

M. Com. : Part II : Semester - III

New
Syllabus

ORGANIZATIONAL BEHAVIOUR

Dr. LEENA SUNIL MODI (GANDHI)



SPPU New Syllabus

A Book Of
ORGANIZATIONAL
BEHAVIOUR

For M.Com. : Semester – III

[Course Code : 314, Total Credits - 04]

Special Elective Subject : Business Administration (Group F)

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Dr. Leena Sunil Modi (Gandhi)

M.Com., B.Ed., SET, M.Phil, Ph.D

Assistant Professor,

Manghanmal Udham College of Commerce, Pimpri, Pune

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Preface ...

It gives me an immense pleasure to present this book on '**Organizational Behaviour**', which covers several aspects related to Organizational Design, Organizational Culture, Job Satisfaction, Personality, Attitude, Emotional Intelligence, Stress and Conflict, Work-Life Balance, and so on.

Introduced since five decades, organizational Behaviour as a subject, has acquired a place of importance and popularity among all humanity subjects.

People are an integral part of any organization. The success of an organization depends upon how effectively an organization is attracting, developing, training, retaining and motivating its employees in an ethical manner. More significantly, human factor should cope with the volatile environmental changes.

The book also talks about the how human resources create a culture and is instrumental in stimulating organizational growth.

Care has been taken to keep the language simple and adhere to the syllabus prescribed. All the topics have been arranged to maintain a logical flow and have been duly numbered.

I am extremely grateful to **Mr. Dineshbhai Furia** and **Mr. Jignesh Furia** for extending this opportunity to me.

I would like to thank **Mr. Amol Mahabal** for compiling the myriad sections in this book and thereby, presenting this book in a systematic way.

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Finally, I express a deep gratitude to Manghanmal Udharam College of Commerce, Pimpri, for providing an enabling and supportive environment for learning and teaching. Suggestions for improvement of this book are always welcome.

Author



SYLLABUS

(New Syllabus w.e.f. June 2020)

M.Com. (Semester - III)

ORGANIZATIONAL BEHAVIOUR

Course Code : 314, Total Credits : 04

Special Elective Subject : Business Administration (Group F)

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- 1.2 Conceptual Study of Organizational Behaviour.
- 1.3 Role of Information Technology in Organization.
- 1.4 Impact of Globalization on Organizational Behaviour.
- 1.5 Five Model of Organizational Behaviour.

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- 3.2 Vroom's Expectancy Theory of Motivation.
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Chapter 1...

Introduction to Organizational Behaviour

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1.1 Definition and Objectives of Organizational Behaviour

1.1.1 Introduction

Organizational behaviour is a multidisciplinary field that seeks knowledge of behaviour in organizational settings by systematically studying individual group and organizational processes.

Organizational behaviour helps firms to achieve effectiveness in their activities. Organizational behaviour helps in effectively utilizing human resources. Individuals in an organization possess physical strength, skills of some kind, executive skills, and organizing abilities.

Organizational behaviour helps to bind all these qualities and use them to achieve organizational goals.

1.1.2 Meaning and Definitions

- Organizational Behaviour (OB) is the study of human behaviour in organizational settings, the interface between human behaviour and the organization, and the organization itself.
- Organization Behaviour is the study of individual behaviour in isolation, when in a group, and as a part of an organization. In simple words, we can say Organization Behaviour is a systematic study of an individual's actions and attitudes within organizations.

Definitions

1. In words of **K Aswathappa**, "Organizational behaviour is the study of human behaviour in an organizational setting, of the interface between human behaviour and organization and of the organization itself."
2. According to **L. M. Prasad**, "Organizational behaviour can be defined as the study and application of knowledge about human behaviour related to other elements of an organization such as structure, technology, and social systems."
3. According to **Davis and Newstrom**, "Organizational behaviour is the study and application of knowledge about how people act within organizations."
4. According to **Stephen P. Robbin**, "Organizational behaviour is the study and application at knowledge about the how people - as individuals and a group - act within organization. It strives to identify ways in which people can act more effectively."

From the above definitions, we can say that,

1. Organizational behaviour is the study of human behaviour.
 2. The study is about behaviour in organizations.
 3. Organizational effectiveness can be improved by the knowledge of human behaviour.
- Organizational behaviour is a field of study that investigates the impact that individual group, and structure have on behaviour within organizations, to apply such knowledge toward improving an organization's effectiveness.
 - Organizational behaviour comprises individual behaviour, group behaviour, and of the organization itself.

1.1.3 Objectives of Organizational Behaviour

- Following are the objectives of organizational behaviour:

1. Understanding the Employees Better:

- Organizational behaviour studies help us to understand why employees behave the way they do, and also thereby predict how they are going to behave in the future.

2. Increasing Job Satisfaction:

- Organizational behaviour through light on the factors that increase job satisfaction. Taking steps in this regard like organizational rewards, promotion, sense of belongings, fair policies and practices, etc., job satisfaction of the employees can be increased. Job satisfaction leads to an increase in the efficiency and productivity of employees.

3. Establishing a Desirable Workplace Culture:

- Organizational behaviour studies demonstrate how you can use effective leadership and management styles, hiring strategies, compensation packages, company policies and a suitable work environment to shape the culture in a positive way. This positive culture helps to keep workers satisfied, keep workers performance at highest level and engaged and attract the best employees.

4. Finding the Right People:

- Organizational behaviour can help to find the people of right skills and talents for a particular job. It also helps to find the right working styles required for the achievement of a task in hand. This will help to know who will lead the team, who will be team members, or even the ideal profile for new hires.

5. Understanding How to Develop Good Leaders:

- Organizational behaviour patterns help in predicting who among the employees have the potential to become leaders. They also teach how to mould these employees so that their leadership potential is utilized to its fullest.

6. Developing a Good Team:

- All members of the team must work in co-ordination and are motivated to work together to achieve the best results. The teamwork theories of organizational behaviour are an essential tool in the hands of any manager.

7. Leadership and Conflict Resolution:

- Organizational behaviour can assist in fostering leadership, pro-activity, and creative problem-solving. When creativity is allowed, the divergence of opinions is unavoidable, but organizational behaviour can provide the leadership and the arbitrage dynamics required for turning conflicts into constructive idea exchanges.

8. Promoting Higher Productivity:

- Organizational behaviour helps to understand the behaviour of the individuals in the organization. Thus, organizational behaviour helps to motivate the employees, which increases the efficiency and productivity of the employees.

1.2 Conceptual Study of Organizational Behaviour

1.2.1 Elements/Forces of Organizational Behaviour

- The key elements in organizational behaviour are people, structure, technology, and the environment in which the organization operates.

1. People:

- People make up the internal and social systems of the organization. They consist of individuals and groups. Teamwork or groups play a vital role in the organization. An individual may have to keep his interest aside if it conflicts with the team or group goals in achieving organizational goals.

2. Structure:

- Structure defines the formal relationships of the people in organizations. The informal organization doesn't have any structure but the formal organization has a specified structure.
- Different people in the organization performing a different type of jobs are related in some structural way to achieve the organizational goal. In such organizations, people at lower levels report to the higher-level managers.

3. Technology:

- Technology such as machines and work processes provide the resources with which people work and affect the tasks that they perform. Selection, procurement, installation, operation, and maintenance is important and no compromise should be made in procuring the latest or advanced technology. Advanced technology allows people to do more and better work.

4. Environment:

- All organizations operate within an internal and external environment. The organization needs to study the factors of external environment like competitors, Government, technology, market situation, and so on. It should also evaluate the strength and weaknesses of the organization. Thus, by studying internal to the external environment the organization should take decisions to achieve organizational goals.

1.2.2 Features of Organizational Behaviour

1. Organizational Behaviour is Multidisciplinary:

- The study of organizational behaviour considers the orientation of psychology to understand the human mind. It also considers sociology to understand the role of an individual in an organization, as a member of the organization group.
- The organizational behaviour considers the diversity of ideas, culture, food, language, ideas, and values.

2. Organizational Behaviour Recognizes the Dynamic Nature of Organizations:

- Organization scientists recognize that organizations are not static, but dynamic and ever-changing. They recognize that organizations are open systems, i.e. self-sustaining systems that are constantly in the process of processing input into an output. It is the process of continuously strengthening resources and enhancing employee performances.
- It can also be described as how an organization manages and promotes organizational learning, better business practices, and strategic management. Organization have to adjust according to the changes in the forces of external environment.

3. Organizational Behaviour Attempts to Improve Organizational Effectiveness and the Quality of Life at Work:

- Long ago, organizational effectiveness was defined as the extent to which an organization achieved its stated goals. But today organizations are considered effective when they have a good fit with their external environment, when their internal sub-systems are efficient and effective (i.e. high-performance work practices), and when they satisfy the needs of key stakeholders.
- Today the officials, in the organizations are very optimistic towards employees and believe that if they are given the right opportunities and are adequately trained, the employees love to work and enjoy the challenges that work provide.

4. Organizational Behaviour Assumes that there is No One Best Approach:

- Organizational behaviour assumes that there is no one best approach for leadership style, for motivating employees, for taking decisions. This means that organizational behaviour uses a contingency approach - an orientation that recognizes behaviour in work settings is the complex result of many interacting factors.

1.2.3 Scope of Organizational Behaviour

- Organizational behaviour is an interdisciplinary field that includes sociology, psychology, communication, and management; and it complements the academic studies of organizational theory (which is focused on organizational and intra-organizational topics) and human resource studies.
- The scope of organizational behaviour and their study is growing rapidly due to changing cultural, ethical, and business environment of the organization. Following is the scope of organizational behaviour:

1. Elements of organizational behaviour.
2. Design and development of an effective organization.
3. Job design.
4. Impact of personality on performance.
5. Impact of culture on organizational behaviour.
6. The motivation of employees.
7. Leadership.
8. Management of change, conflict, and stress.
9. Structure of teams and groups.
10. Perception.
11. Study of different organizational structures.
12. Development of soft skills.
13. Study of emotions.
14. Organizational development.
15. Enhancement of individual and organizational development.
16. Cultures and environment factors.
17. Individual behaviour, group behaviour, power and politics, attitude, and learning.
18. Transaction analysis.

1.2.4 Importance of Organizational Behaviour

- A study of organizational behaviour is beneficial in several ways. Organizational behaviour is a field of study that investigates the impact that individuals, groups, and structures have on behaviour within an organization. The knowledge of such a study can be applied to improving an organization's effectiveness.
 - Organizational behaviour provides an opportunity for management to analyze human behaviour and prescribe means for shaping it into a particular direction. Organizational behaviour helps to understand human behaviour.
1. Organizational behaviour helps to understand the basis of motivation and different ways to motivate employees properly.
 2. Organizational behaviour helps to increase efficiency and productivity i.e. profit of the organization.
 3. It helps to create a healthy, ethical, and smooth environment in an organization.
 4. Helps to increase the efficiency and effectiveness of the organization.
 5. Helps to understand and predict organizational life. It means decisions and actions that people in organizations make are determined by a complex combination of factors. Organizational behaviour helps to predict what people will do under various conditions.

Organizational Behaviour



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Author : Dr. Leena Sunil Modi
(Gandhi)

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