**MODEL ANSWERS**

**COURSE – MBA I SEMESTER**

**SUBJECT – MANAGEMENT PROCESS AND ORGANISATION BEHAVIOUR**

**SECTION A**

1. **(All questions compulsory)**
2. **Organizational behaviour** (**OB**) is "the study of [human behaviour](http://en.wikipedia.org/wiki/Human_behavior) in organizational settings, the interface between human behaviour and the organization, and the organization itself." OB can be divided into three levels: the study of (a) individuals in organizations (micro-level), (b) work groups (meso-level), and (c) how organizations behave (macro-level).

Organizational behaviour is concerned with the study of the behaviour of people within an organizational setting. It involves the understanding, prediction and control of human behaviour and the factors which influence the performance of people as members of an organization. Organizational behaviour dose not encompass the whole of management; it is more accurately described in narrower interpretation of providing a behavioural approach to management.

1. **Extroversion** – refers to the tendency in individuals to turn outward of themselves searching for external stimuli with which they can interact. Extroverts are sociable, lively, gregarious, and seek outward interaction. They are likely to be more successful working in the sales activity, publicity departments, personal relations unit, and so on where they can interact face to face with others.

**Conscientiousness** is the [personality trait](http://en.wikipedia.org/wiki/Personality_trait) of being [thorough](http://en.wiktionary.org/wiki/thorough), [careful](http://en.wiktionary.org/wiki/careful), or [vigilant](http://en.wiktionary.org/wiki/vigilant). Conscientiousness implies a desire to do a task well. Conscientious people are [efficient](http://en.wikipedia.org/wiki/Efficiency) and [organized](http://en.wikipedia.org/wiki/Organizing_(structure)) as opposed to [easy-going](http://en.wikipedia.org/wiki/Relaxation_(psychology)) and [disorderly](http://en.wiktionary.org/wiki/disorderly). They exhibit a tendency to show [self-discipline](http://en.wikipedia.org/wiki/Self-discipline), act [dutifully](http://en.wikipedia.org/wiki/Duty), and [aim for achievement](http://en.wikipedia.org/wiki/Need_for_achievement); they display [planned](http://en.wikipedia.org/wiki/Planning) rather than [spontaneous](http://en.wikipedia.org/w/index.php?title=Spontaneity_and_indifference&action=edit&redlink=1) behavior; and they are generally [organized](http://en.wikipedia.org/wiki/Organizing_(structure)) and [dependable](http://en.wikipedia.org/wiki/Dependability). It is manifested in characteristic behaviors such as being [neat](http://en.wikipedia.org/wiki/Orderliness) and [systematic](http://en.wiktionary.org/wiki/systematic); also including such elements as [carefulness](http://en.wiktionary.org/wiki/carefulness), [thoroughness](http://en.wiktionary.org/wiki/thoroughness), and [deliberation](http://en.wiktionary.org/wiki/deliberate) (the tendency to think carefully before acting.) Conscientiousness is one of the five traits of the [Five Factor Model](http://en.wikipedia.org/wiki/Big_Five_personality_traits) of personality and is an aspect of what has traditionally been referred to as having [character](http://en.wikipedia.org/wiki/Moral_character). Conscientious individuals are generally [hard-working](http://en.wiktionary.org/wiki/hard-working) and [reliable](http://en.wiktionary.org/wiki/reliable). When taken to an extreme, they may also be "[workaholics](http://en.wikipedia.org/wiki/Workaholic)", [perfectionists](http://en.wikipedia.org/wiki/Perfectionism_(psychology)), and [compulsive](http://en.wikipedia.org/wiki/Compulsive_behavior) in their behavior. People who score low on conscientiousness tend to be more laid back, less goal-oriented, and less driven by success; they also are more likely to engage in [antisocial](http://en.wikipedia.org/wiki/Antisocial_personality_disorder) and [criminal](http://en.wikipedia.org/wiki/Criminal_behavior) behavior.

1. **Types of values**  
   **• Personal values:**These are considered essential principles on which we build our life and guide us to relate with other people. They are usually a blend of family values and social-cultural values, together with our own individual ones, according to our experiences.  
   **• Family values:**These are valued in a family and are considered either good or bad. These derive from the fundamental beliefs of the parents, who use them to educate their children.  They are the basic principles and guidelines of our initial behavior in society, and are conveyed through our behaviors in the family, from the simplest to the most complex.  
     
   **• Social-cultural values:**These are the prevailing values of our society, which change with time, and either coincide or not with our family or personal values.  They constitute a complex mix of different values, and at times they contradict one another, or pose a dilemma.  
   **• Material values:**These values allow us to survive, and are related to our basic needs as human beings, such as food and clothing and protection from the environment. They are fundamental needs, part of the complex web that is created between personal, family and social-cultural values. If exaggerated, material values can be in contradiction with spiritual values.  
   **• Spiritual values:**They refer to the importance we give to non-material aspects in our lives. They are part of our human needs and allow us to feel fulfilled. They add meaning and foundation to our life, as do religious beliefs.  
   **• Moral values:**The attitudes and behaviours that a society considers essential for coexistence, order, and general well-being.

## Differences between trait theory and behavioural theory

Behaviorism is a more “democratic” kind of theory. Becoming a leader, according to the behaviorist school of thought, is just a matter of proper training, while trait theory holds that a leader must have certain inherent, innate qualities. Take, for example, two people. One was born in the house of a family that was weak willed and was known for letting people take advantage of them. Another was born in a house filled with powerful executives and those commonly called “born leaders.” Theoretically, the person from the former house will develop the habits of servility, while the second person will develop the habits of assertiveness. According to behaviorism, had their upbringings been switched, they each would have developed differently, so either is equally likely to be a good leader with proper training.

1. **Group** - Two or more individuals, interacting and Interdependent, who have come together to achieve particular objectives
2. Conflict is classified into the following four types:

**Interpersonal conflict**refers to a conflict between two individuals. This occurs typically due to how people are different from one another.

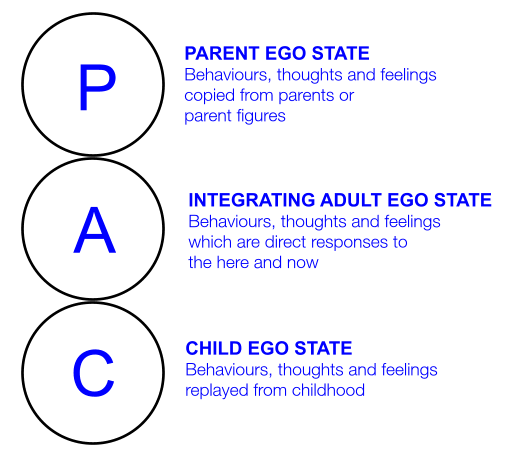
**Intrapersonal conflict**occurs within an individual. The experience takes place in the person’s mind. Hence, it is a type of conflict that is psychological involving the individual’s thoughts, values, principles and emotions.

**Intragroup conflict**is a type of conflict that happens among individuals within a team. The incompatibilities and misunderstandings among these individuals lead to an intragroup conflict.

**Intergroup conflict**takes place when a misunderstanding arises among different teams within an organization. For instance, the sales department of an organization can come in conflict with the customer support department.

1. **Group Behaviour** refers to the situation where people interact with each other as part of a small or large group –how they react to discussion, arguments that take place in a group of which they are members.:-
2. **Management by objectives** (or **MBO**) is a personnel management technique where managers and employees work together to set, record and monitor goals for a specific period of time. Organizational goals and planning flow top-down through the organization and are translated into personal goals for organizational members. The technique was first championed by management expert Peter Drucker and became commonly used in the 1960s.
3. **Nature of perception:-**
4. Perception is an intellectual process through which a person select the data from the environment, organise it and obtains meaning from it.
5. Perception is the basic cognitive or psychological process. the manner in which a person perceives the environment affect his behaviour.
6. Perception being an intellectual and psychological process, becomes a subjective process and different people may perceive the same environmental event differently.

# Ego States



**Eric Berne** devised the concept of **ego states** to help explain how our personality is made up, and how we relate to others. These ego states are drawn as three stacked circles and they are one of the building blocks of TA. They categorise the ways we think, feel and behave and at the simplest level, are called **Parent**, **Adult**, and**Child**.

Each ego state is given a capital letter to denote the difference between these Ego States and**actual** parents, adults and children.

**SECTION – B**

**(Attempt Any Five)**

**ANS. 2** **HUMAN RELATION APPROACH**

The human relations movement drew heavily in support of its findings on a series of famous experiments called the Hawthorne Studies which were conducted from 1924 to 1933 at the Hawthorne Plant of the Western Electric Company in Cicero, Illinois. The neglect of human aspect and over-emphasis machines, materials and abstract functions led to the development of this approach. Prof. Elton Mayo is considered as the initial profounder of the Human Relations or Behavioural Approach to Management

Management functions & processes are discharged by a number of individual (human beings) and successful management is one that gets the best from these individuals. Management therefore involves getting this done with and through people. Understanding worker response and inter-personal relations is essential in the development of any management approach. The core of human relations approach is "being nice to workers" and it focussed on the following six propositions:

1. A focus on people, rather than upon machines or economics
2. People exist in an organizational environment rather than an organized social context
3. A key activity in human relations is motivating people
4. Motivation should be directed towards team work which requires both the co-ordination and cooperation of individuals involved.
5. Human relations, through team work, seeks to fulfil both individual and organizational objectives simultaneously
6. Both individuals and organizations share desire for efficiency, that is, they try to achieve maximum results with minimum inputs

The human relations approach emphasises on the individual and focuses on inter-personal approach. It studies the individual, his needs and behaviour. Its main concepts are motivation and job satisfaction.

The human relations approach neglected behavioural pattern of groups. Man is a social animal and her never thinks alone. He is greatly influenced by what others with whom he is associated thinks or behaves. Thus it is the group that sets the pattern of human behaviour. It is necessary to study the organisational behaviour as a whole, involving the study of the attitude, behaviour and performance of both individuals and groups in organisational setting. This led to the more improved and modern approach called the Behavioural Sciences Approach to Management.

**Elton Mayo**

Elton Mayo was a Harvard Professor who had a huge interest in Federick Taylor’s work. He was interested in learning about ways to increase productivity. In 1924, Elton Mayo and his protégé Fritz Roethlisberger were awarded a grant by the National Research Council (NRC) of the National Academy of Science to study productivity and lighting at the Hawthorne Works of the Western Electric Company. The Hawthorne experiments, as Elton Mayo’s body of work became known as, are a series of experiments in human relations conducted between 1924 and 1932 at Western Electric Company's Hawthorne Works in Cicero, Illinois.

**Illumination Study**

The first study at Hawthorne Works was designed to explicitly test various lighting levels and how the lighting levels affected worker productivity. The original hypothesis of the illumination study was the as lighting increased worker productivity would increase. The opposite was also predicted, as lighting decreased, worker productivity would decrease. The original push behind the study was the electric power industry who believed that if they could demonstrate the importance of artificial lighting, organizations around the country would adopt artificial lighting in place of natural lighting to ensure worker productivity.

The research began in the fall of 1924 and continued through the spring of 1927 as three different groups of workers were put through the experiment: relay assembly workers, coil winding workers, and inspectors. Roethlisberger, F. J., & Dickson, W. J. (1939). Management and the worker. Cambridge, MA: Harvard University Press. After three different testing conditions were concluded, the researchers were perplexed by their findings. It did not matter if the researchers increased or decreased light in the company; the workers’ productivity increased. This finding was even true when the researchers turned down the lights to wear the workers could barely see. The researchers later realized that lighting did not affect worker productivity, rather the researchers’ presence had an impact. That's why, production outcomes were similar to the lighting study because workers were influenced by the attention they got by the researchers. Roethlisberger, F. J., & Dickson, W. J. (1939). Management and the worker. Cambridge, MA: Harvard University Press. This incident was labelled the Hawthorne Effect.

**Relay Assembly Study**

In order to further clarify the impact of a variety of factors on productivity, a second set of tests were designed to evaluate rest periods and work hours on productivity. The goal of this study was really to determine how fatigue impacted worker productivity. Six women operators volunteered to participate in the relay assembly study. The women were given physical examinations at the beginning of the study and then every six weeks in order to ensure that the experiment was not adversely affecting their health.

The six women were isolated in a separate room away from other Hawthorne workers where it was easier to measure experimental conditions like output and quality of work, temperature, humidity, etc… The specific task in the relay assembly test was an electromagnetic switch that consisted of 35 parts that had to be put together by hand.

The experimenters introduced a variety of changes to the workers’ environment: pay rates, bonuses, lighting, shortened workdays/weeks, rest periods, etc… Surprisingly, as the test period quickly spanned from an original testing period of a couple of months to more than two years, no matter what the experimenters did, productivity increased. In fact, productivity increased over 30 percent during the first two and a half years of the study and then plateaued during the duration of the tests. The physicals the workers received every six weeks also showed that the women had improved physical health and their absenteeism decreased during the study period. Even more important, the women regularly expressed increased job satisfaction.

Once again the researchers were stumped. The researchers quickly tried to determine what was causing the increased productivity. The researchers quickly ruled out all of the manipulated conditions and settled on something considerably more intangible, employee attitudes.

**Employee Interview Study**

During the middle of the relay assembly studies, a group of Harvard researchers led by Elton Mayo and F. J. Roethlisberger joined the team of engineers at Hawthorne Works to add further expertise and explanation to the studies underhand. One of the most important contributions Mayo makes is during the follow-up to the illumination and relay studies when they interviewed workers at Hawthorne Works.

From 1928 to 1931 the Harvard researchers interviewed over 21,000 workers in attempt to gage worker morale and determine what job factors impacted both morale and job satisfaction. The researchers predicted, based on the illumination and relay studies, that if they could increase worker morale and satisfaction then the workers would be more efficient and productive as well. The interview study definitely posed some new challenges for the researchers. Mayo not that the “experience itself was unusual; there are few people in this world who have had the experience of finding someone intelligent, attentive, and eager to listen without interruption to all that he or she has to say.”Mayo, E. (1945). The social problems of an industrial civilization. Boston, MA: Harvard Business School, pg. 163. To this end, Mayo trained a series of interviewers to listen and not give advice as they took descriptive notes of what was being told to them by the workers.

After the interviewing study was completed, the researchers attempted to make sense of the mounds of data they had accumulated. One interesting side effect was noted. After being interviewed by a researcher about the employee’s working conditions, the employee reported increased satisfaction. Ultimately, the vary act of being asked about their working conditions made the employees more satisfied workers and more ultimately more productive. One of the interesting outcomes of this study is the practice of employee reaction surveys, which are still widely used in organizations today.

**Bank Wiring Observation Study**

One of the findings of the interview study was that workers had a tendency of creating an informal standard for output that was predetermined by the group but never clearly stated. These productivity standards were never really in-line with the ones communicated by either efficiency engineers or managers. To examine the influence that informal group rules had on worker productivity, Mayo and his team created the bank wiring observation study.

Fourteen bank wiremen (nine wirers, three solderers, and two inspectors) were placed in a separate room and told to complete their individual tasks. The men in the room were putting together automatic telephone exchange components that consisted of 3,000 to 6,000 individuals terminals that had to be wired. The workers spent a lot of time on their feet. To ensure that the men were not affected by the Hawthorne effect, the researchers never let the men know they were being studied. However, a researcher named W. Lloyd Warner, a trained anthropologist with an interest in group behavior, was present in the room, but he acted like a disinterested spectator and had little direct interaction with the wiremen. In the experimental condition, pay incentives and productivity measures were removed to see how the workers would react. Over time, the workers started to artificially restrict their output and an average output level was established for the group that was below company targets. Interestingly enough, the man who was considered the most admired of the group also demonstrated the most resentment towards management and slowed his productivity the most, which led to the cascading productivity of all of the other men in the group.

The researchers ultimately concluded that the wiremen created their own productivity norms without ever verbally communicating them to each other. For the first time, the researchers clearly had evidence that within any organization there exists an informal organization that often constrains individual employee behavior. The bank wiring observation study was stopped in spring of 1932 as layoffs occurred at Hawthorne Works because of the worsening Great Depression.

**Conclusion**

The Hawthorne Studies and the research of Mayo and Roethlisberger reinvented how organizations think about and manager workers. Unlike Taylor’s perspective, Mayo and Roethlisberger felt that interpersonal relationships were important. Moreover, they felt that society was composed on groups and not just individuals, individuals do not act independently with their own interests but are influenced by others, and most workers decisions are more emotional than rational. One cannot overstress the importance that Mayo and Roethlisberger have had on management theory and organizational academics. Overall, these studies demonstrated the importance that communication is in subordinate-supervisor interactions, the importance of peer-relationships, and the importance of informal organizations.

While the Hawthorne Studies revolutionized management theory, they were also quite problematic. For example, most of the major studies in this series consisted of very small samples of workers (6 in the relay study; 13 in the bank wiring study), so these results are definitely suspect from a scientific vantage point. Furthermore, some people would argue that Hawthorn effects were really the result of workers who were more afraid of unemployment rather than communication relationships.Rice, B. (1982). The Hawthorne Defect: Persistence of a flawed theory. Psychology Today, 16(2), 70–74.Regardless of potential errors of the studies, the conclusion that Mayo, Roethlisberger, and Dickson found was quite extraordinary. Relationships have a significant impact on the quality of organizational performance.

**Ans. 3** **Major determinants of Organisational behaviour:-**

1. People:-The first primary behavioural determinant in organizations is people. Small company employees are inherently different. Their ages and genders vary. They also come from diverse ethnic backgrounds. Moreover, people bring different skill sets to their companies. Employees are also different with respect to their goals and ambitions. Some strive to get promoted more quickly. Others enjoy more tactical functions and are satisfied becoming more efficient at their present jobs. Managers must understand what motivates employees so they can adopt the right management styles with them. For example, some workers prefer closer supervision, while others are more self-directed and thrive on independence. Employees also exhibit different behaviours in group settings. Some individuals are more reserved, and group settings almost hamper their capabilities. Others are naturally leaders and tend to take over group tasks and projects. Managers who correctly identify which employees work best on their own or in groups stand to gain the most productivity from them.
2. Technology:-Technology also greatly influences working relationships between employees. Companies that have more updated equipment or computer software usually can expect greater production from workers. There also tends to be more cohesiveness among employees. Managers spend less time harping over details when they know employees have the proper tools. For example, a marketing manager may assign an analyst the task of creating a 10-page presentation for the department meeting. The manager knows the presentation software provides tutorials and spends less time explaining how to set up the presentation. Contrarily, employees who do not have the proper technology and equipment may become agitated. They may start viewing their job as drudgery and start taking their frustrations out on other workers.
3. Organizational Structure:-Small companies also must ensure they have the proper organizational structure for employees to work effectively. A tall, bureaucratic structure, for example, would not work efficiently for a small company with 50 employees. There would be too many management levels. Workers would spend more time waiting for approval on projects or budgets, as more managers would be involved in the decision-making process. Creativity and communication also may be hampered in a taller organizational structure. This may lower the morale of employees who are creative and have high ambitions. Small companies servicing diverse customer groups may be better off using a customer-based structure, according to ReferenceforBusiness.com. Workers become more specialized by customer, which may increase both customer and employee satisfaction. Confusion and frustration may be averted because employees don't have to know the different procedures for serving all customers.

**Its present nature may be discussed as under.**

1. **A separate field of study** - > Organizational Behaviour is a separate field of study. Many researches and analysis have been done in this field. But it is not still accepted as a science. There is no foundation of basic concepts that may guide its development as a science. Therefore, it will be appropriate to call it a field of study rather than discipline.

2. **It is an applied science** - > The aim of OB it to solve problems of organizations related with human behaviour aspect. Therefore, applied researches are concentrated, in place of fundamental researches. Though many of the researches may be carried in laboratory, but the behaviour of an individual cannot be analysed so. Therefore, Organizational Behaviour is both science as well as art.

3. **Goal Oriented** - > Since OB is applied science it is oriented towards organizational goals. Sometimes there may be conflict of organizational goals with individual goals. In that case, both the objectives are achieved simultaneously.

4. **Interdisciplinary Approach** - > Organizational Behaviour is interdisciplinary in nature. It is based on behavioural and social sciences that contributes to the subject. It applies from these disciplines ideas that will improve the relationships between people and organization.

5**. Focus Attention on people** - > OB focus the attention on people. It is based on the concept that need and motivation of the people should be given priority. if the people are given proper environment and working condition, they are creative, independent and capable of achieving organizational objectives.

6. **Normative Science** - > OB is a normative science. It just not only defines the cause and effect relationship but also suggests how the results of various researches can be applied to get organizational results. What acceptable by society is not defines positive science, but it is done by normative science.

From the above discussion it is clear that OB is not a discipline in itself. It draws concepts and principles from other behavioural sciences, which help in directing human behaviour in the organization.

Information technology, globalization, diversity and ethics serve as important dimensions for organizational behaviour but the people are the key factor. The technology can be purchased and copied but the people cannot be. Interestingly, whereas the technology changes dramatically, sometimes monthly or even weekly, the human side of enterprise has not and will not change that fast..

**Significance of OB:-**

1. **Managing workplace diversity** – workforce diversity means that organisation is becoming more heterogeneous in terms of gender, which varies from so called norms. it includes women, south-Indian, Bengalis, Punjabi, physically disabled , elderly etc.
2. **Improving ethical behaviour** – after understanding the mechanism of human behaviour, managers are required to control and direct the behaviour so that it conforms to the standard required for achieving the organisational objectives. Thus managers are required to control and direct the behaviour at all level of individual interaction. Therefore, organisational behaviour helps managers in controlling and directing in different areas such as use of power and sanctions, leadership and communication, and building organisational culture favourable for better interaction.
3. **In defining authority, power and status of an employee** – the behaviour can be controlled and directed by the use of power and sanctions which are formally defined by the organisation. power is referred to as the capacity of an individual to take certain action and may be utilised in many ways. Organisational behaviour explains how various means of power and sanctions can be utilised so that both organisational and individual objectives are achieved simultaneously.
4. **In making communication** – communication makes people to come in contact with each other. to achieve organisational objectives, the communication must be effective. the communication process and its work in interpersonal dynamics have been evaluated by organisational behaviour.
5. **Essential to effective strategy implementation** – organisations, as dynamic entities are characterised by pervasive changes. organisation have to adapt themselves to the environmental changes by making suitable, internal arrangements such as convincing employees who normally have the tendency of resisting any changes.
6. **It contains a body of theory** - it contains a body of theory, research, applications when a growing concern for in work place. its study helps in understanding human behaviour. the study of theories and research experiences of an organisation facilitates manager for crestive thinking to solve human problem s in organisations.
7. **Information technology gives power** and information to the one who can use it best.
8. The environmental is changing rapidly making adaptation and changes crucial to survival- organisations are closed systems isn’t valid model.
9. Improving quality and productivity
10. In making effective organisational structure.
11. In making group
12. In motivation
13. In organisational development.

**Ans. 4:- Maslow's Hierarchy of Needs**

Maslow wanted to understand what motivates people. He believed that people possess a set of motivation systems unrelated to [rewards](http://www.simplypsychology.org/operant-conditioning.html) or [unconscious desires](http://www.simplypsychology.org/psyche.html).

Maslow (1943) stated that people are motivated to achieve certain needs. When one need is fulfilled a person seeks to fulfil the next one, and so on.

The earliest and most widespread version of Maslow's (1943, 1954)hierarchy of needs includes five motivational needs, often depicted as hierarchical levels within a pyramid.



This five stage model can be divided into basic (or deficiency) needs (e.g. physiological, safety, love, and esteem) and growth needs (self-actualization).

The deficiency or basic needs are said to motivate people when they are unmet. Also, the need to fulfil such needs will become stronger the longer the duration they are denied. For example, the longer a person goes without food the more hungry they will become.

One must satisfy lower level basic needs before progressing on to meet higher level growth needs. Once these needs have been reasonably satisfied, one may be able to reach the highest level called self-actualization.

Every person is capable and has the desire to move up the hierarchy toward a level of self-actualization. Unfortunately, progress is often disrupted by failure to meet lower level needs. Life experiences including divorce and loss of job may cause an individual to fluctuate between levels of the hierarchy.

Maslow noted only one in a hundred people become fully self-actualized because our society rewards motivation primarily based on esteem, love and other social needs.

### Five Levels of the Hierarchy of Needs

There are five different levels in Maslow’s hierarchy of needs:

1. [**Physiological Needs**](http://psychology.about.com/od/theoriesofpersonality/ss/maslows-needs-hierarchy_2.htm)  
   These include the most basic needs that are vital to survival, such as the need for water, air, food, and sleep. Maslow believed that these needs are the most basic and instinctive needs in the hierarchy because all needs become secondary until these physiological needs are met.
2. [**Security Needs**](http://psychology.about.com/od/theoriesofpersonality/ss/maslows-needs-hierarchy_3.htm)  
   These include needs for safety and security. Security needs are important for survival, but they are not as demanding as the physiological needs. Examples of security needs include a desire for steady employment, health care, safe neighborhoods, and shelter from the environment.
3. [**Social Needs**](http://psychology.about.com/od/theoriesofpersonality/ss/maslows-needs-hierarchy_4.htm)  
   These include needs for belonging, love, and affection. Maslow described these needs as less basic than physiological and security needs. Relationships such as friendships, romantic attachments, and families help fulfill this need for companionship and acceptance, as does involvement in social, community, or religious groups.
4. [**Esteem Needs**](http://psychology.about.com/od/theoriesofpersonality/ss/maslows-needs-hierarchy_5.htm)  
   After the first three needs have been satisfied, esteem needs becomes increasingly important. These include the need for things that reflect on self-esteem, personal worth, social recognition, and accomplishment.
5. [**Self-actualizing Needs**](http://psychology.about.com/od/theoriesofpersonality/ss/maslows-needs-hierarchy_6.htm)  
   This is the highest level of Maslow’s hierarchy of needs. [Self-actualizing](http://psychology.about.com/od/theoriesofpersonality/tp/self-actualized-characteristic.htm) people are self-aware, concerned with personal growth, less concerned with the opinions of others, and interested fulfilling their potential.

### Criticisms of Maslow’s Hierarchy of Needs

### While some research showed some support for Maslow's theories, most research has not been able to substantiate the idea of a needs hierarchy. Wahba and Bridwell reported that there was little evidence for Maslow's ranking of these needs and even less evidence that these needs are in a hierarchical order.

Other criticisms of Maslow's theory note that his definition of self-actualization is difficult to test scientifically. His research on self-actualization was also based on a very limited sample of individuals, including people he knew as well as biographies of famous individuals that Maslow believed to be self-actualized, such as Albert Einstein and Eleanor Roosevelt. Regardless of these criticisms, Maslow’s hierarchy of needs represents part of an important shift in psychology. Rather than focusing on abnormal behavior and development, Maslow's humanistic psychology was focused on the development of healthy individuals.

While there was relatively little research supporting the theory, hierarchy of needs is well-known and popular both in and out of psychology. In a [study](http://psychology.about.com/b/2011/07/05/putting-maslows-hierarchy-of-needs-to-the-test.htm) published in 2011, researchers from the University of Illinois set out to put the hierarchy to the test. What they discovered is that while fulfillment of the needs was strongly correlated with happiness, people from cultures all over the reported that self-actualization and social needs were important even when many of the most basic needs were unfulfilled.

**Ans. 5:-** **Need of Informal Organisation**

The basic reason for the emergence of informal groups is that the formal organisation does not satisfy all the needs of employees. In particular, informal groups emerge due to the following reasons:

**1. Desire to socialise with others.**

The need for relationship with others is a basic human need. Man is a social being and he wants to associate with others. He does not like to work isolated, loneliness. This quest for social satisfaction prompts people to form informal groups. Informal groups provide social satisfaction and a sense of belonging to the members. It provides an opportunity for people to behave in a natural and uninhibited manner free from rigidity and oppressiveness. It provides them a sense of identity and self-respect and helps in solving their personal problems and difficulties. According to Chester Barnard, “Informal groups are important means of maintaining the personality of the individual against certain effects of formal organisation which tend to disintegrate personality.”

**2. Job satisfaction.**

Due to specialisation, tasks have become routine and repetitive. Every employee concentrates on a single or

a few simple tasks. Such division of work leads to psycho-logical fatigue and boredom. Employees get little sense of accomplishment, autonomy or identification with work. They are unable to relate their jobs to final output. They feel powerless and jobs appear meaningless to them. Formal organisation requires conformity. Literal obedience to formal policies, rules and procedures affects the motivation and morale of employees. Informal organisation adds a human touch to the cold and inhuman qualities of the formal structure. It provides a means for developing friendships and fellow feeling. Informal organisation fills the psychological vacuum or void created by dull, boring and monotonous jobs. It allows people to satisfy their psychological needs. It creates a pleasant and satisfying work environment. People resort to informal interactions to release their tension and frustration. Informal relationships provide them a sympathetic ear to their problems and provide an outlet to ventilate their grievances. In this way, informal organisation serves as a safety valve to release daily tensions and frustrations. Thus, informal organisation exercises significant influence on job satisfaction and productivity.

**3. Source of protection.**

Hierarchical organisation structure involves rigid control over the behaviour of employees. Informal organisation offers a powerful protection against such threatening and oppressive forces. It provides a sense of security by protecting the individual against arbitrary treatment by management. It provides stability to work groups and psychological support to the members. Informal groups also protect their members from outside pressure and work pressure.

**4. Support to formal structure.**

Informal organisation provides support to the formal structure. It blends with the formal organisation to make a workable system for getting the work done. Formal structure tends to be inflexible and cannot meet every problem in a dynamic environment. Informal organisation lends flexibility and dynamism to the formal structure. It also brings cohesiveness to a formal organisation. Informal organisation can overcome the deficiency in the formal structure through suitable innovations.

**5. Communication device.**

Formal organisation lays down the lines of communication which tend to be slow. Informal organisation provides the management with an additional channel of communication in the form of grapevine. Management can use this channel to transmit useful information quickly. Grapevine supplements official communication. It provides valuable feed- back to managers on their style of functioning. For example, proposals for important organisational changes may first be conveyed informally to the ‘opinion leaders’ in the informal organisation to get their reactions.

**6. Overcomes managerial limitations.**

Authority may not always be effective and managers may have to relay on voluntary compliance of people out of sheer goodwill and respect. In the day-to-day working of the organisation, several ticklish situations arise for which the pre-scribed procedures provide no guidance. In such situations, informal organisation has its own ways of coping with problems. Informal organisation can fill in the managerial gaps by educating people how to really perform the task.

**7. Training and development.**

Informal organisation is a forum for socialisation of new employees and for helping them to learn the work practices and rules. Moreover, informal organisation provides a training ground for the development of informal leaders.

**8. Coordination and control.**

Informal organisation helps to develop team spirit and group pride. As a result need for close supervision is reduced. Members of cohesive groups feel less nervous and express less anxiety. Groups develop performance standards and group cohesive-ness reduces turnover and absenteeism. Informal groups facilitate research and innovation. Informal leaders can help managers in solving problems like absenteeism, late coming, etc. A properly motivated informal group can achieve much better results than a formal group. According to Chester Barnard, “Informal organisation brings cohesiveness to a formal organisation, a feeling of belonging, of status, of self-respect and of gregarious satisfaction.

**Characteristics of informal organisation**

**(1)** **Based on Formal Organisation:**

This is based on formal organisation where people also have informal relations. (It means first of all the formal organisation is established and then informal organisation is created out of it.)

**(2)** **It Has No Written Rules and Procedures:**

In this organisation, there are no written rules and procedures to govern interrelationship. But there are group norms which have to be observed. For example, employees working in an organisation and belonging to a particular community form a separate group in an informal way.

Gradually some norms do emerge like helping the member of their group to find solution to the problems related to his work or his own self. Similarly, they protect the members of their community from the managerial exploitation. In this way, all the persons joining this informal group will be bound to observe the norms of the group.

**(3)** **Independent Channels of Communication:**

In this organisation, relations among different people are not defined because a person at the lowest rank can have direct contact with the person at the highest level. The flow of communication cannot be specified.

**(4)** **It is not deliberately created:**

Informal organisation is not deliberately created. It emerges out of mutual relationship and tastes.

**(5)** **It Has No Place on Organisation Chart:**

Informal organisation has no place on the properly prepared organisation chart. Moreover, there is no information about it even in the organisation manual.

**(6)** **It is Personal:**

It’s being personal means that under this the feelings of individuals are kept in mind and nothing is imposed upon them.

**(7)** **It Lacks Stability:**

There is generally a lack of stability in such an organisation. For example, an individual mixes with one group of people today but can cross over to another group tomorrow. Not only this, an individual can be a member of more than one group at a time.

**Effect of informal organisation in Functioning of formal organisation functioning –**

|  |
| --- |
| Informal organizations benefit the organization in many ways. They help in the development of an effective organizational system and reduce the workload of managers. Informal organizations also provide employees with an outlet to express their anxieties and problems, improve job satisfaction, and reduce employee turnover. In spite of its merits, informal organizations, at times, also create many problems. It may act as a barrier to organizational change. Conflicts may also arise between the members of the informal organization. Sometimes, its members may experience a conflict due to the diverse roles they have to play as members of the formal work group and the informal group. The biggest problem an informal organization faces is to ensure that the members conform to its norms and the use of penalties and sanctions to punish those who deviate from these norms. The communication channel in an informal organization is called the grapevine. The grapevine thrives in all those places where people interact with one another and tends to be active in periods of stress or insecurity. |

The nature of a person's job as well as his personality affects the role he plays in a grapevine. Earlier, the management ignored the grapevine. Now however, in many organizations, the management acknowledges the presence of the grapevine. It tries to identify the key players in the grapevine and how information travels along the grapevine.   
  
Rumors are so strongly associated with the grapevine that these two terms are often used interchangeably. However, they do not mean the same. A Rumor is incorrect information that is not supported by substantial evidence. It generally arises out of ambiguity and interest in a particular situation. Various types of rumors may spread in an organization and the management can control rumors by paying heed to them, identifying the causes, and above all, by releasing the facts behind the rumors.   
  
The management can also seek the support of union leaders to prevent the damage caused by rumors. The management should realize that informal organizations cannot be done away with. They should try to integrate both formal and informal organizations such that it facilitates the achievement of organizational goals.

**Ans. 6**

**Why People Join Groups?**

1. Security:-By joining a group, individuals can reduce the insecurity of “standing alone.” People feel stronger, have fewer self-doubts, and are more resistant to threats when they are part of a group.
2. Status:- Inclusion in a group that is viewed as important by others provides recognition and status for its members.
3. Self-Esteem:-Groups can provide people with feelings of self-worth. That is, in addition to conveying status to those outside the group, membership can also give increased feelings of worth to the group members themselves.
4. Power:-What cannot be achieved individually often becomes possible through group action. There is power in numbers.
5. Goal Achievement:-There are times when it takes more than one person to accomplish a particular task; there is a need to pool talents, knowledge, or power in order to complete a job. Management Science I Prof
6. Affiliation--fulfils social needs, enjoys regular interaction; can be primary source for fulfilling need

## ****Types of Groups****

### ****1. Groups based on place of existence:****

Groups can be divided from the existence point of view. A group may be existing at the work place while other groups may exist at the living place.

They have their respective purposes. Groups of family, friendship, functional, task and interest are discussed as per their existence.

#### ****Family groups:****

#### A family group has a dominant impact on organizational behaviour. The composition and quality of family members decides the behavioural pattern.

Educated family members are more responsible and respectful to the organization. On the contrary, illiterate members have no behavioural culture to practise in the organization.

A family group is natural and informal and has a long lasting impact on organizational behaviour.

#### ****Friendship groups:****

A friendship group has an informal impact. Friends of like mind gather together, enjoy themselves and communicate with each other.

If they are motivated with their attitudes and sentiments, they perform better in an organization.

Understanding of friendship groups becomes essential for effective motivation. Many problems are solved at the friendship level.

#### ****Functional groups:****

Functional groups exist as per the nature of operation and function of the organization. This type of group is the outcome of specialties of structure and its functions.

The relationship between the supervisor and his subordinates is strengthened under this group. Functional groups consisting of superiors and their subordinates have become common in industrial organizations.

Their mutual understanding and relationship are deciding factors of behaviour. Interaction and interdependence of members is literally observed in functional groups.

#### ****Task groups:****

Task groups or project groups represent those members of a group who work together to complete a task.

A task group, unlike a functional group, is not confined only to a superior and his subordinates, but extends beyond this to include the higher command authorities.

The group is formed not between two cadres, but includes all the cadres, which are associated with the task performance.

It is known as a project group because all the employees concerned the accomplishment and completion of the project are brought together.

In a factory the production manager, maintenance manager, safety engineer, supervisor and workers are brought closer to complete the construction of the plant.

A task or project group is a formal organization to achieve a particular objective. When the objects are achieved, the task group is dissolved.

#### ****Interest groups:****

People with common interests form a group to serve their interests. Trade unions, labour groups and clubs are examples of interest groups.

If the interests of any member of the group are affected, all the members resort to pressure tactics to serve his interests.

For example, if any employee is punished, other employees go on strike to revoke the punishment of the employee.

They may also pressurize the management towards a common interest to be served. Many employees in organizations resort to strikes to have higher pay scales, healthy working conditions and other benefits.

These groups adopt ethical or non-ethical, legal or illegal practices to pressurize the management.

As a result, many organizations face problems of labour- interest. Interest groups may be formal or informal, depending upon the nature of interest.

Multiple unions are observed in Indian industries which have created obstacles to development on many occasions.

The management has to be very cautious about the interests of such groups in order to avoid any rifts, confusion and conflicts. In society too, interest groups are founded for political, social, cultural and religious purposes.

### ****2. Groups based on formation and development:****

People form groups on the basis of affiliation and attraction between them. The groups may be small or large, depending upon the reasons for formation and development. They may be primary and secondary groups, membership and reference groups, in and out groups and formal and informal groups.

#### ****Primary and secondary groups:****

Primary groups are formed on the basis of social characteristics and individual perceptions.

Each person is able to communicate with others. A primary group is natural and has a spirit of comradeship, friendship and loyalty.

The best example of a primary group is the family. Initially, primary groupism was confined to social groups, but later on it was extended to business and industrial organizations.

Employees join together to arrive at a common platform for mutually achieving the objectives of an organization. Functional and task groups have been developed on the principles of primary groups.

Secondary groups are formed and developed with a formal structure, wherein one member is the leader and the others are followers.

Committees, trade unions and other such groups come under secondary groups. A secondary group develops on the basis of the exchange theory.

It assumes certain benefits to members, unlike a primary group where benefits are not primary objectives. Members of a secondary group join together to satisfy their socio-economic needs.

#### ****Membership and reference groups:****

Membership groups actually assume membership of the group to which the members belong.

This type of group is a formal group. It necessitates the following of certain rules and regulations of registration, collecting fees from members and formulating a charter of demands.

It has a formal structure outlining specific roles and expected behaviour. The functions of the leader and followers are well defined.

A reference group is non-existent and informal. Employees try to be associated with this group, even though they are not attached directly to the group.

For example, non-member employees of a trade union identity themselves as part of the trade union.

#### ****In and out groups:****

In groups are associations of similar-minded employees. They have a dominant place in society. In groups perform many social functions.

They are highly cohesive groups and can contribute greatly to development. They can go against the organization too, when they take a negative stand.

Out groups are associations of dissimilar employees. They are looked upon as subordinates or lower cadre employees having lower values in society. They are low cohesive groups.

#### ****Formal groups and Informal groups:****

**Formal groups** have a formal structure and designated work assignment. The behaviour of employees is stipulated and directed towards goals.

Formal groups have designated formal organizational structure, expected roles and behaviour. The roles of superiors and subordinates are well defined.

Formal groups have formal functions and objectives. The activities of the group are guided by the leader and members.

Educated members have constructive roles to play in achievement of the group goals. Trade unions, committee managements and other recognized associations of employees are real examples of formal groups.

Trade unions in India have not played a very constructive role in socio-economic development. Recently, the unions have begun to realize their responsibilities and are attempting to develop their organizations.

A committee is a more useful formal group. The role of committees is increasing in organizations.

It is considered to be one of the more important forms of organizational set up, as discussed in the first chapter. It is used for discussing focal points, different viewpoints and information.

The number of committees depends on the nature and size of the organization. Significant viewpoints are exchanged to arrive at more useful decisions.

On the contrary, no officer or authority is blamed for unpleasant and strong decisions, because a committee’s decisions are not personal decisions.

They reflect the overall views of the committee. Committees are given specified duties and authority. Task forces and functional groups are operational in management.

Specialized jobs are assigned to expert committees for suggestions. Many organizations have formed permanent committees for separate functions, known as plural executive committees.

In this case, decisions are taken by more than a single executive. The committee may either consist of employees from the same or different cadre of the organization, as the need may be.

**Informal groups** are associations of people who are neither formally structured nor organizationally determined.

These groups are natural formations. They have a formal recognition and designated work. Informal groups are not formal groups which have a formal structure and organization.

Formal groups prescribe goals and relationships, whereas informal groups do not have such prescriptions. Formal and informal groups coexist in any organization.

Informal groups are of different status, such as groups with leaders, primary group member status, and fringe status and out status.

They have their specific roles to play in an organization. Informal groups have some norms which are followed by members.

These norms become traditions of the group over a period of time. They have a specific role in the socio-economic development of people.

Informal groups have been developed in Indian organizations for achieving social benefits. For example, informal groups of members of the same district, state, caste and creed have been formed to meet their mutual, social and cultural problems.

They have been formed to celebrate social, religious and cultural functions. Informal groups have considerable functional and dysfunctional aspects of organization.

Many organizations find informal groups highly constructive and useful. Informal groups are therefore encouraged in all types of organizations.

**Group influence on individual behaviour:-**

### Social Facilitation effect

- The presence of others enhances the speed with which people perform relatively simple tasks but inhibits task efficiency in more complex activities. Also found in other animals (dogs, rats, birds, fish, ants, cockroaches...)

### Social Loafing

-Group-induced reduction of individual output   
-performer's efforts cannot be individually judged because they are pooled.

### Groupthink

-Causes us to overestimate the in group we are in(seeing them as in penetrable)  
-causes group to want to be in agreement resulting in closed-mindedness(decisions not always sound)

### De-individuation

-The loss of individual identity and a diminishing of normal inhibitions causing us to engage in behaviours inconsistent with our internal standards.

**Ans. 7 Trait Theory of Leadership**

The trait model of leadership is based on the characteristics of many leaders - both successful and unsuccessful - and is used to predict leadership effectiveness. The resulting lists of traits are then compared to those of potential leaders to assess their likelihood of success or failure.

Scholars taking the trait approach attempted to identify physiological (appearance, height, and weight), demographic (age, education and socioeconomic background), personality, self-confidence, and aggressiveness), intellective (intelligence, decisiveness, judgment, and knowledge), task-related (achievement drive, initiative, and persistence), and social characteristics (sociability and cooperativeness) with leader emergence and leader effectiveness.

Successful leaders definitely have interests, abilities, and personality traits that are different from those of the less effective leaders. Through many researches conducted in the last three decades of the 20th century, a set of core traits of successful leaders have been identified. These traits are not responsible solely to identify whether a person will be a successful leader or not, but they are essentially seen as preconditions that endow people with leadership potential.

Among the core traits identified are:

* Achievement drive: High level of effort, high levels of ambition, energy and initiative
* Leadership motivation: an intense desire to lead others to reach shared goals
* Honesty and integrity: trustworthy, reliable, and open
* Self-confidence: Belief in one’s self, ideas, and ability
* Cognitive ability: Capable of exercising good judgment, strong analytical abilities, and conceptually skilled
* Knowledge of business: Knowledge of industry and other technical matters
* Emotional Maturity: well adjusted, does not suffer from severe psychological disorders.
* Others: charisma, creativity and flexibility

### Strengths/Advantages of Trait Theory

* It is naturally pleasing theory.
* It is valid as lot of research has validated the foundation and basis of the theory.
* It serves as a yardstick against which the leadership traits of an individual can be assessed.
* It gives a detailed knowledge and understanding of the leader element in the leadership process.

### Limitations of The Trait Theory

* There is bound to be some subjective judgment in determining who is regarded as a ‘good’ or ‘successful’ leader
* The list of possible traits tends to be very long. More than 100 different traits of successful leaders in various leadership positions have been identified. These descriptions are simply generalities.
* There is also a disagreement over which traits are the most important for an effective leader
* The model attempts to relate physical traits such as, height and weight, to effective leadership. Most of these factors relate to situational factors. For example, a minimum weight and height might be necessary to perform the tasks efficiently in a military leadership position. In business organizations, these are not the requirements to be an effective leader.
* The theory is very complex

### Implications of Trait Theory

The trait theory gives constructive information about leadership. It can be applied by people at all levels in all types of organizations. Managers can utilize the information from the theory to evaluate their position in the organization and to assess how their position can be made stronger in the organization. They can get an in-depth understanding of their identity and the way they will affect others in the organization. This theory makes the manager aware of their strengths and weaknesses and thus they get an understanding of how they can develop their leadership qualities.

### Conclusion

The traits approach gives rise to questions: whether leaders are born or made; and whether leadership is an art or science. However, these are not mutually exclusive alternatives. Leadership may be something of an art; it still requires the application of special skills and techniques. Even if there are certain inborn qualities that make one a good leader, these natural talents need encouragement and development. A person is not born with self-confidence. Self-confidence is developed, honesty and integrity are a matter of personal choice, motivation to lead comes from within the individual, and the knowledge of business can be acquired. While cognitive ability has its origin partly in genes, it still needs to be developed. None of these ingredients are acquired overnight.

ANS. 8

* 1. **LEVEL OF CONFLICT**

Conflicts can be classified into the following categories:  
(i) Individual level conflicts  
(ii) Interpersonal conflict  
(iii) Group level conflict  
(iv.) Organizational conflict

As managers spend a consideration amount of time in dealing with conflict situations, it is important for them to understand the types of conflict so that they can find the appropriate techniques to deal with these conflicts. The different categories of conflict are discussed in details below:

**(1) Individual level conflict :**  
A conflict arises within and individual when his motives or drives are block or he is unable to take decision due to being confronted with competing role and goals. There are some basic causes of conflict among individuals:

(a) Incomparability: an individual may not be able to take decisions though he is aware of the probability distribution of the alternatives because the outcomes are incomparable. An individual cannot take a decision when the results cannot be compared. In same way an individual could also be unable to make a comparison between the different alternatives available. For making a comparison a technique of comparison is required which includes assigning weight to different components, rationality in behaviour and attitude and the competence to perform the task. The process of comparison also depends on the clarity and the decisiveness of the individual regarding the minimum standard of achievement. An individual cannot make a comparison if he lacks the clarity regarding the acceptance.

(b) Unacceptability: Individuals have some acceptable alternatives in terms of their goals and perceptions and when the alternatives selected by the organizations are not satisfactory for him they become acceptable to that individual. This unacceptability is subjective as some alternatives unacceptable to one may be acceptable to others. When an individual finds the alternatives unacceptable, he searches for the alternatives that are acceptable to him. This search continues but sometimes repeated failure to find acceptable alternatives may lead to a redefinition of acceptable alternatives.

(c) Uncertainty: There is some uncertainty among the individuals regarding the external and internal environment of the organization. The behaviour of the people regarding the acceptability of the alternative and effectiveness of the alternative could be determined with a certain level of certainty if the environment of the organization could be depicted properly. In case of uncertainty, an individual may feel frustrated which could ultimately be reflected in a conflict. There are a number of competing roles and goals within an individual and usually there are three types of conflicts in an individual: Frustration, goal conflict and role conflict.

(i) Frustration is the high level of dissatisfaction which generates conflicts in an individual whenever an individual is unable to do what he wants to do he becomes frustrated. In this way the motivated drives of individuals are blocked before he reaches his goal. These blocks could be physical, psychological or social. Frustration leads to a defence mechanism and this defence mechanism or outcome of frustration is broadly classify under four heads: Aggression, withdrawal, fixation and compromise

(ii) Goal Conflict: The existence of two or more competing goals could be a cause of conflict in and individual. The conflict caused by competing goals could have both positive and negative features. It occurs when two or more motives block each other. This restricts an individual from taking a decision about the goal to be achieved either due to the positive or the negative features present in the goals. Three types of goal conflicts have been identified. These are: Approach-approach conflict, Approach avoidance conflict, Avoidance-avoidance approach.

(iii) Role conflict: An individual plays a number of roles in social and organizational situation but for the study of organizational behaviour, the roles which he brings to organization are the most important. Every individual in the organization is expected to behave in a particular manner while performing a specific role. When the expected role is different or opposite from the behaviour anticipated by the individual in that role; conflict arises because there is no way to meet one expectation without rejecting the other. In organizational setting everyone plays the role of a superior and subordinate. Whenever there is a difference expectations in relation to him and others, conflict ought to arise. Similarly, conflict may also arise whenever there is overlapping of the two roles played simultaneously by the same person. For example a superior is reprimanding his subordinate for the lapses and during this course his boss communicates with him. As he was so surcharged with anger on his subordinate that he failed to leave his role as superior and adopt the role of subordinate with the result that he lost temper with his boss also. This overlapping more often causes conflict to the individual owing to role performance. The role conflict has been classified into four types. These are:

(a) Intra-sender role conflict: The intra-sender role conflict arises when a person is asked to do a job within specified limits, which he is not capable of doing or time and resources are not sufficient to do the job. In this case, the expectations from a single member of a role are incompatible.

(b) Inter-sender role conflict: In inter-sender role conflict, the expectations sent from one sender may be in conflict with those from one or more other senders.

(c) Self-role conflict: Self role conflict occurs when a person is asked to do a job which is incompatible with his own value system. For example a manager may be asked to get a job done by bribing some public officials but his value system and conscience may not permit him to do so.

(d) Inter role conflict: Inter role conflict when an individual occupies multiple and divergent roles simultaneously and the expectations associated with these different roles are incompatible. Every person holding a particular position in the organization is expected to behave in a particular manner. This is known as the role expectation from that person. When the role expectations are not properly communicated to the individuals, it may result in-Role ambiguity, role conflict and role overload.

**(2). Interpersonal conflict:** The conflict at inter-personal level involves two or more individuals and is the most common and most recognized type of conflict. In a way all conflicts are interpersonal conflicts because most of them involve a conflict between a person in one organization or a group and another person in some other organization or a group. Every individual has a separate alternative course of action that is acceptable to him and different individuals prefer different alternatives. Sometimes the organizations also create such circumstances that two individuals find themselves in a situation of conflict. For example two mangers could be competing for the limited capital or man power resources. The other type of conflict is the disagreement over the goals and objectives of the organization. Four primary sources of interpersonal conflict are:

(i) Personal differences: This can be a major source of conflicts between individuals. Due to the difference in the upbringing, culture, education, experience, values and traditions and the family background of the individuals, an interpersonal conflict could arise.

(ii) Lack of Information: Another cause of inter-personal conflict could be the lack of information. This information deficiency is often a result of the communication breakdown in an organization.

(iii) Role in compatibility: Role in compatibility could also be a source of conflict as in the present day inter-functional organizations many managers are assigned task which are inter dependent and the individual’s roles of these managers may be incompatible.

(iv) Stress: Environmental stress in an organization can also cause inter-personal conflict. Such a stress is caused by a lack of resources, downsizing, competitive pressures and the high level of uncertainty among the employees of organization.

The inter-personal conflicts usually get resolved by themselves because the parties at conflict are not in a position to remain in a conflict for a long time. Time itself becomes a healing factor for the inter-personal conflicts. In case of the persisting inter-personal conflicts, these can be resolved with the help of counselling, effective communication and win-win negotiation. The management should look for the basic reason behind conflict and try to resolve them quickly so that an atmosphere of mutual trust and openness could be created and maintained in the organization.

**(3) Group level conflict:** There are two or more members in a group which has a well-defined structure of role and status relations and also have a system of values and norms of behaviour. The groups not only affect their members but have an impact on other groups and on the organization also. The members of a group regularly interact with each other and during this process of interaction; two types of conflict can arise. Intra-group conflict or inter-group conflict.

Intra-group conflict arises when there are differences between the members of group themselves. The members of a group may want to remain in the group but at the same time they may disagree with the methods adopted by the group.

An intra-group conflict usually arises in the following three ways.  
(i) when the group faces a new problem,  
(ii) when new values are imported into the group from the social environment or  
(iii) when the extra group role of a person comes into a conflict with his intra-group role.

The intra-group conflict is somewhat similar to the inter-person conflict and the only difference is that the persons involved in the conflict are from a common group.

Inter-group conflict: The conflicts that take place between different groups in an organization are called inter-group conflicts. These conflicts may be caused by

(i) Absence of join decision making: Organization comprises of different groups. Each group puts its urgency for having maximum share in the limited resources and press for the acceptance of its own time schedule for the performance of a task. If the wishes of a group in respect of resources and time schedule are accepted, justice cannot be done to other groups, which will ultimately lead to organizational ineffectiveness. Joint decision making is the only solution to resolve the conflict. The conflicting parties may sit together and discuss their own needs in the overall organizational perspective.

(ii) Difference in goals: Conflicts can also arise among different groups in an organization because of the difference in their goals. The difference in the goals of the group is caused by (i) factors which affect the commonality within the organization such as heterogeneity in groups, (ii) factors that the clarity and consistency of reward structure and the comparability of reward structure.

(iii) Difference in perception: The difference in perception that can cause inter-group conflicts arises due to the difference sources of information of different members, different techniques adopted for processing the information and the difference in goals.

**(4)Organization conflict**  
All the conflicts that have been discussed above relate to the conflicts within the organizational setting. Inter-organizational conflicts take place between the organizations that are dependent on each other in some way. The conflicts that take place at the individual level or the group level are all inherent in the organization level conflict. Such a conflict could be between the buyer and the seller organization, between the government agencies that regulate certain organizations and the organization that the affected by them or between the unions of workers and their organization. The organization level conflict should be properly handled so that it can play a constructive role in achieving the goals of the organization. It can act as a stimulus and provide a challenge and motivational force to keep the organization moving.

* 1. **PROBLEM SOLVING**:-

Having good strong problem solving skills can make a huge difference to your career.

At work, problems are at the center of what many people do every day.

You're solving a problem for a client (internal or external), supporting those who are solving problems, or discovering new problems to solve.

The problems you face can be large or small, simple or complex, and easy or difficult to solve.

Regardless of the nature of the problems, a fundamental part of every manager's role is finding ways to solve them. So, being a confident problem solver is really important to your success.

Much of that confidence comes from having a good process to use when approaching a problem. With one, you can solve problems quickly and effectively. Without one, your solutions may be ineffective, or you'll get stuck and do nothing, with sometimes painful consequences.

There are four basic steps in solving a problem:

1. Defining the problem.
2. Generating alternatives.
3. Evaluating and selecting alternatives.
4. Implementing solutions.

Steps 2 to 4 of this process are covered in depth in other areas of Mind Tools. For these, see our sections on [**Creativity**](http://www.mindtools.com/pages/main/newMN_CT.htm) for step 2 (generating alternatives); [**Decision Making**](http://www.mindtools.com/pages/main/newMN_TED.htm) for step 3 (evaluating and selecting alternatives); and [**Project Management**](http://www.mindtools.com/pages/main/newMN_PPM.htm)for step 4 (implementing solutions).

The articles in this section of Mind Tools therefore focus on helping you make a success of the first of these steps – defining the problem. A very significant part of this involves making sense of the complex situation in which the problem occurs, so that you can pinpoint exactly what the problem is. Many of the tools in this section help you do just that. We look at these, and then review some useful, well-established problem-solving frameworks.

## Defining the Problem

The key to a good problem definition is ensuring that you deal with the real problem – not its symptoms. For example, if performance in your department is substandard, you might think the problem is with the individuals submitting work. However, if you look a bit deeper, the real issue might be a lack of training, or an unreasonable workload.

Tools like [**5 Whys**](http://www.mindtools.com/pages/article/newTMC_5W.htm)  , [**Appreciation**](http://www.mindtools.com/pages/article/newTMC_01.htm)   and [**Root Cause Analysis**](http://www.mindtools.com/pages/article/newTMC_80.htm)   help you ask the right questions, and work through the layers of a problem to uncover what's really going on.

At this stage, it's also important to ensure that you look at the issue from a variety of perspectives. If you commit yourself too early, you can end up with a problem statement that's really a solution instead. For example, consider this problem statement: "We have to find a way of disciplining of people who do substandard work." This doesn't allow you the opportunity of discovering the real reasons for under-performance. The [**CATWOE**](http://www.mindtools.com/pages/article/newTMC_83.htm)   checklist provides a powerful reminder to look at many elements that may contribute to the problem, and to expand your thinking around it.

## Understanding Complexity

When your problem is simple, the solution is usually obvious, and you don't need to follow the four steps we outlined earlier. So it follows that when you're taking this more formal approach, your problem is likely to be complex and difficult to understand, because there's a web of interrelated issues.

The good news is that there are numerous tools you can use to make sense of this tangled mess! Many of these help you create a clear visual representation of the situation, so that you can better understand what's going on.

[**Affinity Diagrams**](http://www.mindtools.com/pages/article/newTMC_86.htm)   are great for organizing many different pieces of information into common themes, and for discovering relationships between these.

Another popular tool is the [**Cause-and-Effect Diagram**](http://www.mindtools.com/pages/article/newTMC_03.htm)  . To generate viable solutions, you must have a solid understanding of what's causing the problem. Using our example of substandard work, Cause-and-Effect diagrams would highlight that a lack of training could contribute to the problem, and they could also highlight possible causes such as work overload and problems with technology.

When your problem occurs within a business process, creating a [**Flow Chart**](http://www.mindtools.com/pages/article/newTMC_97.htm)  ,**[Swim Lane Diagram](http://www.mindtools.com/pages/article/newTMC_89.htm)**   or a [**Systems Diagram**](http://www.mindtools.com/pages/article/newTMC_04.htm)   will help you see how various activities and inputs fit together. This will often help you identify a missing element or[**bottleneck**](http://www.mindtools.com/pages/article/newTMC_76.htm)   that's causing your problem.

Quite often, what may seem to be a single problem turns out to be a whole series of problems. Going back to our example, substandard work could be caused by insufficient skills, but excessive workloads could also be contributing, as could excessively short lead times and poor motivation. The [**Drill Down**](http://www.mindtools.com/pages/article/newTMC_02.htm)   technique will help you split your problem into smaller parts, each of which can then be solved appropriately.

## Problem-Solving Processes

The four-step approach to solving problems that we mentioned at the beginning of this article will serve you well in many situations. However, for a more comprehensive process, you can use Simplex, Appreciative Inquiry or Soft Systems Methodology (SSM). These provide detailed steps that you can use to solve a problem effectively.

[**Simplex**](http://www.mindtools.com/pages/article/newCT_10.htm)   involves an eight-stage process: problem finding, fact finding, defining the problem, idea finding, selecting and evaluating, planning, selling the idea, and acting. These steps build upon the basic process described earlier, and they create a cycle of problem finding and solving that will continually improve your organization.

[**Appreciative Inquiry**](http://www.mindtools.com/pages/article/newTMC_85.htm)   takes a uniquely positive approach by helping you solve problems by examining what's working well in the areas surrounding them.

[**Soft Systems Methodology**](http://www.mindtools.com/pages/article/newTMC_74.htm)   is designed to help you understand complex problems so that you can start the process of solving them. It uses four stages to help you uncover more details about what's creating the problem, and then define actions that will improve the situation.

**ANS. 9**

* + - 1. **DETERMINANTS OF PERSONALITY**

**Biological factors:**The general biological characteristics of human biological system influence the way in which human beings tend to see external data interpret and respond to them. The study of biological contribution to personality can be divided into three major categories hereditary, brain and physical stature.

**Hereditary:**Hereditary is the transmission of the qualities from the ancestor to descendent through a mechanism primarily lying in the chromosomes of the germ cell. Hereditary predisposes a certain mental, physical and emotional states. It has been established through research that those psychological characteristics can be transmitted through hereditary. However such conclusive proof is not available for human beings.

**Brain:** The second biological factor is brain, which is supposed to pay a role in personality. The structure of brain determines personality, though no conclusive proof is available so far about the role of brain in personality formation.

**Physical Features:**The third biological factor determining personality formation is physical characteristics and rate of maturation. An individual external appearance, which is biologically determined, is an important ingredient of personality. Ina narrow sense personality is referred to the physical features of a person. A person’s physical feature has some influence over his personality because he will effect influence on others and in turn will affect his self-concept.

**Family and social factors:**Family and social groups have most significant impact on personality development. These groups have their impact through socialization and identification process.

**Socialization Process:**Socialization is process by which the individual infant acquires, from the enormously wide range of behaviour potentialities that are open to him at birth, those behaviour patterns that are customary and are acceptable according to the standards of his family and social group. Socialization process starts with initial contact between mother and her new infant. Later on other members of the family and social group influence the socialization process.

**Identification Process:**The identification process occurs when a person tries to identify himself with some person to whom he feels ideal in the family. First identification can be viewed as the similarity of behaviour between the child and model. Second identification can be looked in as the child motives or desires to be like the model. Third it can be viewed as the process through which the child actually takes on the attributes of the model.

**Home environment:**Total home environment is critical factor in personality development. For E.g. children with markedly institutional upbringing or children in cold unstimulating home have much greater potential to be emotionally maladjusted than children raised by parents in warm and loving and stimulating environment.

**Family Members:**Parents and other family members have a strong influence on the personality development of the child. Parents have more effect on the personality development as compared to other members of the family.

**Social Groups:**Besides a person’s home environment and family members there are other influences arising from the social placement of the family as the person is exposed to agencies outside the home, particularly the school, friendship and other work groups. Similarly socio economic group also affect personality.

**Cultural Factors:**Culture is the underlying determinant of human decision making. It generally determines attitude towards independence, aggression competition and co-operation. Each culture expects and trains its members to behave in the way that are acceptable to the group. To a marked degree the child’s cultural group defines the range of experiences and situations he/she is likely to encounter and the values and the personality characteristics that will be reinforced and learned.

**Situational factors:**Apart from biological, sociological and cultural factors situational factors also determine personality development. Situation exerts an important press on the individual it exercises constraint and may provide push. This aspect is very important for organization behaviour because manager has control over the organizational situation.

B. **CAUSES OF STRESS:-**

Factors that are responsible for causing stress are called stressors.

The major causes of stress in an organisation or at workplace are :-

* + 1. Career Concern
    2. Role Ambiguity
    3. Rotating Shifts
    4. Role Conflict
    5. Occupational Demand
    6. Lack Of Participation In Decision Making
    7. Work Overload
    8. Work Underload
    9. Working Condition
    10. Lack Of Group Cohesiveness
    11. Interpersonal And Intergroup Conflict
    12. Organisational Changes
    13. Lack Of Group Support

The main causes outside the work organisation are:-

1. Civic Ameneties
2. Life Changes
3. Frustration
4. Caste And Religion Conflict
5. Personality
6. Technological Changes
7. Career Changes

Explain all the points in detail

# C. INDIVIDUAL DECISION MAKING:-

Good decision making is a skill to be learned and mastered, especially for leaders who are managing a team. More importantly, individuals must also practice being good decision makers since it is not advisable to be too dependent on others for personal decisions.

The downside of being too dependent on others is that you might have a hard time standing on your own two feet when a situation would require you to make a choice without anyone’s help. A better way to deal with it is to consult friends or trusted people who can advise you on the kind of decision you are about to make. They can give you tips, suggestions and warnings before you implement it. This way, you are still on your own in arriving at a final decision.

**Pros and Cons of Individual Decision Making**

When you make a decision on your own, you take pride in it especially if the choice made was successful and effective. Yet, there are moments when it is just difficult not to seek assistance from others. Find out the pros and cons of being an independent decision maker.

**Advantages of Individual Decision Making**

* You can take immediate action and fast solution to a problem or a situation.
* You are solely responsible for the kind of decision achieved, whether it is good or bad.
* You take full accountability for the outcome of the decision and its consequences.
* You take no arguments with your personal opinions on how to address a problem.
* You become efficient with the use of time and effort in reaching a decision.
* There is no need to delegate roles and responsibilities so you do not have to deal with people who are hesitant to take on a responsibility.
* You are free from too much diversity in a group which tends to limit cohesiveness and affect the decision making.

**Disadvantages of Individual Decision Making**

* You only see things based on your own perception.
* You have no one to discuss regarding the projected outcome of the decision. There may be other people who have already gone through the kind of situation that you are experiencing and they might be able to share whether they were successful or not in the kind of decision they made.
* You may have a hard time reaching a decision especially when you have an indecisive character.
* It can be difficult for you to tell whether you are experiencing a decision making pitfall or not.
* The level of motivation there is in individual decision making is not as strong as when a team is successful enough to create a motivational effect to the members.
* There may not be so many creative solutions generated when only one person makes the decision.

**Individual versus Group Decision Making**

Both approaches in making decisions follow the same process in decision making. However, a decision worked out by a group has a greater tendency to be more effective than that of an individual effort because it is an outcome of collective or cohesive minds. Individual decision making is best left to skilled decision makers. Yet, you might wonder, what about the day-to-day small decisions that only the individual himself should make? Well, these petty situations should mold you in learning to become independent with your decisions.