#### **BUS 322: ORGANIZATIONAL BEHAVIOUR**

## **Topic 1: Organizational Behaviour, Definition and Concept**

#### **Definition**

Organizational behavior (OB) is a field of study that examines the behavior of individuals, groups, and structures within an organization and how they impact the organization's effectiveness. It involves analyzing various factors such as leadership, communication, motivation, decision-making, and organizational culture to understand how they influence individual and group behavior within the workplace. OB aims to improve organizational performance, productivity, and employee satisfaction by applying theories and concepts from psychology, sociology, anthropology, and management studies to address challenges and optimize organizational functioning.

#### **Organizational Behavior Concept**

A key part of organizational behavior includes studying human decision processes. As a result, the topic of organizational behavior is a blend of business, psychology, sociology, and anthropology concepts. Although both business and economics study human decision-making processes.

**Psychology** is the scientific study of the mind and behavior. It seeks to understand how people think, feel, and behave both individually and in groups. Psychologists study a wide range of topics, including cognition, emotion, perception, personality, development, social interactions, and mental health. They use various research methods, such as experiments, surveys, observations, and clinical studies, to gather data and test hypotheses about human behavior and mental processes.

**Sociology** is the study of society, human social behavior, and the structures and institutions that shape it. It explores various aspects of social life, including social interactions, relationships, cultures, norms, values, and social changes over time. Sociology examines how individuals are influenced by their social environments and how they, in turn, contribute to shaping those environments. It encompasses diverse topics such as social inequality, gender, race, ethnicity, social institutions (like family, education, religion, and government), globalization, and social movements. In the context of organizational behavior, sociology provides insights into how social factors influence behavior within organizations, including issues related to power dynamics, organizational culture, and group dynamics.

**Anthropology** is the study of human beings, their cultures, societies, and behaviors across time and space. It encompasses various subfields, including cultural anthropology, archaeology, biological anthropology, and linguistic anthropology.

Cultural anthropology focuses on understanding the beliefs, practices, rituals, customs, and social organizations of different societies and cultures. It explores how people create meaning, identity, and social structures within their cultural contexts.

#### Elton Mayor's Hawthorne experiment

(The studies were led by researchers such as Elton Mayo, Fritz Roethlisberger, and others. One of the most significant findings of the Hawthorne studies was the Hawthorne effect itself, which refers to the phenomenon where individuals modify or improve their behavior simply as a result

of being observed or participating in an experiment. This effect was observed when changes made during the experiments, such as variations in lighting or rest periods, resulted in temporary increases in productivity, regardless of whether the changes were expected to have a positive or negative impact)

#### **People as the Most Important Element in an Organization**

In the realm of organizational dynamics, one overarching truth stands out: people are the heartbeat of any institution. They form the core foundation upon which success or failure is built. Herein lies the essence of human resources as not just a department but as the lifeblood of an organization.

First and foremost, people bring diversity to the table. In a world where innovation and adaptation are paramount, the amalgamation of diverse perspectives, experiences, and skills is indispensable. It is through this diversity that organizations gain the resilience to navigate through complexities and the creativity to pioneer ground breaking solutions.

Moreover, people are the driving force behind productivity and efficiency. Regardless of technological advancements, it is the dedication, motivation, and expertise of individuals that propel an organization forward. A cohesive team, aligned with common goals and values, can achieve feats that surpass the sum of individual capabilities.

Furthermore, the relationships fostered among individuals within an organization form the fabric of its culture. A culture that prioritizes trust, respect, and collaboration cultivates an environment where people feel valued and empowered to contribute their best efforts. Such an atmosphere not only enhances employee satisfaction and retention but also serves as a magnet for top talent.

In essence, while strategies, technologies, and resources undoubtedly play crucial roles in organizational success, it is ultimately the people who breathe life into these elements. Recognizing the significance of people as the most important aspect of an organization underscores the imperative of investing in their development, well-being, and engagement. By nurturing a culture that values and empowers its people, organizations can unlock their full potential and thrive in an ever-evolving landscape.

## **Concept of Organizational Behaviour**

The Concept of organizational behavior (OB) encompasses several key characteristics:

1. Interdisciplinary: Organizational behavior draws upon insights and theories from various disciplines such as psychology, sociology, anthropology, economics, and management studies. It integrates these perspectives to understand individual, group, and organizational dynamics within the workplace.

- 2. Focus on Behavior: OB emphasizes the study of human behavior within organizational settings. It examines how individuals, groups, and structures interact and influence each other, shaping behavior and outcomes within the organization.
- 3. Systemic Approach: Organizational behavior takes a systemic view of organizations, considering them as complex systems comprised of interconnected elements. It examines how factors such as organizational structure, culture, leadership, communication, and external environment interact to influence behavior and performance.
- 4. Applied Orientation: OB has a practical focus, aiming to improve organizational effectiveness and performance. It applies theories and research findings to address real-world challenges within organizations, such as enhancing employee motivation, teamwork, leadership effectiveness, and organizational culture.
- 5. Multilevel Analysis: Organizational behavior examines behavior at multiple levels of analysis, including individual, group, and organizational levels. It considers how factors at each level contribute to overall organizational functioning and performance.
- 6. Dynamic and Contextual: OB recognizes that organizational behavior is dynamic and influenced by various contextual factors, including organizational culture, leadership style, industry norms, and societal trends. It emphasizes the importance of understanding the specific context in which behavior occurs.
- 7. Humanistic Perspective: Organizational behavior takes a humanistic approach, recognizing the importance of understanding and valuing the experiences, perspectives, and well-being of employees within organizations. It emphasizes the role of factors such as motivation, job satisfaction, and employee engagement in driving organizational success.

## **Topic 2: Organizational Culture: Definition, Importance, and Development**

An **organization's culture** defines the proper way to behave within the **organization**. This **culture** consists of shared beliefs and values established by leaders and then communicated and reinforced through various methods, ultimately shaping employee perceptions, behaviors and understanding. We also call it **Corporate Culture**.



A great organizational culture is the key to developing the traits necessary for business success.

#### What is organizational culture?

Organizational culture is the collection of values, expectations, and practices that guide and inform the actions of all team members. Think of it as the collection of traits that make your company what it is. A great culture exemplifies positive traits that lead to improved performance, while a dysfunctional company culture brings out qualities that can hinder even the most successful organizations.

Don't confuse culture with organizational goals or a mission statement, although both can help define it. Culture is created through consistent and authentic behaviors, not press releases or policy documents. You can watch company culture in action when you see how a CEO responds to a crisis, how a team adapts to new customer demands, or how a manager corrects an employee who makes a mistake.

#### The importance of culture to organization

Organizational culture affects all aspects of your business, from punctuality and tone to contract terms and employee benefits. When workplace culture aligns with your employees, they're more likely to feel more comfortable, supported, and valued. Companies that prioritize culture can also weather difficult times and changes in the business environment and come out stronger.

Culture is a key advantage when it comes to attracting talent and outperforming the competition. 77 percent of workers consider a company's culture before applying, and almost half of employees would leave their current job for a lower-paying opportunity at an organization with a better culture. The culture of an organization is also one of the top indicators of employee satisfaction and one of the main reasons that almost two-thirds (65%) of employees stay in their job.



Consider Microsoft and Salesforce. Both technology-based companies are world-class performers and admired brands, and both owe this in part to prioritizing culture. Microsoft, known for its cut-throat competitiveness under Steve Balmer, has been positively transformed by Satya Nadella, who took over as CEO of the company in 2014. He embarked on a program to refine the company culture, a process that upended competitiveness in favor of continuous learning. Instead of *proving themselves*, employees were encouraged to *improve themselves*. Today Microsoft's market cap flirts with \$1 trillion and it is again competing with Apple and Amazon as one of the most valuable companies in the world.

Salesforce puts corporate culture front and center and has experienced incredible growth throughout its history. Marc Benioff, Salesforce's founder and CEO, established philanthropic cultural norms that have guided the company over the past two decades. All new Salesforce employees spend part of their first day volunteering and receive 56 hours of paid time to volunteer a year. This focus on meaning and mission has made Salesforce one of the best places to work in America according to Fortune, and it hasn't compromised profits either: Salesforce's stock price has surged year after year at an average of over 26% annually to date.

#### Qualities of a great organizational culture

Every organization's culture is different, and it's important to retain what makes your company unique. However, the cultures of high-performing organizations consistently reflect certain qualities that you should seek to cultivate:

- **Alignment** comes when the company's objectives and its employees' motivations are all pulling in the same direction. Exceptional organizations work to build continuous alignment to their vision, purpose, and goals.
- **Appreciation** can take many forms: a public kudos, a note of thanks, or a promotion. A culture of appreciation is one in which all team members frequently provide recognition and thanks for the contributions of others.

• **Trust** is vital to an organization. With a culture of trust, team members can express themselves and rely on others to have their back when they try something new.



- **Performance** is key, as great companies create a culture that means business. In these companies, talented employees motivate each other to excel, and, as shown above, greater profitability and productivity are the results.
- **Resilience** is a key quality in highly dynamic environments where change is continuous. A resilient culture will teach leaders to watch for and respond to change with ease.
- **Teamwork** encompasses collaboration, communication, and respect between team members. When everyone on the team supports each other, employees will get more done and feel happier while doing it.



- **Integrity**, like trust, is vital to all teams when they rely on each other to make decisions, interpret results, and form partnerships. Honesty and transparency are critical components of this aspect of culture.
- **Innovation** leads organizations to get the most out of available technologies, resources, and markets. A culture of innovation means that you apply creative thinking to all aspects of your business, even your own cultural initiatives.
- **Psychological safety** provides the support employees need to take risks and provide honest feedback. Remember that psychological safety starts at the team level, not the individual

level, so managers need to take the lead in creating a safe environment where everyone feels comfortable contributing.

#### Steps to building a high-performing organizational culture

Creating a great organizational culture requires developing and executing a plan with clear objectives that you can work towards and measure. The 8 steps below should serve as a roadmap for building a culture of continuity that will deliver long-term benefits across your company.

#### 1. Excel in recognition

Recognizing the contributions of all team members has a far-reaching, positive effect on organizational culture. When everyone on the team recognizes the accomplishments of others, individuals start to see how they're part of a whole. Even the most jaded employees want to know their work matters, and they notice when they aren't appreciated — 76 percent of employees don't feel especially recognized by superiors. Experts agree that when an organization makes appreciating employees part of its culture, important metrics like employee engagement, retention, and productivity improve.

Making recognition part of your culture means it must be a regular occurrence, not something that is only reserved for major milestones or work anniversaries. Encourage team members to practice frequent social recognition in addition to monetary recognition. Providing social recognition on a consistent basis has a remarkable business impact: companies that invest in social recognition are four times more likely to increase stock prices, twice more likely to improve NPS scores, and twice more likely to improve individual performances.

## 2. Enable employee voice

Creating a culture that values feedback and encourages employee voice is essential, as failing to do so can lead to lost revenue and demotivated employees.

First, you need to collect feedback using the right listening tools that make it easy for employees to express what they're feeling in the moment, like pulse surveys and workplace chatbots. Then analyze the results to see what's working and what isn't in your organization, and act on those findings while they're still relevant. Not only does this strengthen your culture, it leads to benefits like higher employee fulfillment and greater profitability. According to a Clutch survey, 68 percent of employees who receive regular feedback feel fulfilled in their jobs, and Gallup found that organizations with managers who received feedback on their strengths showed 8.9 percent greater profitability.

In addition to gathering feedback using the methods described above, make sure you're paying attention to more subtle expressions of feedback that can reveal cultural deficiencies. For example, pay attention to body language, as it can tell you much even when employees aren't willing to share. If you're working with a remote team, video conferences can help keep this nonverbal channel of communication open. Managers should treat all their sessions with employees as opportunities to gather and respond to feedback and act as a trusted coach.



## 3. Make your leaders culture advocates

Your company's success in building a strong workplace culture rests in the hands of team leaders and managers. For example, if your workplace culture prioritizes certain values and your leadership team doesn't exemplify them — or even displays behaviors that go against them — it undermines the effort. Team members will recognize the dissonance between stated values and lived behaviors. They may even start to emulate negative behaviors because they believe those behaviors have been rewarded by management.

Your leadership team can help build the culture you need by prioritizing it in every aspect of their work lives. They need to openly and transparently discuss the organization's culture and values, and they should also be prepared to incorporate feedback from employees into their cultural advocacy efforts. Leaders need their employees' perspective on culture — while 76 percent of executives believe their organization has a well-communicated value system, only 31 percent of employees agree. When employees see leaders living your culture, they'll follow suit.

#### 4. Forge connections between team members

Building a workplace culture that can handle adversity requires establishing strong connections between team members, but with increasingly remote and terse communication, creating those bonds can be challenging. Encouraging collaboration and engaging in team building activities — even when working remote — are two effective ways to bring your team together and promote communication.

Look for and encourage shared personal interests between team members as well, especially among those from different generations that might otherwise have a difficult time relating to each other. This can create new pathways for understanding and empathy that are vital to improving communication, creativity, and even conflict resolution.



## 5. Focus on learning and development

Great workplace cultures are formed by employees who are continually learning and companies that invest in staff development. Training initiatives, coaching, and providing employees with new responsibilities are all great ways to show your team that you're invested in their success.

A culture of learning has a significant business impact. Find Courses' most recent benchmark study found that companies with highly engaged employees were 1.5 times more likely to prioritize soft skills development. It also found that companies that had experienced revenue growth in the previous financial year were twice more likely to use innovative learning technologies and three times more likely to increase their learning and development budgets.

#### 6. Keep culture in mind from day one

When an employee's perspective doesn't match your company culture, internal discord is likely to be the result. Organizations should hire for culture and reinforce it during the onboarding process and beyond. Practices and procedures must be taught, and values should be shared.

, like what matters to the interviewee and why they're attracted to working at your company. But these questions shouldn't be the sole determining factor when evaluating a candidate, as

the best organizations keep an open mind to diverse perspectives that can help keep their culture fresh.

## 7. Personalize the employee experience

As modern consumers, your employees expect personalized experiences, so you need to focus on ways to help each team member identify with your culture. Tools like pulse surveys and employee-journey mapping are great ways to discover what your employees value and what their ideal corporate culture looks like. Take what you learn and tailor your actions to personalize the employee experience for your team. Once you start treating your employees with the same care you treat your customers, a culture that motivates each individual at your organization is sure to follow.

## **Types of Organizational Culture**

The Clan Culture: This culture is rooted in collaboration. Members share commonalities and see themselves are part of one big family who are active and involved. Leadership takes the form of mentorship, and the organization is bound by commitments and traditions. The main values are rooted in teamwork, communication and consensus. A prominent clan culture is Tom's of Maine, the maker of all-natural hygiene products. To build the brand, founder Tom Chappell focused on building respectful relationships with employees, customers, suppliers and the environment itself.

**The Adhocracy Culture**: This culture is based on energy and creativity. Employees are encouraged to take risks, and leaders are seen as innovators or entrepreneurs. The organization is held together by experimentation, with an emphasis on individual ingenuity and freedom. The core values are based on change and agility. Facebook can be seen as a prototypical adhocracy organization, based on CEO Mark Zuckerberg's famous admonition to, "Move fast and break things – unless you are breaking stuff, you are not moving fast enough."

The Market Culture: This culture is built upon the dynamics of competition and achieving concrete results. The focus is goal-oriented, with leaders who are tough and demanding. The organization is united by a common goal to succeed and beat all rivals. The main value drivers are market share and profitability. General Electric under ex-CEO Jack Welch is a good example of this culture. Welch vowed that every G.E. business unit must rank first or second in its respective market or face being sold off. Another example of the market culture is software giant Oracle under hard-driving Executive Chairman Larry Ellison.

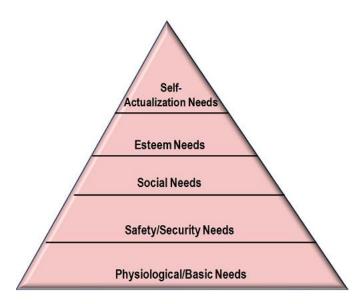
The Hierarchy Culture: This culture is founded on structure and control. The work environment is formal, with strict institutional procedures in place for guidance. Leadership is based on organized coordination and monitoring, with a culture emphasizing efficiency and predictability. The values include consistency and uniformity. Think of stereotypical large, bureaucratic organizations such as McDonald's, the military, or the Department of Motor Vehicles.

# **Topic 3&4: Exploring the Theory of Motivation The Theories of Motivation**

From the very beginning, when the human organisations were established, various thinkers have tried to find out the answer to what motivates people to work. Different approaches applied by them have resulted in a number of theories concerning motivation.

Maslow has given a framework that helps to understand the strength of needs and how a person moves from one need to the other when the basic needs are fulfilled. These needs are arranged in the hierarchical form as shown below:

## **Abraham Maslow's Hierarchy of Needs**



- 1. **Physiological Needs:** These needs are the basic needs, a prerequisite for the survival of the human being. Air, water, food, sleep are the physiological needs which must be met, in order to go further in the hierarchy. If these needs are not met, then an individual will be highly motivated to satisfy these first, while the other levels of needs would provide him with a little motivation.
- 2. **Safety Needs:** Once the physiological or basic needs are fulfilled, the other needs become important. The next comes the safety or security needs. People begin to feel the need for a safer place to live in, i.e. shelter, safe neighbourhood, steady employment, etc. Thus, at this stage, the need for self-preservation i.e. a need for being free of physical danger, emerges.
- 3. **Social Needs:** After the first two needs of the hierarchy are met, people tend to move further and seeks to satisfy their social needs. Since a human being is a social animal who lives in the society, has an urge to belong to and be accepted by all. The need for love, affection, belonging emerges at this stage. Thus, the relationships are formed at this level.
- 4. **Esteem Needs:** Once the above needs are fulfilled, an individual strives to achieve the esteem needs, concerned with self-respect, self-confidence, a feeling of being unique, social

- recognition, personal worth, etc. On the satisfaction of these needs, an individual feels the sense of power and control and becomes more confident.
- 5. **Self-Actualization Needs:** The next and the final need on the Maslow's Need Hierarchy is the Self Actualization Need. It refers to the need to maximize one's potential. These needs are related to the development of one's intrinsic capabilities that can be utilized in different real life situations. It can be rephrased as, a desire of becoming, what one is capable of becoming.

Thus, according to this theory, the behavior of an individual is determined by his strongest needs, i.e. a person is motivated to fulfil the unsatisfied needs.

## Alderfer's ERG Theory

Alderfer's ERG Theory is the extension of Maslow's Needs Hierarchy, wherein the Maslow's five needs are categorized into three categories such as Existence Needs, Relatedness Needs, and Growth Needs.

An American psychologist Clayton Paul Alderfer had proposed this theory and believed that each need carries some value and hence can be classified as lower-order needs and higher-order needs. He also found some level of overlapping in the physiological, security and social needs along with an invisible line of demarcation between the social, esteem and self-actualization needs. This led to the formation Alderfer's ERG theory, which comprises of the condensed form of Maslow's needs.



- **1. Existence Needs:** The existence needs comprises of all those needs that relate to the physiological and safety aspects of human beings and are a prerequisite for the survival. Thus, both the physiological and safety needs of Maslow are grouped into one category because of their same nature and a similar impact on the behavior of an individual.
- **2.Relatedness Needs:** The relatedness needs refer to the social needs, that an individual seeks to establish relationships with those for whom he cares. These needs cover the Maslow's social needs and a part of esteem needs, derived from the relationship with other people.

**3.Growth Needs:** The growth needs cover Maslow's self-actualization needs as well as a part of esteem needs which are internal to the individual, such as a feeling of being unique, personnel growth, etc. Thus, growth needs are those needs that influence an individual to explore his maximum potential in the existing environment.

All these theories are called Content Theories. There are also process theories which are: Vroom's Expectancy Theory, Adams Equity Theory, Reinforcement Theory, Carrot and Stick Approach to Motivation.

### Herzberg's Motivation-Hygiene Theory

The Herzberg's Motivation-Hygiene Theory is given by Fredrick Herzberg and his associates, who studied the variables that are perceived to be desirable to achieve goals and the undesirable conditions to avoid.

In this context, the study was conducted wherein the experiences and feelings of 200 engineers and accountants were analyzed. They were asked to share their previous job experiences in which they felt "exceptionally good" or "exceptionally bad." Through this study, Herzberg concluded that there are two job conditions independent of each other that affect the behavior differently.

The first set of job conditions has been referred to as **maintenance or hygiene factor**, wherein the same job conditions provide the same level of dissatisfaction, in case the conditions are absent, however, their presence does not motivate in a strong way.

The second set of job conditions is referred to as **motivational factors**, which primarily operate to build strong motivation and high job satisfaction, but their absence does not result in strong dissatisfaction.



**1.Hygiene Factors:** Herzberg identified ten maintenance or hygiene factors, that are not intrinsic parts of a job, but are related to the conditions in which the job has to be performed. These are company policy and administration, technical supervision, job security, working conditions, interpersonal relationship with peers, subordinates and supervisors, salary, job security, personal life, etc.

**2.Motivational factors:** These factors have a positive effect on the functioning of the employees in the organization. There are six factors that motivate employees: Achievement, Recognition, Advancement, Work-itself, Possibility of growth and Responsibility. An increase in these factors satisfies the employees and the decrease in these will not affect the level of satisfaction.

Thus, Herzberg's Motivation-Hygiene Theory studied the variables which were responsible for the level of satisfaction and had been applied in the industry that has given several new insights

## **Goal Setting Theory of Motivation**

In 1960's, **Edwin Locke** put forward the Goal-setting theory of motivation. This theory states that goal setting is essentially linked to task performance. It states that specific and challenging goals along with appropriate feedback contribute to higher and better task performance.

In simple words, goals indicate and give direction to an employee about what needs to be done and how much efforts are required to be put in.

#### The important features of goal-setting theory are as follows:

- The willingness to work towards attainment of goal is main source of job motivation.
   Clear, particular and difficult goals are greater motivating factors than easy, general and vague goals.
- Specific and clear goals lead to greater output and better performance. Unambiguous, measurable and clear goals accompanied by a deadline for completion avoids misunderstanding.
- Goals should be realistic and challenging. This gives an individual a feeling of pride and triumph when he attains them, and sets him up for attainment of next goal. The more challenging the goal, the greater is the reward generally and the more is the passion for achieving it.
- Better and appropriate feedback of results directs the employee behaviour and contributes to higher performance than absence of feedback. Feedback is a means of gaining reputation, making clarifications and regulating goal difficulties. It helps employees to work with more involvement and leads to greater job satisfaction.
- Employees' participation in goal is not always desirable.
- Participation of setting goal, however, makes goal more acceptable and leads to more involvement.

## Goal setting theory has certain eventualities such as:

a. **Self-efficiency-** Self-efficiency is the individual's self-confidence and faith that he has potential of performing the task. Higher the level of self-efficiency, greater will be the

efforts put in by the individual when they face challenging tasks. While, lower the level of self-efficiency, less will be the efforts put in by the individual or he might even quit while meeting challenges.

- b. **Goal commitment-** Goal setting theory assumes that the individual is committed to the goal and will not leave the goal. The goal commitment is dependent on the following factors:
  - i. Goals are made open, known and broadcasted.
  - ii. Goals should be set-self by individual rather than designated.
  - iii. Individual's set goals should be consistent with the organizational goals and vision.

## **Advantages of Goal Setting Theory**

- Goal setting theory is a technique used to raise incentives for employees to complete work quickly and effectively.
- Goal setting leads to better performance by increasing motivation and efforts, but also through increasing and improving the feedback quality.

## **Limitations of Goal Setting Theory**

- At times, the organizational goals are in conflict with the managerial goals. Goal
  conflict has a detrimental effect on the performance if it motivates incompatible action
  drift.
- Very difficult and complex goals stimulate riskier behaviour.
- If the employee lacks skills and competencies to perform actions essential for goal, then the goal-setting can fail and lead to undermining of performance.
- There is no evidence to prove that goal-setting improves job satisfaction.

## Victor Vroom's Expectancy Theory of Motivation

Victor Vroom's expectancy theory of motivation is a process theory of motivation. It says that an individual's motivation is affected by their *expectations* about the future. Vroom's expectancy theory of motivation says that individuals are motivated to do something by three things. They are motivated when they value the reward associated with an action, trust that they'll receive the reward if they do a good job and believe that they have the ability to achieve their objectives by working hard.

Specifically, Vroom says that an individual's motivation is affected by how much they value any reward associated with an action (Valence), how much they believe that by putting effort into something they will be able to generate good results (Expectancy) and how much they believe that generating good results will result in a reward (Instrumentality).

It's important to note that rewards could be intrinsic or extrinsic. Extrinsic motivations are external things such as money and promotion. Intrinsic motivations are internal things such as a sense of fulfilment and achievement.

#### What Vroom's model means for individuals

Vroom says that an individual's motivation is a product of several factors:

- Valence: How much they value the potential rewards associated with the specific results or behaviors.
- Expectancy: How much they believe that their additional effort will help them achieve the target results of behaviors, and
- Instrumentality: How much they believe the rewards will actually appear should they achieve the desired outcomes or behaviors.

## What Vroom's Expectancy Theory of Motivation means for Leaders and Organizations

If you set goals that people can't reach, they won't be motivated. Vroom's model helps make clear that leaders or organizations need to:

#### 1. Provide rewards that individuals value

These could be intrinsic aspects designed into rewarding role descriptions, they could be recognition, they could be new opportunities or they could be financial rewards. In fact, they could be a huge range of things. The important point is that you **find the right rewards** for your people.

#### 2. Set achievable objectives for individuals

The objectives you set don't need to be easy. But they do need to be in the power of your team members to achieve. This may mean that the individuals in your teams need to be **empowered** to achieve things and it may mean that they **need to be supported** to do so. It also means that the system that you are asking them to operate within isn't stacked against them.

## 3. Provide promised rewards when they are earned

This is all about trust. To be trustworthy in this context you need to provide the implicit and explicit outcomes and rewards that you have agreed to provide. If you don't do this, trust will be broken. When trust is broken individuals will cease to be motivated by your proposed rewards.

- 1. It is based on self-interest individual who want to achieve maximum satisfaction and who wants to minimize dissatisfaction. (even thou the motivation is born out of the expected outcome)
- 2. This theory stresses upon the expectations and perception; what is real and actual is immaterial/unimportant.
- 3. It emphasizes on rewards or pay-offs. (an individual gingered to perform because of what he or she expects)
- 4. It focuses on psychological extravagance where final objective of individual is to attain maximum pleasure and least pain.

#### **Limitations of the Expectancy Theory**

- 1. The expectancy theory seems to be idealistic because quite a few individuals perceive high degree correlation between **performance and rewards**.
- 2. The application of this theory is limited as reward is not directly correlated with performance in many organizations. It is related to other parameters also such as position, effort, responsibility, education, etc.

# **Topic 5: Organisational Change and Approaches to Managing Organizational Change What is Organizational Change?**

Organizational Change looks both at the process in which a company or any organization changes its operational methods, technologies, organizational structure, whole structure, or strategies, as well as what effects these changes have on it. Organizational change usually happens in response to – or as a result of – external or internal pressures.

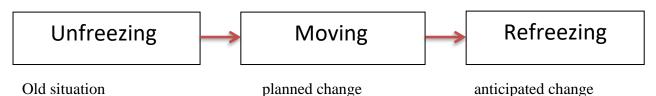
It is all about reviewing and modifying structures – specifically management structures – and business processes.

Change management is an integral part of life and is constant in most organizations. The term 'managing change' has two meanings, both 'the making of changes in a planned and managed or systematic fashion' and 'the response to changes over which the organization exercises little or no control'. In the light of this, the need to identify organization-wide change has become one of the most critical and challenging responsibilities of organizations. This was less evident in the past, where organizations controlled their own destinies and operated in a relatively stable and predictable environment. Change management is the study of how to integrate changes without damaging and the organizational culture or efficiency.

Change involves a sequence of organizational processes that occurs over time. Kurt Lewin suggests this process typically requires three steps: unfreezing, moving, and refreezing as shown in the figure below.

**There are 2 driving forces:** the restraining force which drives workers to the opposite direction and the driving force which pushes employees to the desired direction.

## **Kurt Lewin's Three-Step Change Model**



#### 1. Unfreezing

This step usually means reducing the forces acting to keep the organization in its current condition. *Unfreezing* might be accomplished by introducing new information that points out inadequacies in the current state or by decreasing the strength of current values, attitudes, and behaviors. Crises often stimulate unfreezing. Examples of crises are demographic shifts in population, a sudden increase in employee turnover, a costly lawsuit, and an unexpected strike. Organizations initiate change to alleviate problems before crises erupt.

## Below are Some of the Areas of Change

#### Mission and Strategy

This is all about the company's aims and goals and how it plans to accomplish them. Hardly any change in an organization is not related to its mission and strategy.

Mission and strategy affect every part of a business. Therefore, any change in this area has a company-wide impact.

#### Policies and Legal Agreements

Changing policies and legal agreements may be highly unpopular with customers and the workforce.

Any change in this area, even a minor one, may have a significant impact on a company.

#### Organizational Structure

The term refers to the hierarchy within an organization, which defines each job and department, their function, and where they report to.

When two commercial enterprises merge, or one takes over another, there are major structural changes. Sometimes the change may be minor, such as when a new team is established.

#### Processes

This term refers to a collection of linked tasks which find their end in the delivery of a product or service to a consumer.

Processes and tasks are commonly altered during organizational change. In some organizations, changing or upgrading processes is ongoing or occurs on a regular basis.

#### Personnel

Personnel means staff or human resources, i.e., the employees. It includes hiring, firing, training, roles, responsibilities, and other changes related to the workforce.

#### Culture

Culture refers to the pervasive beliefs, values, and attitudes that characterize a firm and guide its practices.

Any change in these areas can have a profound impact on every aspect of the organization. It can have an impact on, for example, productivity, compliance, and innovation.

#### **Products**

This is all about changes to products, and everything related to encouraging consumers to buy them. Marketing and sales are an essential focus for most organizations.

#### Knowledge

Knowledge supports every product, process, initiative, project, and program. Change here refers to the knowledge assets of the company.

Knowledge assets are the information or skills within an organization that make it more competitive or valuable.

## **Technology**

Today, virtually every commercial enterprise is a kind of tech company.

Sometimes, a company makes changes to its technology infrastructure, automation, systems, hardware, software, etc.

#### 2. Moving/Changing

Once the organization is unfrozen, it can be changed by *moving*. This step usually involves the development of new values, attitudes, and behaviors through internalization, identification, or change in structure. Some changes may be minor and involve a few members—such as changes in recruitment and selection procedures—and others may be major, involving many participants. Examples of the latter include a new evaluation system, restructuring of jobs and duties performed by staff, or restructuring a department or entire organization, which necessitates relocating staff to different sites within the organization. If the unfreezing stage does not get them motivated then you are not ready for a change.

#### -3 things that supports at the moving stage;

persuade them that the change will be beneficial to them, work with them and provide assistance and support, connect the view of the change to one respected and powerful leader within and outside the org.

## 3.Refreezing

The final step in the change process involves stabilizing the change at a new quasi-stationary equilibrium, which is called *refreezing*. Changes in organizational culture, changes in staff norms, changes in organization policy, or modifications in organizational structure needs to be stabilized.

The essence of this stage is for the sustainability of the change that is already implemented at the  $2^{nd}$  stage. This is important because it is most likely that people will want to revert back to the old ways.

#### Ways to effectively management change

In an attempt to find a way to lead the organization through change, Michael (2008) has put together five (5) approaches to leading a successful organizational change.

- 1. Education: People often resist changes because they simply do not understand why things can't stay the way they are. Educational component at the beginning of a change can help people see the need for and the logic of the change. It can begin the process of getting the entire team energized around how these new or redesigned processes will improve their working condition. Education and communication programs are most appropriate when you expect staff resistance to be based on a lack of understanding or inaccurate information about the change. This is particularly important if you need help from potential resisters in implementing the change.
- **2. Personal counselling:** When a major change happens in the workplace, some employees may feel very uncomfortable about the change—especially the employees most affected by the change. For these employees it may be useful to have a program, most likely through human resources, that will help them adapt to the change.
- **3. Participation and Involvement**: Another key approach to overcoming resistance to change is to enroll people in the process of designing and implementing the change. Participation allows people time to work through their resistance while they are solving problems and fixing processes.
  - Although utilizing an implementation team can be time-consuming, it is effective at getting more commitment behind a project when a high level of commitment is needed. Staff get to put their mark on the work as their courage to try new things grows. But if the process of change have to occur quickly, this high-involvement approach might take too long.
- **4. Facilitation and Support**. This approach works best when you expect significant fear and anxiety to be at the core of the organization's resistance. If your staff perceive the revenue cycle change as radical, you should consider facilitation and support. The approach includes providing for new skill training, resources needed, facilitated sessions to uncover specific issues, in-process consultant support for teams, time off after a particularly demanding period, and one-on-one emotional support.
  - Again, if the process changes have to occur quickly because the survival of the organization is at stake, this approach may be too time-consuming.
- **5. Negotiation**. This approach is as straightforward as it sounds and is particularly important when it is apparent that people will lose out as a result of the process change and their resistance could be particularly disruptive. The most common example of this approach is early retirement incentives during downsizing.
  - Sometimes this approach comes in the form of negotiated management agreements that spell out what is expected from the potential resisters in return for other considerations. Then, during the implementation, these agreements can be used to help forestall the

resistance, allowing the project to stay on track. All in all, this approach can be a fast way to overcome sources of major resistance.

**6. Straight Talk.** Finally, some people simply may not follow your leadership in building a better revenue cycle process. They can't or won't change, no matter what you do. Your situation requires fast change, and you are out of time. Now you need to threaten job loss or loss of promotion. Be honest and fair. But for the good of the organization, let them know there will be serious consequences for their noncompliance.

#### **Resistance to Change**

To the human mind, change is a bad thing, something to be avoided-even feared and this is all normal (Michael, 2008). Even though resistance to change is normal, you can adopt change leadership practices to help your organization meet revenue cycle goals with fewer breakdowns and less frustration. Denying resistance only creates more resistance. When people on your team question a change or seem restrained about a new approach, don't make them feel like they are wrong. The job of the manager is to lead the organization through resistance to acceptance and accomplishment by expecting and then including staff resistance in your plan. Think about "how much resistance is expected?" "What is the level of trust between me and the potential resisters to the revenue cycle improvements?" "How fast do we have to move?" and "How dire is our situation?". If a manager understands the reason why workers are resisting change and address appropriately, he will have a better chance of gaining their cooperation. People will not resist a change they know will be beneficial to them.

#### Why do People Resist Change?

#### 1. Loss of status or job insecurity in the organization.

It is not our nature to make changes that we view as harmful to our current situation. In an organizational setting, employees, peers, and managers will resist administrative and technological changes that result in their role being eliminated or reduced. From their perspective, your change is harmful to their place in the organization!

Forcing a change on others has its place. Over time, however, when this is the only approach that you use to make change, you'll find that your change results suffer. If you overuse this approach, you will harm your effectiveness over the long term as others will find direct and indirect ways to resist you. Without a thoughtful change strategy to address resistance to change, you will trigger strong resistance and organizational turnover.

## 2. Non-reinforcing reward systems.

There is a common business saying that managers get what they reward. Organizational stakeholders will resist change when they do not see any rewards. When working with managers, I will ask them, "where is the reward for employees for implementing your change?" Without a reward, there is no motivation for your team to support your change over the long

term. This often means that organizational reward systems must be altered in some way to support the change that you want to implement. The change does not have to always be major or costly. Intrinsic rewards are very powerful motivators in the workplace that are non-monetary.

## 3. Surprise and fear of the unknown.

The lesser your team members know about the change and its impact on them, the more fearful they will become. Leading change also requires not springing surprises on the organization! Your organization needs to be prepared for the change.

In the absence of continuing two-way communication with you, grapevine rumors fill the void and sabotage the change effort. In fact, ongoing communication is one of your most critical tools for handling resistance to change. But, it's not just telling! The neglected part of two-way communication — listening — is just as powerful.

#### **4.** Climate of mistrust.

Meaningful organizational change does not occur in a climate of mistrust. Trust, involves faith in the intentions and behavior of others. Mutual mistrust will doom an otherwise well-conceived change initiative to failure.

If you are trying to implement your change effort in an environment where most of the people working with you mistrust each other, you'll have limited success. You'll need to spend some time rebuilding trust if you want better results from your change effort.

#### 5. Organizational politics

Some resist change as a political strategy to "prove" that the decision is wrong. They may also resist to show that the person leading the change is not up to the task. Others may resist because they will lose some power in the organizational. In these instances, these individuals are committed to seeing the change effort fail.

Sometimes when I work with managers they become frustrated with the political resistance that they encounter from others. Political obstacles are frustrating when you are trying to implement needed change. My advice to you is to acknowledge what you are feeling and then take positive steps to counter the organizational resistance you are facing.

#### **6.** Fear of failure

Sweeping changes on the job can cause your team members to doubt their capabilities to perform their duties. What is known is comfortable! Your team members may be resisting these changes because they are worried that they cannot adapt to new work requirements.

Fear is a powerful motivator that can harden people's intent to resist your efforts to implement change. If you want your change effort to be successful, you'll need to help your team members move beyond these fears.

## 7. Lack of strategy or poor timing

Sometimes it is not what a leader does, but it is how she does it that creates resistance to change! Undue resistance can occur because changes are introduced in an insensitive manner or at an awkward time.

In other words, people may agree with the change that you want to implement but they may not agree with how you are going about making the change.

For any significant organizational change effort to be effective, you'll need a thoughtful strategy and a thoughtful implementation approach to address these barriers.

## **Topic 6: Organizational Structure and Management**

An organizational structure is defined as "a system used to define a hierarchy within an organization. It identifies each job, its function and where it reports to within the organization." A structure is then developed to establish how the organization operates to execute its goals.

There are many types of organizational structures. There's the more traditional functional structure, the divisional structure, the matrix structure and the flatarchy structure. Each organizational structure comes with different advantages and disadvantages and may only work for companies or organizations in certain situations or at certain points in their life cycles.

Structure is the reason why we refer to businesses as "organizations." There's an organized flow of leadership and authority in which every individual is supposed to have a clear idea of what they do, whom they supervise, and whom they ultimately report to.

If your business doesn't have a formal organizational structure, you're asking for trouble. However, the good news is that it's simpler than ever to create organizational charts that can be shared and viewed for enhanced clarity throughout the company. But before you do so, you need to carefully analyze your business and consider where you stand. An organizational chart illustrates the organizational structure.

#### Types of organizational structure

#### 1. Functional

The functional structure is based on an organization being divided into smaller groups with specific tasks or roles. For example, a company could have a group working in information technology, another in marketing and another in finance, human resource. Each department has a manager or director who answers to an executive, a level up in the hierarchy who may oversee multiple departments. E.g director of marketing who supervises the marketing department and answers to a vice president who is in charge of the marketing, finance and IT divisions.

#### **Advantage**

An advantage of this structure is employees are grouped by skill set and function, allowing them to focus their collective energies on executing their roles as a department.

#### **Disadvantage**

One of the challenges this structure presents is a lack of inter-departmental communication, with most issues and discussions taking place at the managerial level among individual departments. For example, one department working with another on a project may have different expectations or details for its specific job, which could lead to issues down the road. In addition, with groups paired by job function, there's the possibility employees can develop "tunnel vision" — seeing the company solely through the lens of the employee's job function.

#### 2. Divisional

It operated by larger companies with several horizontal objectives. This structure allows for much more autonomy among groups within the organization. One example of this is a company like General Electric. GE has many different divisions including aviation, transportation, renewable energy, among others. Under this structure, each division essentially operates as its own company, controlling its own resources and how much money it spends on certain projects or aspects of the division. Additionally, within this structure, divisions could also be created geographically, with a company having divisions in North America, Europe, East Asia, etc.

#### **Disadvantage**

A downside to this type of organizational structure is that by focusing on divisions, employees working in the same function in different divisions may be unable to communicate well between divisions. This structure also raises issues with accounting practices and may have tax implications.

#### 3. Matrix

A hybrid organizational structure, the matrix structure is a blend of the functional organizational structure and the projectized organizational structure. In the matrix structure, employees may report to two or more bosses depending on the situation or project. For example, under normal functional circumstances, an engineer at a large engineering firm could work for one boss, but a new project may arise where that engineer's expertise is needed. For

the duration of that project, the employee would also report to that project's manager, as well as his or her boss for all other daily tasks.

## **Disadvantage**

The matrix structure is challenging because it can be tough reporting to multiple bosses and knowing what to communicate to them. That's why it's very important for the employees to know their roles, responsibilities and work priorities.

On the other hand, reporting to multiple managers may cause confusion and conflict between managers over what should be reported. And if priorities are not clearly defined, employees may also get confused about their roles.

#### Advantage

Advantages of this structure is that employees can share their knowledge across the different functional divisions, allowing for better communication and understanding of each function's role. And by working across functions, employees can broaden their skills and knowledge, leading to professional growth within the company.

#### 4. Flatarchy

While the previous three types of organizational structures may work for some organizations, another hybrid organizational structure may be better for startups or small companies. Blending a functional structure and a flat structure results in a flatarchy organizational structure, which allows for more decision making among the levels of an organization and, overall, flattens out the vertical appearance of a hierarchy. Any organisation operating a flatarchy can operate in an existing structure, but employees at any level are encouraged to suggest ideas and run with them whenever they have innovation program thereby potentially creating new flat teams.

## Advantage

It allows for more innovation and creativity as well as eliminating red tape (over adherence to rules and formalities) that could stall innovation in a functional structure.

#### **Disadvantage**

The structure could be confusing and inconvenient if everyone involved doesn't agree on how the structure should be organized.

## **Topic 7: Communication in Organization**

## What is Communication?

Communication is the process of exchanging thoughts, ideas, facts, emotions and opinions between two or more than two persons. In other words, Communication is the process of transmitting and receiving verbal and nonverbal messages.

#### **Communication in Organisation**

It is a subfield of general communications studies and is often a component to effective management in a workplace environment.

## **Types of Communication**

#### 1. Formal Communication

Formal communication results from the formal organisation structure. Formal communication is one where the message travels through the formal route laid down by the organisation. It is the official route through which a message should pass. If 'A' wants to give certain message containing some instructions to '£' and between A and £ are 8, C and D (who form the official hierarchy) then that message takes a route.

This formal communication ensures orderly flow of information. There is smooth and accurate flow of information to its destination is ensured under this system of communication. It enables the line of authority to have the knowledge of information as it passes through them. The formal communication possesses certain advantages and disadvantages.

#### **Advantages:**

- 1. Formal communication method helps in maintaining the hierarchy of authority in the organisation and controlling the subordinates.
- 2. The superior is in direct contact with his subordinate, understands him better and is aware of his behaviour at workplace. This makes controlling easy.

## **Disadvantages:**

- 1. The formal communication makes every line superior busy as all information's pass through them and they have to go through it. This leads to the waste of time. The work, therefore suffers.
- 2. Many a time's executives do not read the details and pass it to the next subordinate. This attitude develops carelessness.

#### 2. Informal Communication:

The communication which is free from all formalities is informal communication. Informal communication takes place through informal contacts among people. It coexists with the formal communication network in the organisation.

Informal communication takes the form of comments, advices, suggestions, informal talks and reactions. This type of communication is also known as 'grapevine'. The management of the organisation cannot control or regulate this type of communication network. It results from the social relationships developed among people at work in the organisation.

Man being a social animal this has to be there. They form groups and discuss organisational matters among themselves and express their opinions and comment upon working, some express their negative reactions also. Informal communication has certain advantages and hence the managers encourage this type of communication.

#### **Advantages:**

- 1. The message flows with greater speed through informal channel. It is time saver.
- 2. It helps in uniting the people at work on the matter of common interest.
- 3. It is adaptive to change in circumstances. In this sense it is dynamic and flexible.
- 4. It helps in generation of new ideas. In this way it promotes creativity.

- 5. It satisfies the social needs of the people at work which cannot be met by formal communication.
- 6. The feedback is immediate in this channel.

## **Disadvantages:**

- 1. It is most unreliable type of communication. The manager using this channel may land himself into serious trouble.
- 2. It on certain occasion spreads rumours and wrong information which proves harmful to the organization.
- 3. Many a times this channel carries distorted information.
- 4. The information provided through this channel is usually incomplete.

A manager using this channel should always be very careful because he cannot control it. He must therefore restrain himself to use it and if necessary then should take necessary action to minimize its ill-effects.

#### 3. Verbal Communication:

It is simple and common method of communication. It is person to person communication. Speaking personally and exchanging views and ideas with the subordinates and employees has special effects and helps in developing good human relations. To make verbal communication effective, choice of appropriate words to have clarity in the message should be used. Harsh words should be avoided.

The tone of a person also affects the communication even though good and appropriate words are used. It should be controlled by the speaker. Efforts should be made to feel the listener at ease. He should not get annoyed after listening to the speaker's instructions. Oral communication is an effective tool of maintaining good human relations.

Smile on a face, personal enquiry, greeting a person, sense of humour, understanding practical difficulties are some of the vital clues make the communication very effective. Verbal communication also has some advantages and disadvantages.

## **Advantages:**

- 1. It is quick and it saves time and cost.
- 2. Speaker knows the reaction of the listener immediately.
- 3. It is a more effective channel of communication.
- 4. It is a useful tool during emergent situation.
- 5. The feedback is immediate.
- 6 It is more accurate.

#### **Disadvantages:**

- 1. It is not suitable channel to communicate lengthy.
- 2. If the communicator is not proficient in the language used to communicate, understanding will be difficult.
- 3. Listener will have to take immediate decision. He finds no time to think seriously on the response.
- 4. Messages cannot be kept in record.
- 5. Verbal communication has temporary effect.

#### 4. Non-Verbal Communication

Communicating with gestures, body movements, actions, signals, and facial expressions is non-verbal communication. In primitive society communication was non-verbal. Nonverbal

communication is visual which can be observed, recorded and understood. Nonverbal communication is used along with verbal communication. Non-verbal communication is not obsolete but is still in vogue. An executive can understand from the facial expressions the feelings of his subordinates.

When an executive is busy with his work he calls his assistant with hand signal. Under certain circumstances it is better to use non-verbal communication because words may hurt the feelings and one should remember the saying that "Acts speak louder than words."

#### **Communication Flow or Communication Channels**

In modern times the organisations want speedy flow of information. In the world of competition this is the need of the hour because if you are late you will lag behind. Now internet is in which will throw away old channels. Any information required is on net now. The channel of communication is a path of transmitting messages from sender to the receiver. The managers need various types of information quickly and on time to carry on his managerial activities effectively. Organizations according to their needs establish their own system of communication. The popular and in practice channels of communication are downward, upward, horizontal and diagonal.

#### 1. Downward Communication:

Downward channel of communication flows from top to the bottom level of management. As the direction of the flow of communication suggests, it is from superior to subordinate. This type of channel of communication speaks for authoritarian character of management and environment. This communication is directive in nature. The communication from superiors include directives, orders, instructions relating to policies, programmes, mission, objectives and other information relating to specific task etc.

#### 2. Upward Communication:

It is just the reverse of the downward channel of communication and flows from bottom to top level of management. The importance of this channel of communication is being realized. Superiors get feedback and know the reactions, feelings and opinion of their subordinates and staff working at lower level through this channel of communication. It helps in knowing the grievances of the employees which are generally not known to the superior authorities.

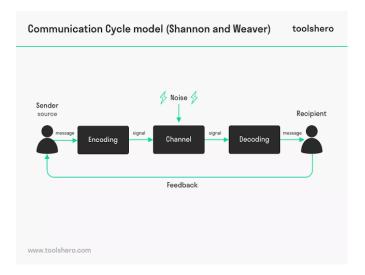
#### 3. Horizontal Communication

Communication that takes place at same levels of hierarchy in an organization is called lateral communication, i.e., communication between peers, between managers at same levels or between any horizontally equivalent organizational member.

#### 4. Diagonal

Communication that takes place between a manager and employees of other workgroups is called diagonal communication. It generally does not appear on organizational chart. For instance - To design a training module a training manager interacts with an Operations personnel to enquire about the way they perform their task.

## The Communication Cycle



Communications is a continuous process which mainly involves three elements viz. sender, message, and receiver. The elements involved in the communication process are explained below in detail:

#### 1. Sender

The sender or the communicator generates the message and conveys it to the receiver. He is the source and the one who starts the communication

#### 2. Message

It is the idea, information, view, fact, feeling, etc. that is generated by the sender and is then intended to be communicated further.

#### 3. Encoding

The message generated by the sender is encoded symbolically such as in the form of words, pictures, gestures, etc. before it is being conveyed.

#### 4. Media

It is the manner in which the encoded message is transmitted. The message may be transmitted orally or in writing. The medium of communication includes telephone, internet, post, fax, e-mail, etc. The choice of medium is decided by the sender.

#### 5. Decoding

It is the process of converting the symbols encoded by the sender. After decoding the message is received by the receiver.

#### 6. Receiver

He is the person who is last in the chain and for whom the message was sent by the sender. Once the receiver receives the message and understands it in proper perspective and acts according to the message, only then the purpose of communication is successful.

#### 7. Feedback

Once the receiver confirms to the sender that he has received the message and understood it, the process of communication is complete.

#### 8. Noise

It refers to any obstruction that is caused by the sender, message or receiver during the process of communication. For example, bad telephone connection, faulty encoding, faulty decoding, inattentive receiver, poor understanding of message due to prejudice or inappropriate gestures, etc.

#### **Effective Communication**

An Effective Communication is a communication between two or more persons where the intended message is successfully delivered, received and understood.

In other words, the communication is said to be effective when all the parties (sender and receiver) in the communication, assign similar meanings to the message and listen carefully to what all have been said and make the sender feel heard and understood. In the business context, the communication is effective if the information shared among the company employees contributes towards the organization's commercial success.

#### **Barriers to Communication**

Common Barriers to Effective Communication:

- 1. The use of jargon. Over-complicated, unfamiliar and/or technical terms.
- 2. Emotional barriers and taboos. Some people may find it difficult to express their emotions and some topics may be completely 'off-limits' or taboo. Taboo or difficult topics may include, but are not limited to, politics, religion, disabilities (mental and physical), sexuality and sex, racism and any opinion that may be seen as unpopular.
- 3. Lack of attention, interest, distractions, or irrelevance to the receiver.
- 4. Differences in perception and viewpoint.
- 5. Physical disabilities such as hearing problems or speech difficulties.
- 6. Physical barriers to non-verbal communication. Not being able to see the non-verbal cues, gestures, posture and general body language can make communication less effective. Phone calls, text messages and other communication methods that rely on technology are often less effective than face-to-face communication.
- 7. Language differences and the difficulty in understanding unfamiliar accents.
- 8. Expectations and prejudices which may lead to false assumptions or stereotyping. People often hear what they expect to hear rather than what is actually said and jump to incorrect conclusions.
- 9. Cultural differences. The norms of social interaction vary greatly in different cultures, as do the way in which emotions are expressed. For example, the concept of personal space varies between cultures and between different social settings.

#### **Functions of Communication in Organization**

The function of communication in an organization is multi-faceted, serving several critical purposes essential for its smooth operation, growth, and success. Here are some key functions:

- 1. **Information Sharing:** Communication disseminates information throughout the organization, ensuring that employees have access to relevant data, updates, policies, procedures, and organizational news.
- 2. Coordination and Collaboration: It facilitates coordination among different departments, teams, and individuals, allowing them to work together effectively towards common goals and objectives.
- 3. **Decision Making:** Communication provides the necessary information, insights, and perspectives to support decision-making processes at all levels of the organization, from strategic planning to day-to-day operations.
- 4. **Conflict Resolution:** Effective communication helps identify and address conflicts, misunderstandings, and disagreements among employees, teams, or departments, fostering a harmonious work environment.
- 5. **Organizational Culture:** Communication shapes and reinforces organizational culture by conveying values, beliefs, norms, and expectations, influencing how employees perceive and interact within the organization.
- 6. **Employee Engagement:** It engages employees by providing opportunities for them to express their opinions, share ideas, contribute to discussions, and feel valued and involved in the organization's activities and decision-making processes.
- 7. **Feedback and Improvement:** Communication facilitates the exchange of feedback between managers and employees, enabling performance evaluations, coaching, mentoring, and continuous improvement initiatives.

### **Strategies for Improving Communication Processes**

## 1. Establish Clear Objectives and Expectations:

- Clearly define the group's goals, roles, and responsibilities to provide a framework for communication.
- Ensure that everyone understands their tasks, deadlines, and the overall purpose of the project or initiative.

## 2. Promote Openness and Transparency:

- Encourage an environment where team members feel comfortable expressing their thoughts, concerns, and ideas without fear of judgment or reprisal.
- Foster transparent communication by sharing relevant information openly and promptly.

## 3. Active Listening:

- Train team members in active listening skills to ensure that they fully understand others' perspectives and concerns.
- Encourage paraphrasing, summarizing, and asking clarifying questions to demonstrate understanding and promote deeper engagement.

## 4. Use Multiple Communication Channels:

- Utilize a variety of communication channels (e.g., meetings, emails, instant messaging, video calls) to accommodate different preferences and facilitate timely exchanges.
- Choose the most appropriate channel for each type of communication, considering factors such as urgency, complexity, and the need for documentation.

## 5. Establish Regular Check-Ins:

- Schedule regular meetings or check-ins to provide opportunities for team members to discuss progress, share updates, and address any challenges or issues.
- Ensure that these meetings are well-structured, focused, and inclusive of all relevant stakeholders.

#### 6. Provide Constructive Feedback:

- Offer feedback in a constructive and respectful manner, focusing on specific behaviors, actions, or outcomes rather than personal attributes.
- Encourage a culture of feedback where team members feel empowered to give and receive input for continuous improvement.

### 7. Clarify Communication Norms:

- Establish clear guidelines for communication, including preferred channels, response times, and expectations for professionalism and courtesy.
- Address any miscommunication promptly and proactively to prevent misunderstandings from escalating.

## 8. Utilize Technology Tools:

- Leverage communication and collaboration tools (e.g., project management software, shared documents, messaging apps) to facilitate real-time communication, document sharing, and task coordination.
- Provide training and support to ensure that team members are proficient in using these tools effectively.

## **Topic 8: Team Dynamics and Effectiveness**

**Definition** of team dynamics and effectiveness

Team dynamics refer to the behavioral and interpersonal processes that occur within a group
of individuals working together towards a common goal. These processes include
communication patterns, roles and responsibilities, decision-making methods, conflict
resolution strategies, and the overall atmosphere or culture of the team.

Team effectiveness, on the other hand, refers to the ability of a team to achieve its goals and objectives efficiently and successfully. It encompasses factors such as productivity, innovation, problem-solving ability, cohesion, morale, and satisfaction among team members.

In essence, team dynamics are the inner workings of a team, while team effectiveness is the measure of how well those dynamics contribute to achieving the team's objectives. Effective team dynamics foster collaboration, trust, and synergy among team members, ultimately leading to better performance and outcomes.

#### Factors that contribute to effective teamwork

Effective teamwork is influenced by various factors that contribute to its success. Here are some key factors:

- 1. **Clear Goals and Objectives**: Teams must have a clear understanding of what they are working towards. Well-defined goals provide direction and purpose, aligning efforts towards a common objective.
- 2. **Shared Vision and Values**: A shared vision helps team members understand the larger purpose behind their work, fostering a sense of unity and commitment. Shared values guide behavior and decision-making, promoting cohesion and collaboration.
- 3. **Open Communication**: Effective communication is essential for sharing information, ideas, and feedback among team members. Open communication channels facilitate collaboration, problem-solving, and the resolution of conflicts or misunderstandings.
- 4. **Defined Roles and Responsibilities**: Clearly defined roles and responsibilities ensure that each team member understands their tasks and contributions to the team's goals. This clarity minimizes confusion and duplication of efforts.
- 5. **Trust and Mutual Respect**: Trust is the foundation of effective teamwork. Team members must trust one another's abilities, intentions, and reliability. Mutual respect fosters a positive team environment where individuals feel valued and supported.
- 6. **Collaborative Decision-Making**: Inclusive decision-making processes involve all team members in sharing ideas, evaluating options, and reaching consensus. Collaboration empowers team members, increases buy-in, and promotes innovative solutions.
- 7. **Adaptability and Flexibility**: Teams need to adapt to changing circumstances, priorities, and challenges. Flexibility allows teams to adjust their strategies, plans, and roles as needed to overcome obstacles and seize opportunities.
- 8. **Effective Leadership**: Strong leadership provides direction, guidance, and support to the team. Leaders facilitate communication, foster trust, resolve conflicts, and empower team members to achieve their full potential.

# Conflict resolution in a team or group

Conflict resolution in a team or group is essential for maintaining productive relationships and achieving common objectives. When individuals with different backgrounds, perspectives, and goals come together, conflicts may arise. However, effectively managing these conflicts can lead to greater cohesion, creativity, and collaboration within the team.

Successful conflict resolution in a team involves several key steps. First, it's crucial to recognize and acknowledge the conflict, creating a safe and open environment where team members feel comfortable expressing their concerns. Next, encourage open dialogue, allowing all parties to voice their perspectives and actively listen to one another.

Once the issues have been identified, focus on understanding the underlying interests and needs of each individual involved, rather than rigidly defending positions. Collaboratively brainstorm potential solutions, considering the preferences and contributions of all team members.

Evaluate and select the most viable solution, aiming for consensus whenever possible but being willing to make compromises if necessary. Develop a clear action plan for implementing the chosen solution, specifying roles, responsibilities, and timelines. Throughout the resolution process, monitor progress and be open to making adjustments as needed.

## Diversity and inclusion in the workplace

Diversity and inclusion in the workplace are essential elements of creating a positive and productive work environment where all individuals feel valued, respected, and empowered to contribute their unique perspectives and talents. Here's a brief write-up on the importance and benefits of diversity and inclusion:

Diversity encompasses the range of differences among individuals, including but not limited to race, ethnicity, gender, age, sexual orientation, disability, religion, socioeconomic status, and cultural background. In contrast, inclusion refers to the practice of creating an environment where diverse individuals feel welcomed, respected, and supported, and where their perspectives are valued and heard.

Embracing diversity and fostering inclusion in the workplace offers numerous benefits for both employees and organizations. First and foremost, diverse teams bring a variety of viewpoints, experiences, and skills to the table, leading to more creative problem-solving, innovation, and better decision-making. When individuals from different backgrounds collaborate, they bring unique insights that can lead to more effective solutions and strategies.

Furthermore, fostering an inclusive workplace culture promotes employee engagement, morale, and retention. When employees feel respected and included, they are more likely to be motivated, committed, and satisfied with their work. Inclusive organizations also tend to attract top talent from diverse backgrounds, enhancing their ability to compete in today's global marketplace.

To cultivate diversity and inclusion in the workplace, organizations should implement a range of strategies and practices. This includes establishing diversity and inclusion policies and training programs, promoting diverse representation in leadership positions, fostering open communication and collaboration among employees, and actively addressing bias and discrimination.

#### Importance of Diversity and inclusion in the workplace

Diversity and inclusion (D&I) in the workplace are vital for numerous reasons:

- 1. **Innovation and Creativity**: Diverse teams bring together a variety of perspectives, experiences, and backgrounds, which fosters creativity and innovation. Different viewpoints can lead to more comprehensive problem-solving and innovative solutions.
- 2. **Better Decision Making**: When teams are diverse, they're more likely to consider a wider range of factors and viewpoints when making decisions. This can lead to better decision-making processes and outcomes.
- 3. **Improved Employee Engagement and Satisfaction**: Inclusive workplaces foster a sense of belonging and psychological safety among employees. When individuals feel valued and included, they're more engaged, motivated, and satisfied in their roles.
- 4. **Attracting and Retaining Talent**: Organizations that prioritize diversity and inclusion are more attractive to a diverse pool of candidates. Additionally, inclusive cultures are more likely to retain employees, reducing turnover costs.
- 5. **Enhanced Reputation and Brand Image**: Companies known for their commitment to diversity and inclusion tend to have better reputations and are viewed more positively by customers, investors, and the community at large.
- 6. **Compliance and Legal Obligations**: Many jurisdictions have legal requirements and regulations related to diversity and inclusion in the workplace. Adhering to these regulations not only helps avoid legal issues but also demonstrates a commitment to ethical business practices.
- 7. **Market Growth and Adaptability**: In today's globalized world, diverse teams can better understand and serve diverse markets. They're more adept at adapting to changing customer needs and preferences, which can be crucial for business growth and sustainability.

#### **Employee Engagement**

Employee engagement refers to the emotional commitment and level of involvement that employees have towards their work, organization, and its goals. Engaged employees are enthusiastic about their work, motivated to contribute to the success of the organization, and feel a sense of connection and fulfillment in their roles. Employee engagement goes beyond mere job satisfaction; it reflects the extent to which employees are invested in their work and willing to go above and beyond to achieve shared objectives.

High levels of employee engagement are associated with numerous benefits for organizations, including increased productivity, higher levels of customer satisfaction, improved employee retention, and greater profitability. Engaged employees are more likely to innovate, collaborate effectively with colleagues, and provide exceptional service to customers.

Several factors contribute to employee engagement, they include:

- 1. **Effective Leadership**: Leadership plays a crucial role in fostering employee engagement. Strong and supportive leadership creates a positive work environment, provides clear direction and feedback, and empowers employees to succeed.
- 2. **Meaningful Work**: Employees are more engaged when they find their work meaningful and aligned with their values, interests, and skills. Providing opportunities for employees to contribute to meaningful projects and initiatives enhances their sense of purpose and fulfillment.
- 3. **Recognition and Rewards**: Recognizing and rewarding employees for their contributions and achievements reinforces positive behavior and motivates continued engagement. Recognition can take various forms, including praise, awards, promotions, and financial incentives.
- 4. **Opportunities for Growth and Development**: Employees are more engaged when they have opportunities for learning, growth, and career advancement. Providing training programs, mentorship opportunities, and career development resources demonstrates a commitment to employees' professional development and fosters a culture of continuous learning.
- 5. **Work-Life Balance**: Supporting employees' well-being and promoting work-life balance is essential for maintaining high levels of engagement. Flexible work arrangements, wellness programs, and initiatives to promote mental health and stress management contribute to employee satisfaction and engagement.
- 6. **Open Communication**: Transparent communication and regular feedback channels are vital for keeping employees informed, engaged, and connected to the organization's goals and objectives. Encouraging two-way communication fosters trust, collaboration, and a sense of belonging among employees.
- 7. **Employee Voice and Empowerment**: Empowering employees to share their ideas, opinions, and concerns encourages a sense of ownership and accountability. Actively soliciting employee feedback and involving them in decision-making processes demonstrates trust and respect for their contributions.

# **Topic 9: Stress Management: Definition, sources, types and Management of stress**

#### **Definition**

Stress is a physiological and psychological response that occurs when an individual perceives a demand or threat that exceeds their ability to cope. It's a natural reaction to situations or events that disrupt the individual's equilibrium or homeostasis. Stress can manifest in various forms, including physical, emotional, cognitive, and behavioral symptoms.

## Workplace stress

Workplace stress also known as occupational stress refers to the physical, emotional, and psychological strain experienced by individuals in response to their job or work environment.

#### **Sources of Stress**

Workplace stress can arise from various factors within the workplace, including:

- 1. **Workload**: Having too much work or unrealistic deadlines can lead to stress. Feeling overwhelmed by the volume or complexity of tasks can negatively impact performance and well-being.
- 2. **Role Ambiguity**: Unclear job expectations, responsibilities, or reporting relationships can contribute to stress. Employees may feel uncertain about what is expected of them or struggle to meet vague or conflicting demands.
- 3. **Lack of Control**: Feeling powerless or having little control over one's work environment can be stressful. This may include limited autonomy in decision-making, micromanagement, or rigid procedures that restrict flexibility.
- 4. **Poor Work-life Balance**: Imbalance between work and personal life can lead to chronic stress. Long hours, overtime, or the inability to disconnect from work during non-work hours can negatively impact mental health and relationships.
- 5. **Interpersonal Conflicts**: Workplace conflicts, difficult relationships with colleagues or supervisors, bullying, harassment, or discrimination can all contribute to stress. Negative interactions with coworkers can create a toxic work environment and undermine morale.
- 6. **Job Insecurity**: Concerns about job stability, layoffs, or organizational restructuring can cause significant stress. Fear of losing one's job or uncertainty about the future can lead to anxiety and decreased job satisfaction.
- 7. **Lack of Support**: Inadequate support from supervisors, coworkers, or the organization can exacerbate stress. Feeling isolated or unsupported during challenging times can heighten feelings of stress and reduce resilience.
- 8. **Physical Environment**: Uncomfortable or unsafe working conditions, noise, temperature extremes, poor lighting, or inadequate facilities can contribute to stress and discomfort.

#### **Stressors**

Stressors are events, circumstances, or conditions that trigger stress responses in individuals. They can vary widely depending on the person and the situation but generally fall into several categories:

- 1. Work-related Stressors: These include factors directly related to one's job, such as high workloads, tight deadlines, job insecurity, conflicts with colleagues or supervisors, lack of control or autonomy, and insufficient resources or support.
- 2. Environmental Stressors: Environmental factors such as noise, temperature extremes, overcrowding, or uncomfortable workspace conditions can contribute to stress.
- 3. Personal Stressors: Personal issues such as financial problems, relationship conflicts, family responsibilities, health concerns, or major life changes (such as moving or divorce) can significantly impact stress levels.
- 4. Organizational Stressors: These are factors related to the organization as a whole, such as unclear expectations, poor communication, micromanagement, lack of recognition or rewards, or a toxic organizational culture.
- 5. Technological Stressors: Rapid technological changes, information overload, constant connectivity (e.g., emails, notifications), and dependence on technology can contribute to stress in the workplace.
- 6. Life Events: Major life events such as marriage, childbirth, bereavement, or illness, whether positive or negative, can cause significant stress.
- Social Stressors: Interpersonal relationships and social interactions at work, including conflicts with coworkers, bullying, harassment, or feeling isolated, can be sources of stress.
- 8. Financial Stressors: Concerns about financial stability, debt, unemployment, or job insecurity can be significant stressors for many individuals.

### **Types of Stress**

Stress can be categorized into different types based on various factors, including its source, duration, and impact on an individual's well-being. Here are some common types of stress:

- 1. **Acute Stress**: Acute stress is short-term and typically occurs in response to immediate stressors or pressures. It's often characterized by a rapid onset and heightened physiological arousal, such as increased heart rate and sweating. Acute stressors can include deadlines, conflicts, or unexpected events.
- 2. **Chronic Stress**: Chronic stress is long-term and persists over an extended period. It can result from ongoing situations or conditions, such as work-related stress, financial problems, or chronic health issues. Chronic stress can have serious health consequences if not managed effectively, including cardiovascular problems, weakened immune system, and mental health disorders like anxiety and depression.

- 3. **Environmental Stress**: Environmental stressors are external factors in the environment that can induce stress reactions in individuals. These may include noise pollution, overcrowding, pollution, or extreme weather conditions. Environmental stress can affect both physical and mental well-being.
- 4. **Psychological Stress**: Psychological stress arises from cognitive or emotional factors, such as perceived threats, worries, or negative thoughts. It can be triggered by various situations, including work pressure, relationship issues, or traumatic events. Psychological stress can manifest as anxiety, irritability, mood swings, or difficulty concentrating.
- 5. **Physiological Stress**: Physiological stress refers to the body's biological response to stressors, involving changes in physiological functions and hormone levels. This includes the activation of the body's "fight or flight" response, which prepares the body to deal with perceived threats. Physiological stress can lead to symptoms like increased heart rate, elevated blood pressure, muscle tension, and gastrointestinal disturbances.
- 6. **Secondary Stress**: Secondary stress, also known as vicarious or compassion fatigue, occurs when individuals experience stress indirectly through exposure to the stressors of others. This can happen in professions such as healthcare, social work, or caregiving, where individuals are regularly exposed to others' trauma or suffering.

#### **Management of Workplace Stress**

Managing workplace stress requires proactive measures from both employees and employers. This may involve promoting a positive work culture, providing resources for stress management and resilience training, offering flexible work arrangements, fostering open communication, addressing conflict promptly, and promoting work-life balance. By addressing the root causes of workplace stress and implementing supportive strategies, organizations can create healthier and more productive work environments.

#### **How to Manage Work Place Stress**

Managing workplace stress involves adopting various strategies to cope with the demands and pressures of your job. Here are some effective ways to manage workplace stress:

- 1. Identify Stressors: Recognize the specific factors causing stress in your workplace. It could be tight deadlines, workload, conflicts with colleagues, or unclear expectations.
- 2. Prioritize Tasks: Break down tasks into smaller, manageable steps and prioritize them based on urgency and importance. Focus on completing one task at a time rather than feeling overwhelmed by the entire workload.

- 3. Time Management: Use time management techniques such as creating to-do lists, setting realistic deadlines, and using productivity tools to organize your tasks and schedule effectively.
- 4. Set Boundaries: Establish clear boundaries between work and personal life. Avoid taking work-related calls or checking emails during off-hours to ensure you have time to relax and recharge.
- 5. Practice Stress Reduction Techniques: Incorporate stress-relief practices into your daily routine, such as deep breathing exercises, meditation, yoga, or mindfulness. These techniques can help calm your mind and reduce anxiety.
- 6. Maintain a Healthy Lifestyle: Eat a balanced diet, exercise regularly, and get an adequate amount of sleep. Physical activity and proper nutrition can boost your mood, energy levels, and resilience to stress.
- 7. Seek Support: Talk to your manager, HR representative, or a trusted colleague about your concerns and stressors. They may be able to provide guidance, support, or resources to help you manage your stress effectively.
- 8. Set Realistic Expectations: Be realistic about what you can accomplish within a given timeframe. Don't overcommit yourself or take on more than you can handle. Learn to say no when necessary and delegate tasks when possible.
- 9. Develop Coping Strategies: Identify healthy coping mechanisms that work for you, such as listening to music, going for a walk, or engaging in a hobby. Having outlets for stress can help you decompress and recharge.

#### **Distress Versus Eustress**

Distress and eustress are two terms used to describe different types of stress experienced by individuals. Understanding the distinction between them can help in recognizing the potential effects of stress on well-being:

- 1. Distress: Distress refers to negative or harmful stress that arises from situations perceived as threatening, harmful, or overwhelming. It is often associated with feelings of anxiety, fear, frustration, and a sense of being unable to cope. Examples of distress include chronic work-related pressure, financial difficulties, relationship conflicts, health problems, or traumatic events. Prolonged exposure to distress can lead to physical and mental health problems such as anxiety disorders, depression, cardiovascular issues, and impaired immune function.
- 2. Eustress: Eustress, on the other hand, is a positive form of stress that arises from situations perceived as challenging but ultimately manageable and potentially beneficial. It is often associated with feelings of excitement, motivation, and a sense of

accomplishment. Examples of eustress include starting a new job, taking on a challenging project, preparing for a competition, or pursuing personal growth opportunities. Eustress can enhance performance, promote resilience, and foster personal growth by providing opportunities for learning, skill development, and achievement.

While distress and eustress are distinct concepts, the line between them can be subjective and vary from person to person. What may be perceived as distressing for one individual could be seen as eustressful for another, depending on factors such as personality, coping mechanisms, and individual circumstances.