Welcome

to the Organisational Behaviour **Forum**



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Organizational Behaviour

Overview of Organizational Behavior

Theoretical Framework

- Defining Organizational Behavior
- Historical Background for Modern Organizational Behavior
- Challenges Faced by Management
- Organizational Behavior Model

- Organizational Behavior is an academic discipline concerned with predicting, understanding, describing, and controlling human behavior in an organizational environment.
- OB has evolved from early classical management theories into a complex school of thought—and it continues to change in response to the dynamic environment and proliferating corporate cultures in which today's businesses operate.
- The task of getting organizations to function effectively is a difficult one.

 Understanding one individual's behavior is a challenging problem in and of itself. A group, made up of different individuals and multiple relationships among those individuals, is even more complex... In the fact of this overwhelming complexity, Organizational Behavior must be managed.

- Ultimately the work of organizations gets done through the behavior of people, individually or collectively, on their own or in collaboration with technology. Thus, central to the management task is the management of Organizational Behavior.
- To do this, there must be the capacity to *understand* the patterns of behavior at **individual**, **group**, and **organization** levels, to *predict* what behavior responses will be elicited by different managerial actions, and finally to use understanding and prediction to achieve *control*."

Organizational Behavior is a field of study that investigates
the impact that individuals, groups, and structure have on
behavior within the organizations and its effective use for the
purpose of such knowledge towards improving its
performance. Similar to the evolution of man and its
environment there has been a substantial change in the
approach for better productivity within an organization through
the brainstorming efforts applied by a good manager.
Understanding organizational behavior within a corporation
and particularly the factors influencing the organizational
behavior of a single entity has become the key to the success
of any manager. There is no one single approach to
organizational behavior which is best for all organizations;

- Organization is a social arrangement which pursues collective goals, which controls its own performance, and which has a boundary separating it from its environment.
- Behavior refers to the actions or reactions of an object or organism, usually in relation to the environment.

Frederick Winslow Taylor (1856-1915)

- Taylor was the first person who attempted to study human behavior at work using a systematic approach.
- Taylor studied human characteristics, social environment, task, physical environment, capacity, speed, durability, cost and their interaction with each other.
- Overall objective was to reduce and/or remove human variability.



Frederick Winslow Taylor

- Taylor worked to achieve his goal of making work behaviors stable and predictable so that maximum output could be achieved.
- Relied strongly upon monetary incentive systems, believing that humans are primarily motivated by money.
- Faced some strong criticism, including being accused of telling managers to treat workers as machines without minds, but his work was very productive and laid many foundation principles for modern management study.

Elton Mayo

Elton Mayo, an Australian national, headed the Hawthorne Studies at Harvard. In his classic writing in 1931, Human Problems of an Industrial Civilization, he advised managers to deal with **emotional needs** of employees at work.

Mary Parker Follett:

Mary Parker Follett was a pioneer management consultant in the industrial world. As a writer, she provided analyses on workers as having complex combinations of attitude, beliefs, and needs. She told managers to motivate employees on their job performance, a "pull" rather than a "push" strategy.

Douglas McGregor

- Douglas McGregor proposed two theories/assumptions, which are very nearly the opposite of each other, about human nature based on his experience as a management consultant.
 - Theory X
 - Theory Y

Douglas McGregor

 First theory was "Theory X", which is pessimistic and negative; and according to McGregor it is how managers traditionally perceive their workers.

Douglas McGregor

- Then, in order to help managers replace that theory/assumption, he gave "Theory Y" which takes a more modern and positive approach. He believed that managers could achieve more if managers start perceiving their employees as self-energized, committed, responsible and creative beings. By means of his Theory Y, he in fact challenged the traditional theorists to adopt a developmental approach to their employees.
- Also wrote a book The Human Side of Enterprise in 1960; this book has become a foundation for the modern view of employees at work.

Theory Z

• Theory Z is the name applied to the so-called "Japanese Management" style popularized during the Asian economic boom of the 1980s. In contrast Theory X, which stated that workers inherently dislike and avoid work and must be driven to it, and Theory Y, which stated that work is natural and can be a source of satisfaction when aimed at higher order human psychological needs, Theory Z focused on increasing employee loyalty to the company by providing a job for life with a strong focus on the well-being of the employee, both on and off the job.

Current state of the Organizational Behavior

 Organizational behaviour is becoming more important in the global economy as people with diverse backgrounds and cultural values have to work together effectively and efficiently.

Current state of the Organizational Behavior

During last 20 years organizational behavior study and practice has developed and expanded through creating integrations with other domains:

 Anthropology became an interesting prism to understanding firms as communities, by introducing concepts like Organizational culture, 'organizational rituals' and 'symbolic acts' enabling new ways to understand organizations as communities.

Current state of the Organizational Behavior

- Leadership Understanding the crucial role of leadership at various level of an organization in the process of change management.
- Ethics and their importance as pillars of any vision and one of the most important driving forces in an organization

Challenges Faced by Management

- 1. Changing Social/ Cultural Environment
- 2. Evolving Global Environment
- 3. Advancing Information Technology
- 4. Shifting Work/ Employment Relationships

Changing Social/ Cultural Environment

- National culture
- Organizational ethics and well-being
 - Social responsibility
- Diverse work force

Diversity Challenges

- Fairness and Justice
- Decision-Making and Performance
- Flexibility

Evolving Global Environment

- Understanding Global Differences
- Global learning

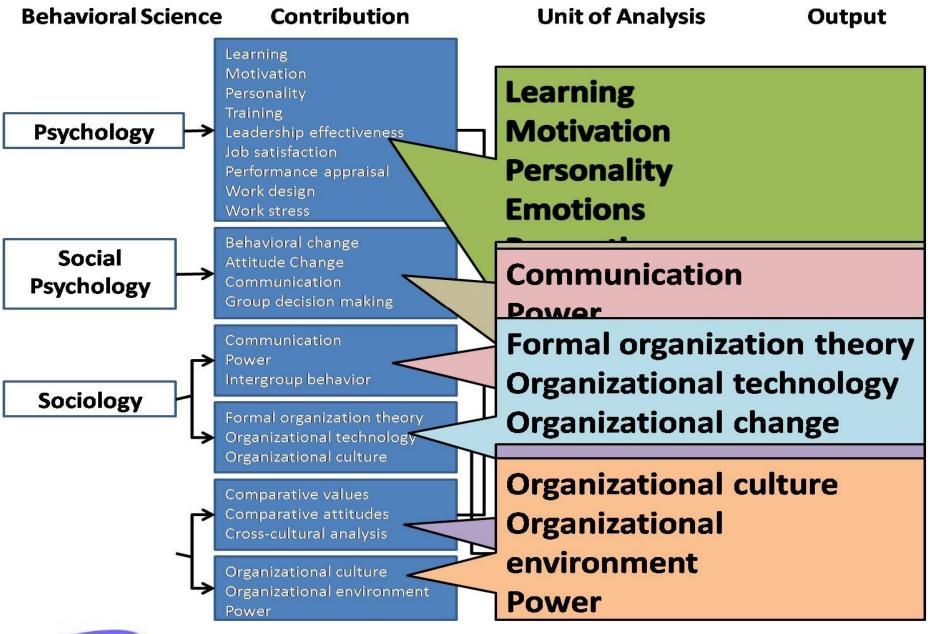
Advancing Information Technology

- Information
- Knowledge
- Information Technology
- Organizational Learning
- Intranets
- Creativity
- Innovation

Shifting Work/Employment Relationships

- Downsizing
- Empowerment and Self-Managed Teams
- Contingent Workers
- Outsourcing

Organizational Behavior Model



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