

# CONTENTS



	PAGE
<i>Preface</i>	<i>I-5</i>

## **1**

### **ORGANISATIONAL BEHAVIOUR NATURE AND SCOPE**

<b>1.1</b>	Introduction	2
<b>1.2</b>	Management Functions	2
<b>1.3</b>	Management Roles	3
<b>1.4</b>	Management Skills	5
<b>1.5</b>	Organisations	5
<b>1.6</b>	Organisational Behaviour and Organisational Theory	8
<b>1.7</b>	Organisational Behaviour	8
<b>1.8</b>	Features of Organisational Behaviour	10
<b>1.9</b>	Importance of Organisational Behaviour	11
<b>1.10</b>	Scope of Organisational Behaviour	13
<b>1.11</b>	Organisational Behaviour - An Inter-disciplinary Area of Study (Contribution of Behavioural Sciences)	15
<b>1.12</b>	Scope of Organisational Behaviour and Behavioural Sciences - A Synthesis	17
<b>1.13</b>	Models of Organisational Behaviour (OB)	17
<b>◆</b>	QUESTIONS	21

## **2**

### **ORGANISATIONAL BEHAVIOUR CHALLENGES AND OPPORTUNITIES**

<b>2.1</b>	Introduction	22
<b>2.2</b>	Challenges and Opportunities for OB	23
<b>2.3</b>	Globalisation	23
<b>2.3.1</b>	Global Competencies	24
<b>2.3.2</b>	Global Competency Development	24
<b>2.3.3</b>	Benefits of Global Competency Models	25

	PAGE
<b>2.4</b> Workforce Diversity	26
<b>2.4.1</b> Meaning	26
<b>2.4.2</b> Importance of Workforce Diversity	27
<b>2.4.3</b> Consequences of Ignoring Workforce Diversity	28
<b>2.4.4</b> Paradox of Diversity	28
<b>2.4.5</b> Managing Diversity	29
<b>2.4.6</b> Skills Required by Managers to Manage a Diverse Workforce	29
<b>2.4.7</b> Ways to Manage Diversity	29
<b>2.4.8</b> Fair vs. Same Treatment to Diverse Workforce	31
<b>2.4.9</b> Multicultural Education and Diversity	32
<b>2.4.10</b> Goals of Global Perspective of Multicultural Education	33
<b>2.4.11</b> Benefits of Global Perspective of Multicultural Education	33
<b>2.4.12</b> Workforce Diversity and Human Resource HR Manager	33
<b>2.4.13</b> Motivating a Diverse Workforce	34
<b>2.4.14</b> Managing Diversity - Some Cases	34
<b>2.5</b> Promoting Ethical Behaviour in Business	35
<b>2.5.1</b> Introduction	35
<b>2.5.2</b> Meaning of Business Ethics	35
<b>2.5.3</b> Features of Business Ethics	36
<b>2.5.4</b> Importance of Business Ethics	36
<b>2.5.5</b> Need for Code of Ethics for Corporations	37
<b>2.5.6</b> Ethics and Managers	37
<b>2.5.7</b> Role of Top Management in Management of Ethical Values	38
<b>2.6</b> Leadership and Corporate Social Responsibility CSR	38
<b>2.6.1</b> Introduction	38
<b>2.6.2</b> Leadership and CSR	38
<b>2.7</b> Promoting Work-life Balance	40
<b>2.8</b> Changing Outlook of the Work Force	40
<b>2.8.1</b> Global Workforce	40
<b>2.8.2</b> Training in the Global Business	41
<b>2.9</b> Empowerment	42
<b>2.10</b> Improving Quality and Productivity	42
<b>2.10.1</b> Meaning	42
<b>2.10.2</b> Principles of TQM	44
<b>2.11</b> Changing Technology	45
♦ QUESTIONS	47

### **3**

## **ORGANISATIONAL GOALS**

<b>3.1</b>	Introduction	50
<b>3.2</b>	Goals and Objectives	50
<b>3.3</b>	Purpose of Mission	50
<b>3.4</b>	Components of Mission Statements	51
<b>3.5</b>	Features of Mission Statement	51
<b>3.6</b>	Objectives	51
<b>3.7</b>	Goals/Objectives	52
<b>3.8</b>	Features of Objectives	52
<b>3.9</b>	Importance of Objectives	53
<b>3.10</b>	Multiplicity of Objectives	53
<b>3.11</b>	Hierarchy of Objectives	54
<b>3.12</b>	Goal Succession	55
<b>3.13</b>	Goal Displacement	56
<b>3.14</b>	Management by Objectives - A Check on Goal Displacement	57
<b>3.15</b>	Problems of Objective Setting	60
<b>3.16</b>	Ways of Overcoming the Problems	60
<b>3.17</b>	Problems in Setting Objectives and Ways to Overcome these Problems (At a Glance)	60
<b>3.18</b>	Objective Setting - Moving from General to Specific Objectives	61
<b>3.19</b>	Forces Affecting Organisational Goals	61
<b>3.20</b>	Organisational vs. Individual Goals	63
<b>◆</b>	QUESTIONS	64

### **4**

## **INDIVIDUAL BEHAVIOUR**

<b>4.1</b>	Introduction	65
<b>4.2</b>	Factors Affecting Individual Behaviour	66
<b>4.3</b>	Models of Individual Behaviour	71
<b>◆</b>	QUESTIONS	77

## **5**

### **PERSONALITY**

<b>5.1</b>	Introduction	78
<b>5.2</b>	Meaning of Personality	78
<b>5.3</b>	Features of Personality	79
<b>5.4</b>	Factors affecting Personality	79
<b>5.5</b>	Personality Traits	82
<b>5.6</b>	Theories of Personality	87
<b>5.7</b>	Application of Personality to OB	93
<b>◆</b>	QUESTIONS	94

## **6**

### **PERCEPTION**

<b>6.1</b>	Introduction	95
<b>6.2</b>	Meaning of Perception	96
<b>6.3</b>	Features of Perception	96
<b>6.4</b>	Importance of Perception	97
<b>6.5</b>	Factors affecting Perception/Perceptual Distortions	97
<b>6.6</b>	Developing Perceptual Skills	103
<b>6.7</b>	Perceptual Process	104
<b>◆</b>	QUESTIONS	114

## **7**

### **INDIVIDUAL DECISION-MAKING**

<b>7.1</b>	Introduction	116
<b>7.2</b>	Meaning of Decision-making	116
<b>7.3</b>	Decision-making and Planning	117
<b>7.4</b>	Features of Decision-making	118
<b>7.5</b>	Process of Decision-making	118
<b>7.6</b>	Types of Decisions	121
<b>7.7</b>	Decision-making Environment	123
<b>7.8</b>	Techniques of Decision-making	124
<b>7.8.1</b>	Traditional Techniques	124
<b>7.8.2</b>	Modern Techniques	125

	PAGE
<b>7.9</b> Models of Decision-making	129
<b>7.9.1</b> Rational/Normative Model	130
<b>7.9.2</b> Non-rational/Administrative Models	131
♦ QUESTIONS	133

## **8**

### **LEARNING**

<b>8.1</b>	Introduction	134
<b>8.2</b>	Meaning of Learning	136
<b>8.3</b>	Features of Learning	136
<b>8.4</b>	Factors Affecting Learning	137
<b>8.5</b>	Theories of Learning	137
<b>8.6</b>	Shaping Behaviour	142
<b>8.7</b>	Reinforcement	143
♦ QUESTIONS		149

## **9**

### **MOTIVATION**

<b>9.1</b>	Meaning of Motivation	150
<b>9.2</b>	Model of Motivation	152
<b>9.3</b>	Motivators	152
<b>9.4</b>	Nature of Motivation	156
<b>9.5</b>	Importance of Motivation	157
<b>9.6</b>	Effective Motivation	158
<b>9.7</b>	Approaches to Motivation	159
<b>9.8</b>	Theories of Motivation	160
<b>9.9</b>	Need Theories	161
<b>9.10</b>	Cognitive Theories	168
<b>9.11</b>	Behavioural Theories	170
<b>9.12</b>	Job Design	173
<b>9.12.1</b>	Meaning of Job Design	173
<b>9.12.2</b>	Approaches to Job Design	174
♦ QUESTIONS		177

## **10**

### **INTERPERSONAL BEHAVIOUR**

<b>10.1</b>	Introduction	179
<b>10.2</b>	Meaning of Interpersonal Behaviour	179
<b>10.3</b>	Developing Interpersonal Skills	180
<b>10.4</b>	Techniques to Develop Interpersonal Skills	180
<b>10.4.1</b>	Transactional Analysis	181
<b>10.4.2</b>	Johari Window	186
♦	QUESTIONS	191

## **11**

### **COMMUNICATION**

<b>11.1</b>	Introduction	193
<b>11.2</b>	Meaning of Communication	194
<b>11.3</b>	Nature of Communication	194
<b>11.4</b>	Importance of Communication	195
<b>11.5</b>	Need for Communication	196
<b>11.6</b>	Process of Communication	198
<b>11.7</b>	Channels of Communication	200
<b>11.8</b>	Rumours	205
<b>11.9</b>	Dimensions of Communication	207
<b>11.10</b>	Medium of Communication	212
<b>11.11</b>	Communication Barriers	222
<b>11.12</b>	Causes of Communication Barriers	223
<b>11.13</b>	Effective Communication	227
♦	QUESTIONS	229

## **12**

### **LEADERSHIP**

<b>12.1</b>	Meaning of Leadership	232
<b>12.2</b>	Nature of Leadership	233
<b>12.3</b>	Importance of Leadership	235
<b>12.4</b>	Management and Leadership	236

	PAGE
<b>12.5</b> Leadership Styles	237
<b>12.5.1</b> Classification on the basis of power	237
<b>12.5.2</b> Classification on the Basis of Authority	242
<b>12.6</b> Theories of Leadership	243
<b>12.6.1</b> Trait Theories	244
<b>12.6.2</b> Behavioural Theories	246
<b>12.6.3</b> Situational or Contingency Theories	252
<b>12.7</b> Effective Leadership	260
<b>12.8</b> Transactional vs. Transformational Leadership	260
<b>12.8.1</b> Transactional Leadership	260
<b>12.8.2</b> Transformational Leadership	261
<b>12.8.3</b> Transactional vs. Transformational Leadership	262
<b>12.9</b> Leadership in Indian Organisation	262
♦ QUESTIONS	266

## 13

### **GROUP DYNAMICS**

<b>13.1</b> Introduction	269
<b>13.2</b> Formal Organisation	269
<b>13.3</b> Features of Formal Organisation	269
<b>13.4</b> Merits of Formal Organisation	270
<b>13.5</b> Limitations of Formal Organisation	270
<b>13.6</b> Informal Organisation	271
<b>13.7</b> Features of Informal Organisation	271
<b>13.8</b> Merits of Informal Organisation	272
<b>13.9</b> Limitations of Informal Organisation	273
<b>13.10</b> Differences between Formal and Informal Organisations	274
<b>13.11</b> Integration of Formal and Informal Organisations	275
<b>13.12</b> Group Dynamics - Meaning	276
<b>13.13</b> Features of a Group	276
<b>13.14</b> Group and Collection of People	277
<b>13.15</b> Types of Groups	277
<b>13.16</b> Reasons for Joining Informal Groups	280
<b>13.17</b> Management of Informal Groups	283
<b>13.18</b> How do Groups Influence Member Behaviour	284
<b>13.19</b> Negative Aspects of Group Influence	284

	PAGE
<b>13.20</b> Group Processes and Functions	285
<b>13.21</b> Factors Affecting Group Processes and Functions	287
<b>13.22</b> Group Behaviour	288
<b>13.23</b> Stages in Group Development	289
<b>13.24</b> Group Cohesiveness	290
<b>13.25</b> Consequences of Group Cohesiveness	291
♦ QUESTIONS	291

## 14

### WORK TEAMS AND GROUP DECISION-MAKING

<b>14.1</b> Introduction	294
<b>14.2</b> Meaning of Team	294
<b>14.3</b> Features of a Team	294
<b>14.4</b> Groups and Teams	295
<b>14.5</b> Types of Teams	295
<b>14.6</b> Quality Circles (QC)	298
<b>14.7</b> Team Building	300
<b>14.8</b> Effective Teams	301
<b>14.9</b> Group Decision-making	303
<b>14.10</b> Merits of Group Decision-making	304
<b>14.11</b> Limitations of Group Decision-making	305
<b>14.12</b> Techniques of Group Decision-making	306
<b>14.13</b> Problem-Solving in Small Groups	307
♦ QUESTIONS	309

## 15

### CONFLICT MANAGEMENT

<b>15.1</b> Meaning of Conflict	310
<b>15.2</b> Features of Conflict	311
<b>15.3</b> Conflict and Organisational Performance	311
<b>15.4</b> Philosophy of Conflict	313
<b>15.5</b> Causes of Conflict	314
<b>15.6</b> Functional Positive and Dysfunctional Negative Conflict Consequences of Conflict	314



	PAGE
<b>15.7</b> Types of Conflict	317
<b>15.8</b> Management of Conflict	319
♦ QUESTIONS	321

## **16**

### **ORGANISATIONAL CHANGE**

<b>16.1</b> Meaning of Change	323
<b>16.2</b> Features of Change	324
<b>16.3</b> Forces of Change	324
<b>16.4</b> Factors Affecting Change/Need for Change	325
<b>16.5</b> Process of Change	326
<b>16.6</b> Change Model Force Field Analysis	327
<b>16.7</b> Resistance to Change	328
<b>16.8</b> Overcoming Resistance to Change	330
<b>16.9</b> Types of Change	331
<b>16.10</b> Approaches to Planned Change	332
<b>16.11</b> Management of Change	334
<b>16.12</b> Change Agent	335
♦ QUESTIONS	337

## **17**

### **ORGANISATION DEVELOPMENT**

<b>17.1</b> Meaning of Organisation Development	338
<b>17.2</b> Features of Organisation Development	339
<b>17.3</b> Organisation Development Process	340
<b>17.4</b> Skills of Organisation Development Practitioners	341
<b>17.5</b> Benefits of Organisation Development	341
<b>17.6</b> Techniques of Organisation Development	342
<b>17.7</b> Conditions for Successful Organisation Development	344
<b>17.8</b> Management Development (MD)	346
♦ QUESTIONS	346

**18****ORGANISATIONAL EFFECTIVENESS**

<b>18.1</b>	Introduction	348
<b>18.2</b>	Meaning of Organisational Effectiveness	348
<b>18.3</b>	Importance of Studying Organisational Effectiveness	349
<b>18.4</b>	Measuring Organisational Effectiveness	350
<b>18.5</b>	Approaches to Measure Organisational Effectiveness	351
<b>18.6</b>	Factors Affecting Organisational Effectiveness	355
<b>18.7</b>	Model of Organisational Effectiveness	360
<b>♦</b>	QUESTIONS	361

**19****ORGANISATIONAL CULTURE**

<b>19.1</b>	Introduction	363
<b>19.2</b>	Characteristics of Culture	364
<b>19.3</b>	Organisational Culture	364
<b>19.4</b>	Features of Organisational Culture	365
<b>19.5</b>	Factors Determining Organisational Culture	366
<b>19.6</b>	Functions of Organisational Culture	367
<b>19.7</b>	Levels of Organisational Culture	367
<b>19.8</b>	Elements of Organisational Culture	367
<b>19.9</b>	Transmission of Organisational Culture	368
<b>19.10</b>	Strong/Weak Cultures	369
<b>19.11</b>	Developing Organisational Culture	369
<b>19.12</b>	Maintaining Organisational Culture	370
<b>19.13</b>	Changing Organisational Culture	371
<b>19.14</b>	Types of Organisational Culture	372
<b>19.15</b>	Performance and Organisational Culture	373
<b>19.16</b>	Organisational Climate	374
<b>♦</b>	QUESTIONS	376

**20****POWER AND POLITICS**

<b>20.1</b>	Introduction	378
-------------	--------------	-----

	PAGE
<b>20.2</b> Meaning of Authority	379
<b>20.3</b> Meaning of Power	379
<b>20.4</b> Authority and Power	380
<b>20.5</b> Distinction between Authority and Power	380
<b>20.6</b> Nature of Power	381
<b>20.7</b> Sources of Power	381
<b>20.8</b> Dependency and Power	383
<b>20.9</b> Use of Power	384
<b>20.10</b> Power Tactics	385
<b>20.10.1</b> Meaning	385
<b>20.10.2</b> Forms of Power Tactics	385
<b>20.10.3</b> Effectiveness of Power Tactics	386
<b>20.11</b> Organisational Politics	387
<b>20.12</b> Features of Organisational Politics	387
<b>20.13</b> Factors Affecting Organisational Politics	388
<b>20.14</b> Consequences of Organisational Politics	391
<b>20.15</b> Managing Organisational Politics	391
♦ QUESTIONS	392

## **21**

### **QUALITY OF WORK LIFE AND MORALE**

<b>21.1</b> Meaning of Quality of Work Life (QWL)	394
<b>21.2</b> Nature and Scope of Quality of Work Life	395
<b>21.3</b> Importance and Impact of Quality of Work Life	396
<b>21.4</b> Problems in Improving the QWL	397
<b>21.5</b> Ways of Improving QWL	398
<b>21.6</b> Benefits of Improving Quality of Work-life	400
<b>21.7</b> Meaning of Morale	401
<b>21.8</b> Difference between Motivation and Morale	401
<b>21.9</b> High or Low Morale	402
<b>21.10</b> Morale and Productivity	403
<b>21.11</b> Ways to Build High Morale	403
♦ QUESTIONS	404

