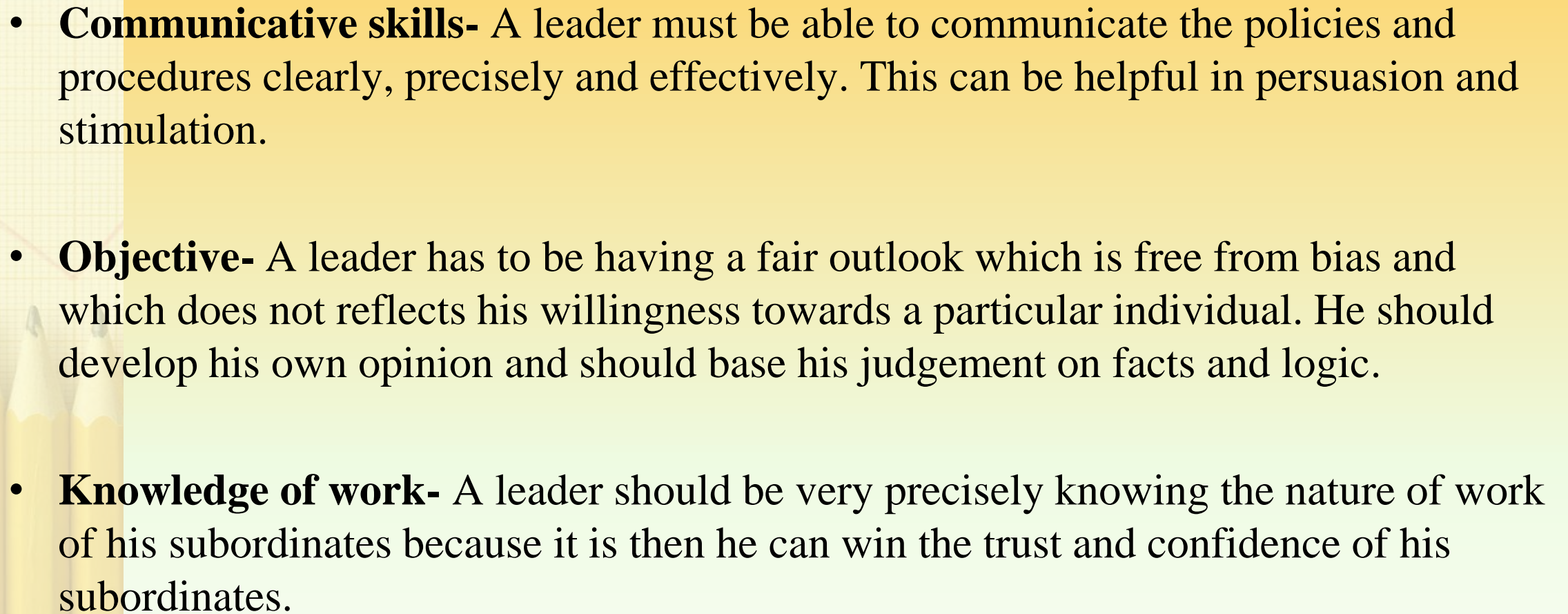
Qualities of a Leader

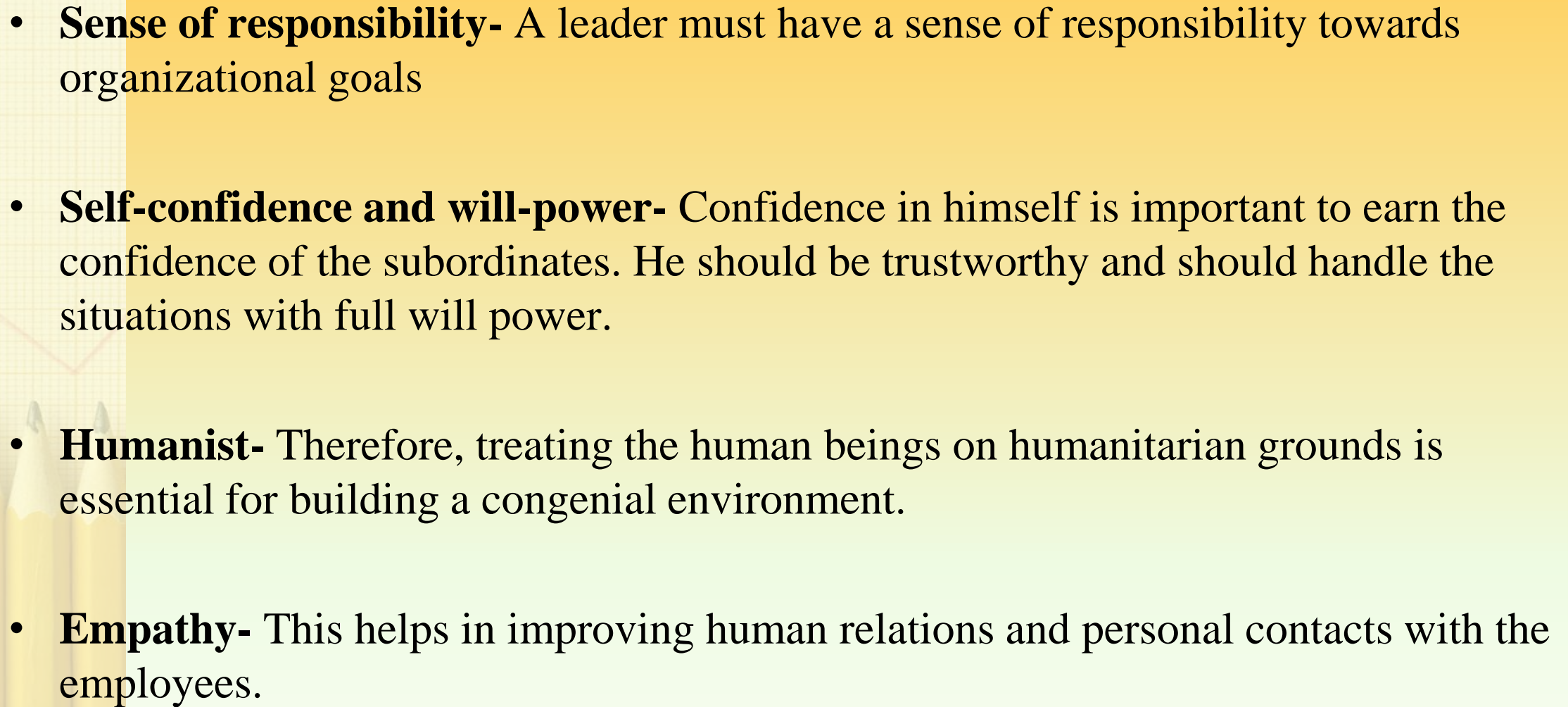GREAT LEADERS START OFF AS GREAT FOLLOWERS

Qualities of a Leader

- **Physical appearance-** A leader must have a pleasing appearance. Physique and health are very important for a good leader.

- **Vision and foresight-** A leader cannot maintain influence unless he exhibits that he is forward looking. He has to visualize situations and thereby has to frame logical programmes.

- **Intelligence-** A leader should be intelligent enough to examine problems and difficult situations.

- **Communicative skills-** A leader must be able to communicate the policies and procedures clearly, precisely and effectively. This can be helpful in persuasion and stimulation.

- **Objective-** A leader has to be having a fair outlook which is free from bias and which does not reflects his willingness towards a particular individual. He should develop his own opinion and should base his judgement on facts and logic.

- **Knowledge of work-** A leader should be very precisely knowing the nature of work of his subordinates because it is then he can win the trust and confidence of his subordinates.

- **Sense of responsibility-** A leader must have a sense of responsibility towards organizational goals

- **Self-confidence and will-power-** Confidence in himself is important to earn the confidence of the subordinates. He should be trustworthy and should handle the situations with full will power.

- **Humanist-** Therefore, treating the human beings on humanitarian grounds is essential for building a congenial environment.

- **Empathy-** This helps in improving human relations and personal contacts with the employees.

Big Five Personality

Leadership Styles

Leadership Styles

- Autocratic Leadership,
- Democratic or Participative Leadership,
- Free-Rein or Laisse-Faire Leadership,
- Paternalistic Leadership.

Autocratic Leadership,

- Focus of power is with the manager
- Communication is top-down & one-way
- Formal systems of command & control
- Use of rewards & penalties
- Very little delegation

- **Advantages of autocratic leadership**
- It is the speed with which decision can be made; the leader does not have to obtain group members' approval before deciding.

- **Disadvantage of autocratic leadership**
- Autocratic leadership does have a negative impact upon group -morale.
- Members may resent the way in which decisions are made and thus support them in only a minimal fashion.

Democratic(Participatory style)

- Also known as Participatory.
- Encourage staff to be a part of the decision making.
- Staff informed about everything that affects their work.
- May help motivation and involvement
- Workers feel ownership of the firm and its ideas
- Improves the sharing of ideas and experiences
- within the business Can delay decision making

Paternalistic

- Leader acts as a 'father figure'
- Paternalistic leader makes decision but may consult
- Believes in the need to support staff
- Still little delegation
- A softer form of authoritarian leadership
- This mode of leadership produces good and quick results if the followers are highly educated and brilliant, and have a sincere desire to go ahead and perform with responsibility.

Democratic

- Focus of power is more with the group as a whole
- Leadership functions are shared within the group
- Employees have greater involvement in decision-making
- Emphasis on delegation and consultation
- A trade-off between speed of decision making and better motivation and morale?

- **Advantages of democratic leadership**
- It often **enhances the morale of the employees**.
- It increases acceptance of management's ideas.
- It increases cooperation between management and employees.
- It leads to a reduction in the number of complaints and grievances.

- **Disadvantage of democratic leadership**
- It accounts for slow decisions, diluted accountability for decisions.
- There may be possible compromises that are designed to please everyone but does not give the best solution.

Free-Rein Leadership

- The leadership style which allows maximum freedom to followers may be called free rein leadership. It gives employees a high degree of independence in their operations.

Laissez –Faire or free rein style

- A free rein leader does not lead, but leaves the group entirely to itself such a leader allows maximum freedom to subordinates, i.e. they are given a free hand in deciding their own policies and
- methods.
- Can be very useful in businesses where creative ideas are important

Laissez –Faire or free rein style

- Can be highly motivational, as people have control over their working life
- Can make coordination and decision making time-consuming and lacking in overall direction
- Relies on good team work.
- Relies on good interpersonal relations.

- **Advantages of free rein leadership**
- Opportunity for individual development is offered to group members.
- All persons are given a chance to express themselves and to function relatively independently.

- **Disadvantages of free rein leadership**
- It may result in the lack of group cohesion and unity toward organization objectives.
- Without a leader, the group may have little direction and a lack of control.
- The result can be inefficiency or even worse, chaos.

Reference

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