
BLOCK 3
Organisational
Behaviour: Major Facets



UNIT 5 MOTIVATION: CONCEPT AND THEORIES*

Structure

- 5.0 Objectives
- 5.1 Introduction
- 5.2 Intrinsic Motivation and Extrinsic Motivation
- 5.3 Hierarchy of Needs Theory
- 5.4 ERG Theory
- 5.5 Herzberg's Two Factor Theory
- 5.6 Theory X – Theory Y
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5.0 OBJECTIVES

After reading this Unit, you should be able to:

- Understand what motivation is, and why it is necessary;
- Differentiate between Intrinsic motivation and Extrinsic motivation;
- Understand the Hierarchy of Needs theory, ERG theory, Herzberg's two factor theory and Theory X-Theory Y;
- Understand the concept of selfless action as advocated in the Bhagavad Gita; and
- Understand how to apply the concepts of 'motivation' at the workplace.

5.1 INTRODUCTION

Motivation is the driving force behind one's actions. The force can come from within the individual or from outside. Motivation stimulates people to act in such a way as to accomplish their goals. For example, when a student burns the midnight oil to come first in the class, the 'desire to be recognised as an outstanding student' is the motivation behind the act of reading late into the night. In an organisational setting, motivation helps to remain committed to the job and to improve performance.

*Contributed by Dr. Lishin Moothery Joshy, Associate Professor, SCMS Cochin School of Business, Cochin.

5.2 INTRINSIC MOTIVATION AND EXTRINSIC MOTIVATION

The difference between intrinsic motivation and extrinsic motivation can be clearly appreciated if we understand “why we do things?” We can say that we are intrinsically motivated if we are not prompted by obvious external rewards. When we do a thing simply because we enjoy doing it, we can say that we are intrinsically motivated. A small kid running around aimlessly in the garden is doing so because he enjoys doing so. There is no other external reward that has been promised to him for running in the garden. The reward is the task itself! Information for information’s sake, and art for art’s sake, are all connected with the idea of intrinsic motivation. For example, if a student is reading a book on history for the sheer love of history and simply to satisfy his curiosity, he is intrinsically motivated, whereas if his aim is to score high marks in the exam and become the class topper so that he can bag a prize, he is extrinsically motivated. If a person sits by a riverside and sings for his own pleasure, he is intrinsically motivated, whereas if he is, in fact, seeing it as a practice session for an upcoming singing competition, then it might be the prizes on offer that is motivating him, and if it is so, it is extrinsic motivation. When you are intrinsically motivated the desire comes from within and your act is not ‘aimed at’ bagging any external rewards. However, this does not mean that there will not be any rewards for an act or behaviour that is stimulated by intrinsic factors. It can generate positive emotions, sense of competence etc. For example, even if it is for the sheer love of the game that you play chess against a computer, constantly playing chess with the computer will sharpen your skills and you get a sense of accomplishment.

Extrinsic motivation comes from factors external to the individual. The most common extrinsic motivation is that of an external reward. When you are intrinsically motivated you do something because it is inherently rewarding (let’s say inherently enjoyable) whereas extrinsically motivated acts lead to a separately distinguishable outcome like prize money, grades, fame or wage hike. A manual labourer working in a factory might not be enjoying his job, but the external reward in the form of wages is what is motivating him to do the task that may not be inherently enjoyable. When we want children to behave in a certain way, we offer them rewards like toys or chocolates. These are examples of extrinsic motivation. It is not necessary that the external rewards are always tangible like a wage hike or a cash prize. Even intangible rewards like praise are also considered as external rewards.

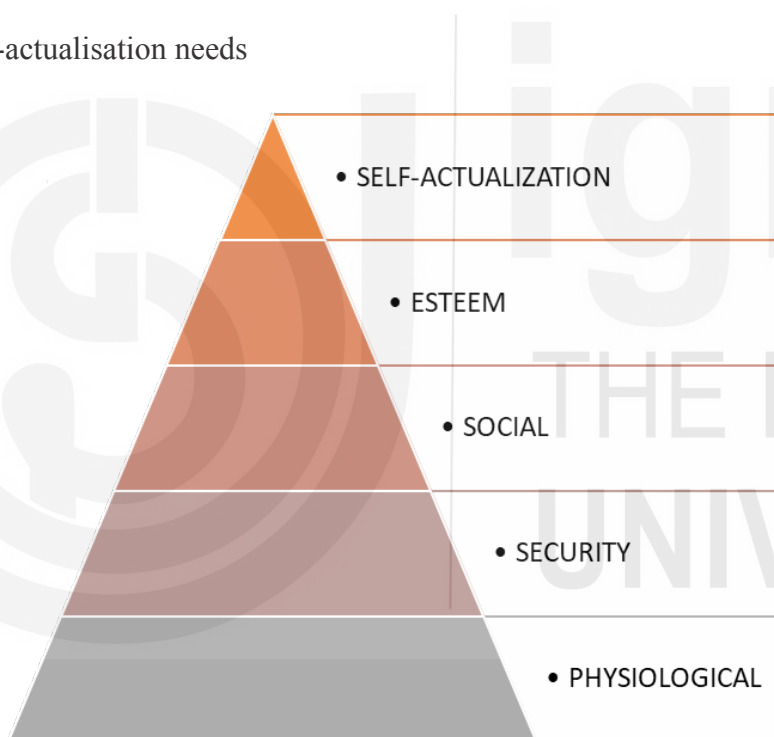
It is difficult to clearly separate intrinsic motivation from extrinsic motivation, yet where two co-exist, one of them might become more prominent. When Thomas Alva Edison started undertaking scientific experiments during his teen age years, it was done to satisfy his inner curiosity. That was a case of intrinsic motivation, but when he started gaining success in his experiments and people started recognising his achievements and contribution, he continued with his inner urge of creativity which was amply backed by external support and inspiration. Thus, a synthesis of internal and external motivation emerged in his journey of excellence. Success can lead to higher motivation which, in turn, reinforces the resolve to excel in one’s pursuits.

When we look at the lives of great men such as Abraham Lincoln, Mahatma Gandhi, Dr. C V Raman, Leonardo da Vinci, William Shakespeare, Goswami, Tulsi Das, Prof. APJ Abdul Kalam and Mother Teresa, we notice a powerful combination of internal and external motivations.

5.3 HIERARCHY OF NEEDS THEORY

According to the Hierarchy of Needs theory propounded by the famous psychologist Abraham Maslow, human needs can be arranged in a hierarchical order in the shape of a pyramid starting from basic needs to more advanced needs. As per this theory, human needs can be classified into five categories:

- i) Physiological needs
- ii) Safety needs
- iii) Belonging and love needs (Social needs)
- iv) Esteem needs
- v) Self-actualisation needs



Need Hierarchy

According to Maslow, when one need-level is satisfied, the individual strives to get the next higher level need satisfied. The need for food, water, air etc. comes under the category of physiological needs. These are universal in nature in the sense that all human beings experience hunger, thirst etc. It is reasonable to assume that unless this need is satisfied, it is very unlikely that the person will aim at the satisfaction of higher levels needs. Once physiological needs are satisfied, a person moves up to the second level in the hierarchy. At this level, safety and security needs get precedence. The individual will feel the need to be protected from dangers. He will yearn for both physical and financial security. He would want to be protected against ill health, injuries, accidents etc. Physiological needs and safety needs are often collectively called 'basic needs'.

The next level is that of social needs (belonging and love). People feel the need to love and to be loved, and to be accepted in the social group they belong to. This social group can be a fairly large one like a religious group or a small one like one's family. If this need is not satisfied, people may feel lonely and depressed. At the next level, 'esteem' needs get aroused. These needs are related to ego-satisfaction. People, who feel this need, strive for obtaining respect and recognition from others. They try to accomplish things and get recognised for their accomplishments. Even self-esteem and self-respect are part of this category of needs. The topmost level of human need is self-actualisation. According to Maslow, "What a man can be, he must be. This statement points to the need for realisation of a person's full potential. For example, an artist might want to realise his full potential as an artist. For an athlete, his self-actualisation needs will be related to his athletic skills.

According to Maslow, there is a hierarchy as far as feeling and satisfying different human needs are concerned. But many researches point out that such a rigid structure may not be entirely representative of the true process. According to them, there can be considerable overlaps between the five levels. In other words, even before one class of need is 'completely' satisfied, an individual may try to fulfill a need at the next level.

When Swami Vivekanand was travelling in different parts of India to spread the message of his guru Swami Ram Krishna Paramhansa, on many an occasion, he had to forego meals, but he was focussed on his mission and thus carried on with it in spite of occasional starvation. Here was a case of sacrificing the fulfilment of psychological needs for the sake of the satisfaction of self-actualisation needs. One can see similar instances in the lives of Vincent Van Gogh, Madam Curie, Mahatma Gandhi, Jai Shankar Prasad and others.

It is important to note that Abraham Maslow, in his book *Eupsychian Management* (1965), clarified that his notion of 'hierarchy' of needs was not rigid and essentially it was the concept of a series of needs which allows any specific need to precede or follow a higher level need. This makes Maslow's theory considerably pragmatic and not rigid. A series of needs may not have a tight sequence, thus allowing every need an opportunity to change its place in accordance with the situational exigencies.

5.4 ERG THEORY

Clayton Paul Alderfer, an American psychologist, further developed Maslow's hierarchy of needs theory by proposing what is known as the ERG theory. ERG stands for Existence needs, Relatedness needs and Growth needs. E, R and G represent different needs from the lowest level to the highest level. In this sense, it has similarities with the Hierarchy of needs theory, but there is an important difference between the two: As per the ERG theory, more than one level of needs can be activated at the same time. The existence needs as per the ERG theory correspond to the first two levels of the Hierarchy of needs theory: Physiological needs and Safety needs. The relatedness needs of the ERG theory are somewhat similar to the 'Belonging and love' needs (social needs) and to some portion of the Esteem needs of Maslow's theory. The remaining portion of the Esteem needs (the self-esteem part) and the self-actualisation part of Maslow's Hierarchy of needs theory are grouped as Growth need in the ERG

theory. An implication of ERG theory to organisational behaviour is that if a higher order need is not satisfied, a person might try to get a lower level need satisfied in its place. For example, if an employee is neither able to derive job satisfaction from his work nor is he able to enjoy a comfortable relationship with his supervisors, he might demand higher wages.

Check Your Progress 1

- Note:** i) Use the space given below for your answers.
ii) Check your answers with those given at the end of the Unit.

1. Explain Abraham Maslow’s Hierarchy of Needs theory.

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2. Discuss ERG theory.

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5.5 HERZBERG’S TWO FACTOR THEORY

The two factor theory proposed by the famous psychologist Frederick Herzberg is also known by the names of dual factor theory and Herzberg’s motivation-hygiene theory. Herzberg determined the factors responsible for job satisfaction and job dissatisfaction by interviewing more than 200 accountants and engineers. He found that job satisfaction and job dissatisfaction are two distinct and independent aspects and that the factors causing satisfaction are not the ones, the lack of which causes dissatisfaction. Factors like recognition, challenging work and other aspects that are intrinsic parts of the job are the ones that lead to satisfaction. Herzberg called these factors motivators. These factors help a person to move from a no-satisfaction state to a satisfaction state.

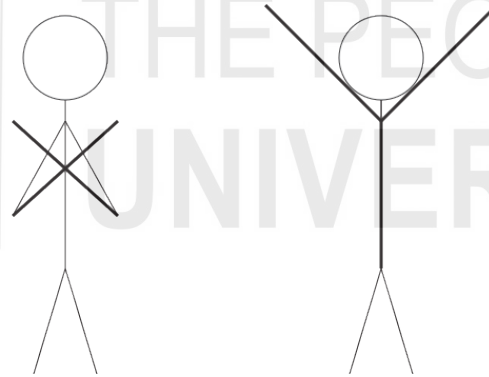
Herzberg also found that the dissatisfying factors are mainly contextual in nature. In other words, they are mainly pertaining to the environment in which the person is operating. Herzberg called these factors hygiene factors. Working conditions, company policies, job security, behaviour of supervisors etc. are examples of hygiene factors. These are not motivational in nature, in the sense that even when hygiene factors are very favourable, a person’s job satisfaction need not be high. All that we can say is that the job dissatisfaction levels will be low. But grievances related to hygiene factors can cause a person to move from a no-dissatisfaction state to a dissatisfaction state. In other words, job satisfaction is not the exact opposite of job dissatisfaction. These are two somewhat unrelated concepts. The opposite of job satisfaction is no job satisfaction, and

that of job dissatisfaction is no job dissatisfaction. According to Herzberg, “the factors that led to satisfaction (achievement, intrinsic interest in the work, responsibility, and advancement) are mostly unipolar; that is, they contribute very little to job dissatisfaction. Conversely, the dis-satisfiers (company policy and administrative practices, supervision, interpersonal relationships, working conditions, and salary) contribute very little to job satisfaction”.

5.6 THEORY X – THEORY Y

Douglas McGregor in his work, *The Human Side of Enterprise* suggested two contrasting views about human beings: a negative one called Theory X and a positive one named Theory Y. Theory X postulates that the average human being inherently dislikes work and will avoid it if he can. Therefore, employees must be directed or even forced by supervisors for performing job tasks. However, according to Theory Y, it is assumed that employees can view work as being natural, just like rest or play, and hence an average employee can learn to accept, and even seek responsibility.

To draw a parallel between McGregor’s theory and Maslow’s need hierarchy theory, we may note that Theory Y assumes that higher order needs are the dominating ones and that Theory Y assumptions are more valid than those of Theory X. According to Theory X strict supervision, external rewards, and penalties are required to extract performance, while Theory Y focuses on aspects like job satisfaction and proposes that workers need not be put under direct supervision. Managers should be able to gauge the situation and should use strategies from Theory X and Theory Y as per requirement.



A person refusing to work (“X”) and a person cheering the opportunity to work (“Y”)

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Theory X and Theory Y are not totally opposite or exclusive to each other. They are ideal type constructs and conceptually distinct entities. However, in practice, one finds a mix of the two in applied situations. In fact, there is a continuum from Theory X to Theory Y and all organisations are placed at one point or the other of the continuum. It is difficult to imagine an organisation that is entirely ‘X’ or totally ‘Y’. Further, a manager may have to shift from Theory X to Theory Y or vice versa, depending on the persons to be motivated and situation to be addressed. Such flexibility is an essential attribute of good management.

5.7 BHAGVAD GITA– SELFLESS ACTION

Selfless action is considered a great virtue. The crucial theme of the *Bhagawad Gita* is the theory of ‘Selfless Action’ (*Nishkama Karma*). Lord Krishna urges us thus: “Let there be no motive for the fruit of action, nor should you desire to avoid action due to its unpleasant fruits. He adds “You have the right to the actions, but are not entitled to its results”.

When we are selfless, we are less concerned about ourselves, but more about others. Hence, selfless action is the one which we do out of a sense of duty, for the benefit of the society. Actions become selfless only when we are acting for the betterment of others, without expecting any personal benefits.

However, quite often, the supposedly selfless actions are motivated by a desire to attain moksha (ultimate freedom attained through liberation from the cycle of rebirth) or other similar higher order objectives. This means that the person is expecting results for the self which is against the concept of ‘selfless action’. A truly selfless person has no desire at all, not even the desire for liberation. He might attain liberation, but that is not the explicit aim of his actions. He gets on with his duty for the sake of fulfilling his duty, without desiring any reward whatsoever. That is when the actions become completely and truly selfless.

As mentioned in Speaking Tree.in, this Gita advice is eternal since it is relevant for all times, including the modern age. It is the best mindset to possess (a mindset that enables to do your duty without expecting rewards) when immersed in work. Going about performing our duties, while not being concerned about whether we will be recognised for the work, is the best option, even in an organisational setting. It is in fact the only option in most situations, because, more often than not, the results are not in our hands. All that we can do is to put in our best efforts. It is worth noting that Gita advocates against inaction as well.

5.8 APPLICATION OF THE CONCEPTS AT THE WORKPLACE

It is not enough to simply know the concepts behind motivation. A good manager should be able to use them to good effect at the workplace in order to inspire his team members and to make them perform to their full potential so that the organisation and the employees can reap rich rewards. Following are some of the inducements that are generally provided to employees so as to motivate them and to inspire them on to perform better:

Good pay: If an employee is paid less than what his job is worth, he will be de-motivated and might even quit the organisation. On the other hand, if he is paid more than what he is worth, he will be greatly motivated, but such a pay is not sustainable in the long run from the organisation’s point of view. Thus, there should be a very fine balance as far as the right pay level is concerned. Moreover, rates of pay in the outside job market too need to be taken into account in fixing a pay that is just right to motivate the employees and which can be sustained in the long run.

Variable pay: It is generally believed that if the pay is fixed, there is very little incentive to perform par expectations of the employer. Variable pay addresses this issue to a great extent, as you will receive higher pay if you perform better. This obviously can motivate employees to invest more time and energy in the job. There are several types of variable pay structures. For example, some employers pay the employees on a 'pay per piece' basis. This system will motivate the employees to perform better as they will be paid more if they produce/sell more pieces. However, this system may not be suitable for all kinds of jobs. Some employers base their pay on the 'perceived' merit of their individual employees. In this system, the employer does an evaluation of the employees and decides what each is worth, and then pays accordingly. This method is a bit less objective than the 'pay per piece' system. However, it is suitable for almost all job roles for which proper assessment can be done. This method too can motivate the employees since they will tend to see a link between the level of their performance and the rewards that they receive. This approach is continuation of the tradition of Scientific Management propounded by F W Taylor. However, a lurking risk in this regard is an undue emphasis on the quantity rather than the quality of products and services.

Employee stock options: Many companies offer a fixed number of shares of the company to their employees at below market rates. Most employees use this opportunity to buy the shares, as the same is being offered at a discount. Once they buy the shares, they become 'owners' of the company in one sense, although they continue to be employees. It is in the direct interest of a shareholder to ensure that the company performs well. When the company performs well and is perceived by the market to be a potential performer in the future as well, the share price of the company is likely to go up. Consequently, the value of the shareholdings of all shareholders including the employees who purchased shares under the employee stock option plans will go up. In India, an excellent example of this approach is Infosys under the leadership of N R Narayan Murthy. It has been a plus factor in the exceptional growth of this IT giant.

Job rotation: If a person continues in the same job for a very long time period, the activities become rather mechanical and consequently, he will not be sufficiently motivated to perform better. Moving employees from one job to another will ensure that boredom is kept at bay, and that motivation is sustained.

Job enlargement and Job enrichment: Jobs can be expanded in two ways: horizontally and vertically. Job enlargement is the horizontal expansion of a job role through which certain aspects that were earlier not a part of the job role are made a part of the role. This prevents boredom and sustains interest in the job. Job enrichment is the vertical expansion of a job, through which the employees are provided with more freedom, power and authority to decide the manner in which the task is to be completed. In the case of job enlargement, authority and power are not increased; it is just that more tasks are added to the job role. In both cases, the job role definition undergoes a change. By contrast, the job role is not changed in the case of job rotation; only the person donning the role changes. All these are expected to avoid situations where employees lose their morale, feeling that their work is too mundane and routinised.

Recognition: Recognition is something all of us crave for, and employees are no exception. Recognition systems can be completely informal (like a pat on the back or a quick ‘Thank You’) or it can even be given a very formal structure.

Check Your Progress 2

- Note:** i) Use the space given below for your answers.
ii) Check your answers with those given at the end of the Unit.

1. Explain the underlying concept of Theory X – Theory Y.

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2. What is ‘selfless action’ as propounded by Bhagavad Gita?

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5.9 CONCLUSION

Motivation urges employees to improve their performance at the work place through hard work and smart work. When they do their jobs effectively and efficiently it is the organisation that ultimately benefits. Therein lies the importance of motivation from the organisation’s stand point. Having said this, there is a limit to the quantity of tangible rewards that an organisation can offer to its employees. Smarter organisations create the same effect through the wise use of intangible rewards like recognition, greater freedom in decision-making, empowerment etc. However, it is to be noted that not all potential inducements are perceived in the same manner by all the receivers, like for example, freedom or challenges. It is generally believed that there is no such thing as ‘freedom without responsibility’. And there are a considerable number of people who dislike responsibilities and challenges. Even for those individuals who aim at higher order needs like self-actualisation, it is not clear whether they would look to satisfy the need as part of their job roles or outside the workplace. Hence managers need to identify what motivates their team members. Motivation is one of the key tools used by great leaders to make their teams perform to their full potential.

5.10 GLOSSARY

Job Enlargement : Job enlargement is the horizontal expansion of a job role through which certain aspects that were earlier not a part of the job role are made a part of the role. This prevents boredom and sustains interest in the job.

Job Enrichment : Job enrichment is the vertical expansion of a job, through which the employees are provided with more freedom, power and authority to decide the manner in which the task is to be completed.

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5.12 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress Exercise 1

1. Your answer should include the following points:

- When one need level is satisfied, the individual strives to get the next higher level need satisfied.
- As per this theory, human needs can be classified into five: Physiological needs, Safety needs, Belonging and love needs (Social needs), Esteem needs and Self-actualisation needs.

2. Your answer should include the following points:

- ERG stands for Existence needs, Relatedness needs and Growth needs.
- E, R and G represent different needs from the lowest level to the highest level.

Check Your Progress Exercise 2

1. Your answer should include the following points:

- Theory X postulates that the average human being inherently dislikes work and will avoid it if he can.
- Theory Y, it is assumed that employees can view work as being natural, just like rest or play, and hence an average employee can learn to accept, and even seek responsibility.

2. Your answer should include the following points:

**Motivation: Concept
and Theories**

- Selfless action is considered a great virtue.
- When we are selfless, we are less concerned about ourselves, and more about others.
- Actions become selfless only when we are acting for the betterment of others, not expecting any personal benefits



UNIT 6 NATURE OF GROUP DYNAMICS*

Structure

- 6.0 Objectives
- 6.1 Introduction
- 6.2 Nature of Group Dynamics
 - 6.2.1 Meaning and definition of Group Dynamics
 - 6.2.2 Factors Affecting Group Behaviour
- 6.3 Theories of Group Formation
- 6.4 Types of Groups
- 6.5 Implications on Group Dynamics
- 6.6 Conclusion
- 6.7 Glossary
- 6.8 References
- 6.9 Answers to Check Your Progress Exercises

6.0 OBJECTIVES

After reading this Unit, you should be able to:

- Know the meaning, objectives and principles of group dynamics;
- Explain the nature of groups and factors affecting group behaviour; and
- Understand the theories of group formation and types of groups.

6.1 INTRODUCTION

Human beings continuously struggle with their environment and try to gain control over it. The quest for progress is basic to human nature. Every individual needs the cooperation of other human beings for their security and progress. Efforts in this direction lead to the formation of social organisations. Similarly, a number of sub-groups are found within an organisation. Individuals join groups in organisations, which may be formal or informal.

Groups set standards of productivity and enforce them on all members. Group standards are a major influence on the behaviour of individuals. Employees do not act or react as individuals, but they do so as members of the group. Elton Mayo's human relations approach is a key theoretical construct intended to establish harmony between formal and informal groups. In other words, an internal equilibrium has to be established and maintained in the organisation. Chester Barnard has further elaborated on this concept. It should be remembered that formal organisations are created first and only afterwards, informal organisations evolve. Then, both co-exist. To adopt a correct approach for interacting with the groups, managers need to understand group dynamics.

6.2 NATURE OF GROUP DYNAMICS

A group can be defined as several individuals who come together to accomplish a particular task or goal. It is an important sociological unit of analysis in the study of organisational behaviour. Group dynamics refers to the attitudinal and behavioural characteristics of a group. Further, it is concerned with groups' formation, their structure, process and function. When group dynamics is applied to the study of organisational behaviour, the focus is on the dynamics of formal as well as informal work groups in the organisation.

Social psychologists Kurt Lewin coined and popularised the term 'group dynamics' in the 1930s. After that, various connotations have been attached to this term. A normative view is that group dynamics describes how a group should be organised and conducted. Another view is that group dynamics consists of a set of techniques like role playing, brainstorming, sensitivity training, team building etc. The third view of group dynamics is related to the internal structure of groups, including their formation, structure, processes and functions. The present Unit discusses group dynamic in this perspective.

6.2.1 Meaning and definition of group dynamics

The term group dynamics contains two terms viz Group and Dynamics. Group is generally a collectively of two or more persons. Dynamics comes from a Greek word meaning 'force'. Thus, Group Dynamics refers to the interaction of forces between group members in a social situation. Group Dynamics encompasses the dynamics of interaction patterns within the group, the subtle and the non-subtle pressures exerted by group members, the manner in which decisions are made in the group, how work gets done and how members' needs are satisfied. Understanding of all these enable managers to manage groups effectively, leading to organisational effectiveness. Cartwright and Zander(1968) observe that "group dynamics is a set of behavioural and psychological processes that occur within a social group or between groups. It refers to the nature of groups, the laws of their development, and their interactions with individuals, other groups and larger institutions". Eminent theorists on group dynamics are Gustave LeBon, William Mc Dougall, Sigmund Freud, Jacob L, Moreno, Kurt Lewin, William Schutz, Bruce Tuckman, M.Scott Peek and Richard Hackman.

The following are the objectives and principles of group dynamics:

Objectives

- To identify and analyse the social processes of groups and their impact on development and performance.
- To develop skills for the improvement of the individual and group performance.
- To apply techniques for goal achievement and build successful organisations.

Principles

- The members of the group must have a strong sense of belongingness.

- Changes in the group should not create stress among group members.
- Groups form, survive and function in order to achieve common collective objectives.
- Information pertaining to changes to be made in a group should be shared among its members.
- Group structure, intergroup relations and participation of members are requisites for group effectiveness.

Groups are a common phenomenon in all organisations, whether governmental, private, military, judicial or educational.

6.2.2 Factors affecting group behaviour

The success or failure of a group depends on a number of factors, salient of which are as follows:

1. Knowledge, abilities, skills and personality characteristics are resources the group members bring in with them to the organisation.
2. Small groups are more effective than large groups in achieving cohesion.
3. Group roles can be classified into three types viz. work roles, maintenance roles and blocking roles. Work roles are task-oriented activities that involve specific roles such as those of initiator, informer, clarifier, summariser and reality-tester. Maintenance roles are social-emotional activities that help to raise their involvement and commitment in the group.
4. Each group establishes its own set of norms. Norms are acceptable standards of behaviour. The norms often reflect the level of commitment, motivation and performance of the group. The majority of members in the group must agree that the norms are appropriate in order for the behaviour to be accepted. Group members who do not conform to the norms will be punished by being excluded, ignored, or asked to leave the group.
5. Groups tend to become cohesive when they are in intense competition with other groups or face a serious external threat to survive. Cohesiveness refers to the bonding of group members and their desire to remain part of the group. Cohesiveness in work groups has several positive effects, including work satisfaction, low turnover and absenteeism and higher productivity. However, highly cohesive groups may be detrimental to organisational performance if their goals are not aligned appropriately with organisational goals. They are more vulnerable to groupthink.
6. Processes like decision-making, communication, conflict management, leadership etc. are better through group dynamics than made by an individual.

Check Your Progress 1

Note: i) Use the space given below for your answers.

ii) Check your answers with those given at the end of the Unit.

1. Explain the meaning and definition of group dynamics.

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2. Write the objectives and principles of group dynamics?

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6.3 THEORIES OF GROUP FORMATION

Joining a group is determined by a number of factors, including an individual’s personal traits, gender, social motives like the need for affiliation, need for power, need for intimacy, and prior group experiences. Groups can offer some advantages to its members that would not be possible if an individual decided to remain alone, including gaining social support in the forms of emotional support, instrumental support, and informational support. It also offers friendship, involvement in new interest, learning new skills, and enhancing self-esteem.

George Homans in his eminent work, *The Human Group* (1950), developed a classical theory on group formation based on activities, interactions, and sentiments. According to this theory, activities, interactions and sentiments are directly related to one another. The theory assumes that when individuals share common activities, they will have substantial interactions and will develop more positive or negative attitudes toward each other. This theory contributes a great deal to the understanding of group formation and process.

One of the more comprehensive theories of group formation is ‘balance’ theory. It states that persons are attracted to each another on the basis of similar attitudes toward commonly relevant objects and goals. For example A will interact and form a relationship with B because of shared attitudes and values —these may be religion, politics, lifestyle, marriage, work, authority etc. Once a relationship is formed, the group members strive to maintain a balance between the attraction and the common attitudes. In case an imbalance occurs, they would make an attempt to restore the balance. The relationship dissolves when they fail to restore it.

John Thibaut and Harold Kelley have developed another theoretical approach to group formation namely, ‘social exchange’ theory. It is based up on cost-reward outcomes of interaction. According to this theory, individuals form relationships based on the implicit expectation of mutually beneficial exchanges based on trust and felt obligations. This theory explains that group membership will be more satisfying to a new prospective member if the group’s outcomes in terms of costs and rewards are above the individual’s expectation level. Group

membership will be unsatisfying to a new prospective member if the outcomes are below the individual's expectation level. The Mini-Max Principle is a part of social exchange theory that states that people will join and remain in a group that can provide them with the maximum amount of rewards while at the same time, ensuring the minimum amount of costs to them.

Social Identity theory offers another explanation for group formation. Simply put, this theory suggests that individuals get a sense of identity and self-esteem based on their membership in salient groups. The nature of the group may be demographically based, culturally based, or organisationally based. Individuals are motivated to belong to and contribute to identity groups because of the sense of belongingness and self-worth that the membership in the group provides.

Bruce Tuckman (1965) proposed the five stage model called Tuckman's stages for a group. Tuckman's model states that the ideal group decision-making process should occur in five stages.

1. **Forming:** This initial stage is marked by confusion and uncertainty. The major goals of the group have not been established and the group members are not sure about the purpose, structure, task or leadership of the group. Thus, forming is an orientation period when members getting to know one another and share expectations about the group. Members learn the purpose of the group as well as the rules to be followed. The forming stage should not be rushed because trust and openness must be developed in the initial stage of group formation. These feelings get strengthened in the later stages of group development. Individuals are often confused during this stage because their roles are not sufficiently clear and there may not be a strong leader at this stage.
2. **Storming:** This stage is characterised by conflict and confrontation. The group is likely to see the highest level of disagreement and conflict. Members often challenge the group goals and mutually struggle for power. Individuals often aspire for leadership position during this stage of development. Members often voice concern and criticism during this phase. If members are not able to resolve conflict, then the group might disband or continue in existence ineffectively.
3. **Norming:** This stage is characterised by the recognition of the individual differences and shared expectations. During this stage the group members will begin to develop a feeling of group cohesion and identify. Cooperative effort should begin to yield results. Responsibilities are divided among members and the group decides how it will evaluate progress.
4. **Performing:** Performing occurs when the group matures and attains a sense of cohesiveness. During this stage of development, individuals start accepting one another and conflict is resolved through group discussion. Members of the group make decisions through a rational process that is focused on relevant goals rather than on emotional issues.
5. **Adjourning:** Not all groups experience this stage of development because it is characterised by the disbanding of the group. Some groups are relatively permanent. Reasons that groups disband vary, with common reasons being

the accomplishment of the task or individuals deciding to go their own ways. Members of the group often experience feelings of closure or saturation as they prepare to leave.

Besides the above conceptual explanations for group formation and development, there are practical reasons for joining and / or forming a group. For instance, employees in an organisation may form a group for economic, security or social reasons. The most important practical reason because of which individuals join or form groups is that group tends to satisfy the intense social needs of most people. Research going as far back as the Hawthorne studies has found the affiliation motive to have a major impact on human behaviour in organisations.

6.4 TYPES OF GROUPS

Organisation is a collection of groups that are focused towards achieving the mutual goal of achieving success for the organisation. There are numerous types of groups. The theories of group formation discussed above are based on the attraction between two persons - dyad group. In the real world, however, groups are usually much more complex than a dyad. There are small and large groups, primary and secondary groups, coalitions, membership and reference groups, in and out groups, and formal and informal groups. Each type has different characteristics and varying effects on its members.

- (i) **Primary groups:** Often the terms 'small group' and 'primary group' are used interchangeably. Technically, however, there is a difference. A small group has to meet only the criterion of small size. The group must be small enough for face-to-face interaction and communication to occur. A primary group, in addition to being small, must have a feeling of comradeship, loyalty and a common sense of values among its member. Thus, all primary groups are small groups, but not all small groups are primary groups. Two examples of a primary group are the family and the peer group.
- (ii) **Secondary groups** are characterised by large size, individual identification with values and beliefs prevailing in them, rather than cultural interaction.
- (iii) **Social groups** refer to an integrated system of interrelated psychological groups formed to accomplish defined objectives.
- (iv) **Coalitions** are very relevant to organisations. These are constructed deliberately by the members for a specific purpose. These groups do not have formal internal structure. The members possess mutual perception. In simple terms, these are issue-oriented. Coalitions usually are powerful and effective entities in organisations.
- (v) **Membership and reference groups:** Besides primary groups and coalitions, there are also other groups that are important to the study of organisational behaviour. We can find distinctions between membership and reference groups. Membership groups are those to which the individual actually belongs. Reference groups are those to which an individual would like to belong and to which he or she identifies with.
- (vi) **In groups and out groups:** In groups are groups the members of which share dominant values, and out groups are on the outside, looking in.

- (vii) **Formal groups:** One way to classify the groups is by way of formality – formal and informal. While formal groups are established by an organisation to achieve its goals, informal groups emerge spontaneously. A formal group is established under the legal or formal authority with the view to achieve particular end results. Formal groups may take the form of command groups, task groups and functional groups.
- a. **Command groups** are specified in the organisational chart and often consist of a supervisor and the subordinates in a hierarchical relationship. An example of a command group is a market research firm Chief Executive Officer (CEO) and the research associates under him.
 - b. **Task groups** consist of people who work together to achieve a common task. Members are brought together to accomplish a specific range of goals within a given time period. Task groups are also commonly referred to as ‘task-force’. The organisation appoints members and assigns them the goals and tasks to be accomplished by them. Examples of assigned tasks are the development of a new product, the improvement of a production process, or designing the syllabus under the semester system. Other common task groups are ad hoc committees, project groups, and standing committees.
 - c. **Functional groups** are created by the organisation to accomplish specific goals within an unspecified time-frame. Functional groups remain in existence even after the achievement of current goals and objectives. Examples of functional groups would be a marketing department, a customer service department or an accounting department.
- (viii) **Informal groups:** In contrast to formal groups, informal groups are formed naturally and in response to the common interests and shared values of individuals. These groups refer to the aggregate of personal contact and interactions and network of relationship among individuals. These are created for purposes other than the accomplishment of organisational goals and do not have a specified time-frame. Informal groups are not appointed by the organisation; its members can even invite others to join them from time to time. Informal groups can have a strong positive or negative influences in organisations. These groups can take the form of interest groups, pressure groups, friendship groups, or reference groups. Informal groups play a significant role in the dynamics of organisational behaviour. Informal roles vary widely and may be volatile.

All these types of groups have relevance to the study of organisational behaviour, but the formal and informal types are most directly pertinent. The study of these groups and their impact on organisations is an interesting area in organisational behaviour.

6.5 IMPLICATIONS ON GROUP DYNAMICS

Starting with Hawthorne studies, there has been an abundance of significant research on groups that has implications for organisational behaviour and management. Besides the Hawthorne studies, there have been numerous

research studies on group dynamics that have directly contributed to the better understanding of organisational behaviour. It can be appreciated from research over the years that groups have a positive impact on both individual employee effectiveness and organisations effectiveness. The seminal work of social psychologist Stanley Schechter and his associates seems important for the application of group dynamics. The study tested under highly controlled conditions the effect that group cohesiveness and influence have on productivity. The results of Schechter's study contain some interesting implications for the study of organisation behaviour. The study highlighted that cohesive groups have very powerful dynamics, both positive and negative, for human resource management.

Group dynamics faces the following common problems:

- **Weak leadership:** When a team lacks a stronger leader, a more dominant member of the group can often take charge in his place. This can lead to a lack of direction, infighting, or a focus on wrong priorities.
- **Excessive obedience to authority:** This can happen when people want to be seen to agree with a leader and hold back from expressing their own opinions.
- **Blocking:** This happens when team members behave in a way that disrupts the flow of information in the group. Members can adopt the following blocking roles:
 - (i) **The aggressor:** He often disagrees with others or is occasionally inappropriately out-spoken.
 - (ii) **The negator:** This member is often critical of others' ideas.
 - (iii) **The withdrawer:** This person does not participate in the discussion.
 - (iv) **The recognition-seeker:** This group member is boastful or dominates the discussion.
 - (v) **The Joker:** This person introduces humour at inappropriate times.
 - (vi) **Group think:** This happens when people place a desire for consensus above their own desires to reach the right decision. This prevents people from fully exploring alternative solutions.
 - (vii) **Free riding:** Some group members take it easy, and leave their colleagues to do all the work. Free riders may work hard on their own, but often, they limit their contributions in group situations.
 - (viii) **Evaluation apprehension:** Team members' perceptions can also create a negative group dynamics. Evaluation apprehension happens when people feel that they are being judged in an unduly harsh manner by other group members, and they hold back their opinions as a result.

Check Your Progress 2

- Note:**
- i) Use the space given below for your answers.
 - ii) Check your answers with those given at the end of the Unit.

1. Explain Bruce Tuckman’s five stages model.

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2. Discuss the different types of groups.

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6.6 CONCLUSION

A group is a crucial component of an organisation. Groups are found in each and every organisation, whether big or small. Groups effectively influence individual and organisational development. They are extremely significant to the understanding of organisational behaviour.

The term ‘group dynamics’ contains two terms, viz Group and Dynamics. Group is generally a collectivity of two or more persons. Dynamics comes from the Greek word meaning force. Thus, group dynamics refers to the interaction of forces between group members in a social situation. The success or failure of a group depends on several factors. Joining a group is also determined by a number of factors which have been explained above.

There are quite a few theories that explain the process of group formation. George Homans activities, interactions and sentiments theory, balance theory, social exchange theory, social identity theory etc are some of the well-known theories on group formation. There are different types of groups such as small, large, primary, coalitions, formal and informal groups. As has been seen, groups have a positive impact on achieving both individual and organisational effectiveness.

6.7 GLOSSARY

| | | |
|------------------------|---|---|
| Group Dynamics | : | It describes the way in which people in a group interact with one another. |
| Group Think | : | A deterioration of mental efficiency, reality testing and moral judgement that results from in-group pressures. |
| Informal Groups | : | Informal groups do not have prescribed goals and relationships. |
| Cohesiveness | : | The average resultant force acting on members in a group. |

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6.9 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress Exercise 1

1. Your answer should include the following points:

- Group dynamics refers to the interaction of forces between group members in a social situation.
- It encompasses the dynamics of interaction patterns within the group, the subtle and the non-subtle pressures exerted by group members, the manner in which decisions are made in the group, how work gets done and how members' needs are satisfied.

2. Your answer should include the following points:

- Objectives of group dynamics.
- Principles of group dynamics.

Check Your Progress Exercise 2

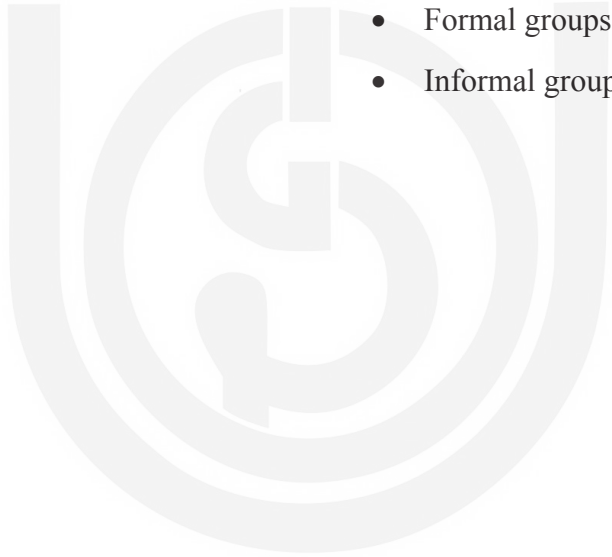
1. Your answer should include the following points:

**Organisational
Behaviour: Major
Facets**

- Forming
- Storming
- Norming
- Performing
- Adjourning

2. Your answer should include the following points:

- Primary groups
- Secondary groups
- Social groups
- Coalitions
- Membership and reference groups
- In groups and out groups
- Formal groups
- Informal groups



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UNIT 7 TEAM WORK: NATURE, EFFECTIVENESS, IMPEDIMENTS*

Structure

- 7.0 Objectives
- 7.1 Introduction
- 7.2 Nature of Teamwork: Meaning and Importance
 - 7.2.1 Benefits of Teamwork
 - 7.2.2 Differences between Groups and Teams
- 7.3 Effectiveness of Teamwork
 - 7.3.1 Characteristics of High Performance Teams
- 7.4 Impediments to Effective Teamwork
- 7.5 Conclusion
- 7.6 Glossary
- 7.7 References
- 7.8 Answers to Check Your Progress Exercises

7.0 OBJECTIVES

After reading this Unit, you should be able to:

- Know the meaning, importance and benefits of teamwork;
- Understand the differences between groups and teams;
- Analyse the effectiveness of teamwork; and
- Identify the impediments to effective teamwork.

7.1 INTRODUCTION

The movement towards teamwork was mostly an outcome of the Hawthorne studies, conducted in the late 1920s and 1930s, which highlighted the positive aspects of teamwork in an organisational setting. In recent years, teams have emerged as the most important group phenomenon in organisations. The term “team” is not new to organisations. In fact, the importance of teamwork has been stressed throughout the recent decades. Today, teams are becoming increasingly popular as a result of advanced information technology, concern for total quality management and the organisational learning processes. These organisational developments have shifted from a reliance on individual managers and workers to inter-functional management teams. Ifeanyi Enoch Onuoha observes: “Teamwork is the secret that makes common people achieve uncommon results”. An attempt is being made in this Unit to discuss important facets of teamwork in organisational setting.

*Contributed by Dr. Ch.C.Prasad, Assistant Director, Dr. B.R.Ambedkar Open University, Hyderabad.

7.2 NATURE OF TEAMWORK: MEANING AND IMPORTANCE

Teamwork is the collaborative effort of a team to achieve a common goal in a most effective manner. This concept is generally understood as the willingness and cooperation of a group of people to work together to achieve a common aim. This means someone has the interests of the team at heart, working for the good of the team. But teamwork is not exclusive to organised teams. For example, we can see evidence of teamwork in a committee, which might not necessarily see itself as a team. In this context, team work can be random co-operation, but not always.

A team exists when individual strength and skills are combined with team work in the pursuit of a common direction or cause, in order to produce meaningful results for the team members and the organisation team work adds to the collective endeavours and talents of team members. A team is more than the combination of individual strengths with a shared commitment to performance. The benefits of a team at work will be visible only when the skills and strengths of individual team members are joined with shared goals with a focus on collective performance. An organisation cannot have teams without teamwork, but it can have teamwork without having an organised team. This is the difference between a team and teamwork.

A team has the following important characteristics:

- Team members have shared goals in relation to their work.
- Team members interact with each other in order to achieve shared objectives.
- Team members have well defined and interdependent roles.
- Team members have an organisational identity as a team, with a defined organisational functions.

Teamwork suggests that people work in an atmosphere of mutual support and trust, where every team member's strengths are valued. A real teamwork tends to see the following positive attitudes and behaviour patterns:

- Trust in colleagues to deliver what they promise.
- Willingness to help when needed.
- Sharing of a common vision of the future.
- Cooperation and blending of each other's strengths.
- Positive attitudes, providing support and encouragement.
- Active listening.
- All members pulling their weight in the same direction.
- Giving the benefit of doubt to members
- Consensus building.

- Effective conflict resolution.
- Open communication.

The best way to define teamwork is “when a group of people work together cohesively towards a common goal, creating a positive working atmosphere and supporting each other to combine individual strengths to enhance team performance”.

Importance of Teamwork

Teamwork can be linked to two compounds which are almost essential to modern life. It keeps a team together, a bond which promotes strength, unity, reliability and support. It can also enable smoother movement towards the achievement of targets and can help teams to overcome obstacles. Teams and teamwork have become a central part in organisations. Teams do not work without teamwork. The following factors promote teamwork in any organisation:

1. Distribution of workload and tasks among members of a team lead to increase in productivity.
2. Teamwork promotes creativity, innovation, confidence and practical solutions to problems.
3. It brings a feeling of recognition and sense of belongingness among members that improve their morale and self-esteem.
4. It provides help, support and guidance to members in difficult times that reduce their stress and encourages them to focus on completion of goals in an efficient manner.
5. It contributes development of strong relationships among colleagues.
6. It enhances communication skills among members.
7. It enables flexibility among members in performing their obligations while respecting the norms of a healthy work-life balance.
8. It promotes leadership qualities.
9. It facilitates better career opportunities in future.
10. It expands the boundaries of professional work.
11. It improves service provided to clients.

7.2.1 Benefits of Teamwork

Teamwork in the workplace has the following benefits:

1. Fosters creativity and learning

Creativity thrives when people work together on a team. What one has learned from individual experience is entirely different from what the coworkers have learnt. Thus, teamwork maximises shared knowledge in the workplace and helps one to learn new skills for future. Working together lets employees build on the talents of their team mates.

2. Builds trust

Relying on other people builds trust, and teamwork establishes strong relationships with co-workers. An effective team enjoys working together and shares a strong bond. Trusting teammates provides a feeling of security that allows new ideas to emerge. It helps employees open up and encourage each other. Without trust, a team crumbles and cannot succeed in achieving positive results in assigned projects. Great teams build each other up and strengthen individual members to create a cohesive group.

3. Augments conflict resolution skills

Conflicts are inevitable in a group situation. Employees come from varied backgrounds and have different work styles and habits. While these unique viewpoints promote creativity, they can also generate competition resentment that turns into conflict. When conflict arises in teamwork situations, employees are compelled or sometimes encouraged to resolve the conflicts themselves instead of turning to management

4. Promotes a wider sense of ownership

Team encourages employees to feel proud of their contributions. Working toward achieving organisation goals allows employees to feel connected to the organisation. This strengthens organisational loyalty, leading to a higher level of Job satisfaction among employees.

5. Encourages healthy risk-taking

Working as a team allows team members to take legitimate risks as they have the support of the entire group to fall back on the case of glitches or failure.

6. Teamwork creates synergy

Synergy is by no means a given. It does not happen and it is difficult to achieve. Hackman argues that “teams that function well can indeed achieve a level of synergy and ability that never could be reprogrammed by organisation planners or enforced by external managers”. In a synergistic way of working the sum is greater than the parts.

7. Teamwork supports a more empowered way of working, removing constraints which may prevent someone doing their Job property.
8. Teamwork promotes flatter and leaner structures with less hierarchy.
9. Teamwork encourages multi-disciplinary work where teams cut across organisational divides.
10. Teamwork fosters flexibility and responsiveness, especially the ability to respond to change.
11. Teamwork pleases customers who like engaging with good teams.
12. Teamwork promotes the sense of achievement, equity and camaraderie that are essential for motivated workplace.

13. Teamwork when managed properly is a better way to work. Teamwork, if properly managed, maximises strengths, bringing out the best in each team member. Teamwork is an essential part of workplace success. Teamwork must have skills and habits like cooperation, contribution, communication, sense of responsibility, respect for different opinions, customs and individual preferences and a strong desire for participation to build effective and creative relationships.

7.2.2 Differences between Groups and Teams

The distinction between a group and a team is an important one. All teams are groups, but not all groups are teams. Johon R.Katzenback and Douglas K.Smith(1993) have identified the following specific differences between work groups and teams:

- a. The work group has a strong, clearly focused leader; the team has shared leadership roles.
- b. The work group has individual accountability; the team has individual and mutual accountability.
- c. The work group's purpose is the same as that of the organisation; the team has a specific purpose.
- d. The work group has individual work-products; the team has collective work-products.
- e. The work group runs efficient meetings; the team encourages open-ended, active problem-solving meetings.
- f. The work group measures effectiveness indirectly, the team measures performance directly by assessing collective work-products.
- g. The group discusses, decides, and delegates, the team discusses, decides and does real work together.

Teams do go beyond traditional formal work groups. Teams can be formed for any purpose. Broadly, teams can be categorise into four types:

- (i) **Advice teams** like boards, review panels, employee involvement groups etc.
- (ii) **Production teams** like manufacturing crews, maintenance crews, data processing groups etc.
- (iii) **Project teams** such as research groups, planning teams, task forces etc.
- (iv) **Action teams** such as negotiating teams, entertainment groups, military units etc.

With the increasing importance of teams in today's organisations, there is an increasing recognition given to the informal team roles. According to Glenn M.Parker, team members play the following four roles:

1. **Contributor:** He is a task-oriented team member. He enjoys providing the team with good technical information and data and pushes the team to set high performance goals.

2. **Collaborator:** He tries to remind others of the vision, mission, or goals of the team, but is flexible and open to new ideas. He is willing to share glory with other team members.
3. **Communicator:** He is a positive, people-oriented team member; is process-driven; and is an effective listener. He plays the role of facilitator of involvement, conflict resolution, consensus building, feedback etc.
4. **Challenger:** He questions the team’s goals, methods and even their ethics. He is willing to disagree with the leader and encourages well-conceived risk-taking.

Teamwork is often a crucial part of a business, as it is often necessary for colleagues to work together very well, and try their best in any circumstance. Team work means that people will try to cooperate, using their individual skills and providing constructive feedback, despite any personal conflict between individuals.

Check Your Progress 1

- Note:** i) Use the space given below for your answers.
ii) Check your answers with those given at the end of the Unit.

1. Write the benefits of teamwork.

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2. Discuss the roles of team members.

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7.3 EFFECTIVENESS OF TEAMWORK

Teams do not become effective overnight. Team building is a process that requires due attention and care .To build, lead, or participate in a team requires an understanding of the stages of team development. The most effective teamwork happens where individual contributors harmonise their efforts and work toward a common goal. Teams need a leader who is accessible, who listens and values their input, deals with problems promptly and who recognises them for the job well done. It is important to have a clearly defined set of roles and responsibilities for each member of a team. In a good team all members take responsibility for their own respective obligations as well as for the overall completion of organisational goal. Effective teams are willing to try a new solution to an old problem. Besides, they conduct regular team meetings to

discuss about on-going activities and fresh assignments. The differences of opinion should not be discouraged because new ideas and solutions are likely to crop up from these differences. The following are important characteristics of effective teamwork:

- i. An effective teamwork creates unified commitment for goal achievement.
- ii. In effective teamwork every team member participates in the process of exploring solutions to problems.
- iii. There must be open communication, that is face-to-face communication among all members of the group.
- iv. A team should have a built-in-decision making system in order to address all situations promptly and effectively.
- v. An effective team is able to gather information from each member and formulate that information into a response.

7.3.1 Characteristics of High Performance Teams

Effective teamwork is an important aspect of an organisation's success. Successful teams have the following characteristics:

- Develop strong relationships and incorporate effective group processes.
- Work together to establish and meet the agreed upon goals.
- Have relationships that are based on commitment, cooperation and trust.
- Foster team members' participation, satisfaction, learning and growth.

The development of high-performance teams takes the combined efforts of visionary leaders and motivated team members. The following lists the characteristics that comprise high performance teams:

- The team has a common focus including clear and understandable goals, plans of action, and ways to measure success.
- Roles and responsibilities are clearly defined for each team member.
- Each member has clearly defined expectations of other members.
- The team fully utilises its resources, both internal and external.
- Members value each other's differences in healthy and productive ways.
- Each member is able to give, receive and elicit necessary feedback.
- The team members manage their meetings in a productive way.
- The team is able to reach goals by achieving the necessary results.

To build an effective team, a leader needs to establish an organisational environment in which individual team members can reflect upon and analyse relationships with other team members. A leader should encourage the resolution of any conflicts through healthy, professional interactions, and willingly and openly negotiate necessary conciliations.

Several factors within an organisation influence team effectiveness, including its organisational culture, level of autonomy and types of feedback mechanisms. But the factors that influence the effectiveness of a team most stem from its internal structure and processes:

- o **Structural factors:** These include team or group type, size and composition of skills and abilities.
- o **Team processes:** These include stages of team development, cultural norms, roles, cohesiveness, and interpersonal processes such as trust development, facilitation, influence, leadership communication and conflict resolution.

In an effective team, the members need to exhibit skills like openness, trust and respect. Team members should be willing to get to know each other and open up about themselves. Constructive feedback and mutual respect rather than blaming one another will help a team to achieve results much faster.

7.4 IMPEDIMENTS TO EFFECTIVE TEAMWORK

Problems can arise in any team that will hurt its effectiveness. There are impediments to developing an effective team atmosphere, hence, organisations need to identify barriers to teamwork. Significant barriers to teamwork are two. One, the absence of trust among team members and second, failure to deal with conflict within a team. In addition, the following factors are critical impediments to team effectiveness:

- Lack of relevant team expertise in composition of team.
- Lack of clear instructions to guide team dynamics.
- Lack of shared vision and purpose.

Poor communication, unclear goals, lack of managerial involvement, ego problems, bad leadership and personality clashes are some other impediments to effective teamwork. Research on teamwork highlights the following seven barriers to effective team functioning viz.

- Lack of team purpose and tasks;
- Lack of freedom and responsibility;
- Too many members or the wrong members;
- An individual-focused organisation;
- Team processes are neglected rather than developed;
- Directive instead of facilitative leaders; and
- Conflict with other teams.

In addition to the above institutional barriers, teams generally face the following problems:

- Team members are not willing to give up past practices or overcome attraction for power and position.

- Not all team members have the ability, knowledge or skill to contribute to the organisational performance.
- As team members, employees often face conflicts or challenges to their own personal beliefs.

When the above institutional and individual barriers are effectively addressed by the teams, they become more successful. It is possible only through the application of effective behavioral training and constant evaluation. Teams need to overcome some of the real problems that encounter them. There are five key areas of the team that should be closely monitored and periodically measured. These are: 1. team mission 2. goal achievement 3. empowerment 4. open and honest communication, and 5. positive roles and norms. Control of the above functions makes teams effective and contributes to enhance organisational performance.

Check Your Progress 2

Note: i) Use the space given below for your answers.

ii) Check your answers with those given at the end of the Unit.

1. Explain the important characteristics of effective teamwork.

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2. Explain the impediments to effective teamwork.

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7.5 CONCLUSION

Teams have emerged as the most important group phenomenon in organisations. Today, teams are becoming increasingly popular as a result of advanced information technology and the concern for total quality management and the organisation learning processes.

Teamwork is the collaborative effort of a team to achieve a common goal or to complete a task in the most effective and efficient way. The movement for team work commenced due to the Hawthorne Studies, conducted in the 1920s and 1930s, that highlighted the positive aspects of team work in organisational setting. Teams do not work without teamwork. A real teamwork has positive attitudes and behavioral patterns. Teamwork involves building relationships and working with other people using a number of important skills and habits. Teamwork provides a host of benefits at workplace.

An effective team can help an organisation achieve incredible results. Team building is a process that requires great attention and care. Successful teams develop strong working relationships by ensuring defined roles, accountability and clear and proactive communications. The development of high performance teams takes the combined efforts of visionary leaders and motivated team members. Despite the significance of teamwork in organisations, there are some impediments to effective team atmosphere. Therefore, organisations need to identify the impediments and adopt behavioral training and evaluation system in the organisation.

7.6 GLOSSARY

- Team** : A group of people who are united under a leader to achieve common organisational goals.
- Group** : A group consists of people who work together, formally or informally within or outside an organisation, with flexibility and for achieving broader objectives.
- Teamwork** : It is the collaborative effort of a team to achieve a common goal or task in the most effective and efficient way.
- Contributor** : He is a task-oriented team member.
- Brain Storming** : It is one way that groups come up with the solution to problem. It brings effective ideas and solutions for teams issues.

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7.8 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress Exercise 1

1. Your answer should include the following points:

- Fosters creativity and learning
- Blends complementary strengths
- Builds trust
- Teaches conflict resolution skills
- Promotes a wider sense of ownership
- Encourages healthy risk-taking
- Teamwork creates synergy

2. Your answer should include the following points:

- Contributor
- Collaborator
- Communicator
- Challenger

Check Your Progress Exercise 2

1. Your answer should include the following points:

- It develops strong relationship and group processes.
- It establishes and meets the agreed upon goals.
- Teamwork is based on commitment, cooperation and trust.
- It encourages team members' participations, satisfaction, learning and growth.

2. Your answer should include the following points:

- Lack of relevant team expertise in composition of team.
- Lack of clear instructions to guide team dynamics.
- Lack of shared vision and purpose.
- Barriers to effective team functioning.
- Individual problems of the teams.

UNIT 8 COMMUNICATION: MEANING, NATURE AND PROCESS*

Structure

- 8.0 Objectives
- 8.1 Introduction
- 8.2 Communication: Meaning and Definitions
- 8.3 Interpersonal Communication
- 8.4 Process of Communication
- 8.5 Networks Communication
- 8.6 Types of Communications
 - 8.6.1 Formal Communication
 - 8.6.2 Informal Communication
 - 8.6.3 Grapevine Communication
 - 8.6.4 Rumour
- 8.7 Transformational Theory
- 8.8 Building Effective Communication
- 8.9 Barriers to Communication
- 8.10 Conclusion
- 8.11 Glossary
- 8.12 References
- 8.13 Answers to Check Your Progress Exercises

8.0 OBJECTIVES

After reading this Unit, you should be able to:

- Understand the meaning and definitions of interpersonal communication;
- Describe the process and types of communication; and
- Examine the steps to build effective communication and identify barriers to communication.

8.1 INTRODUCTION

Communication is one of the main processes and components of organisation. It is found in all organisations irrespective size and nature. It has been considered as an effective tool for achieving the goals of an organisation. Chester Bernard was one of the first writers to give serious thought and attention to communication in a large-scale enterprise. He viewed communication as a unifying means by which organisation members were linked together to achieve a common

*Contributed by Dr. Ch.C.Prasad, Assistant Director, Dr. B.R.Ambedkar Open University, Hyderabad.

objective. The concept of communication is inter-related with other concepts like motivation, coordination, leadership, structure, and decision-making in organisations. In this Unit, we shall discuss different aspects of communication in an organisational context.

8.2 COMMUNICATION: MEANING AND DEFINITIONS

The word ‘communication’ is derived from Latin word *Communis* which means ‘common’. Communication is a process in which the sender of information seeks to establish a commonness with the receiver of information. Thus, communication refers to the transfer of information from the sender to the receiver. It is the process of facilitating an interchange of information, understanding and ideas between two or more people, and mutual interchange of ideas by effective means. In other words, communication is exchange of thoughts, opinions or transmitting information by speech, writing or signs.

Pfiffner considers communication as “the heart of management,” while Millet described it as the “blood stream of an administrative organization”. Ordway Tead has defined communication “as that process whereby one person makes his ideas and feelings known to another”. Peter Drucker has described communication as “the ability of the various functional groups within the enterprise to understand each other and each other’s functions and concerns”.

According to Webster’s Dictionary, communication is “intercourse by words, letters or messages, interchange of thoughts or opinions”. James L. Gibson and others have viewed communication “as the transmission of information and understanding through the common symbols may be verbal or non-verbal” (Koontz & O’Donnell, 1984).

After analysing the above definitions, three aspects deserve emphasis: Firstly, when interacting with others, words, letters etc., are used; secondly, two or more persons are involved in the communication process, and thirdly, the interaction process is motivated by sharing of information or opinions toward a common end. Thus, the essence of communication is information as well as understanding.

8.3 INTERPERSONAL COMMUNICATION

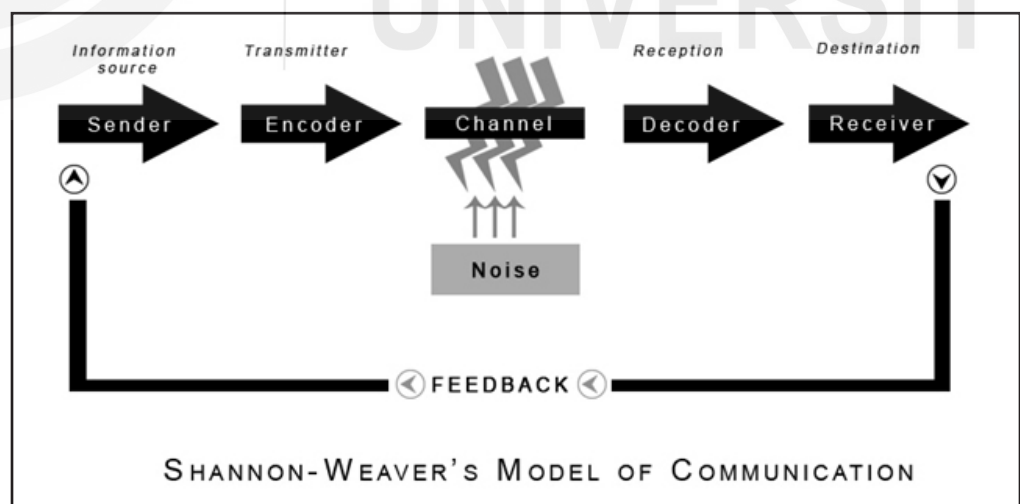
Communication in organisational behaviour includes communication technology, interpersonal communication and nonverbal communication. In the continuum of the communication process, on the one end is sophisticated communication technology, while on the other end is relatively simple nonverbal communication. Interpersonal communication represents the middle ground in the continuum. For the study of organisational behaviour, interpersonal communication is the most pertinent of all. In this kind of communication, the major emphasis is on transferring information from one person to another. Further, communication is viewed as a basic method of effecting behavioural change, and it incorporates the psychological processes such as perception, learning and motivation, on the one hand, and language on the other. Today, the introduction of various sophisticated electronic communication technologies and better forms of interaction greatly influence the nature of interpersonal communication.

The classical hierarchical organisation structure gives recognition only to vertical communication. However, horizontal communication is also required to facilitate coordinated effort in achieving organisational goals. The horizontal requirement becomes more crucial as the organisation becomes larger, more complex, and more subject to the downsizing and the flattening of structures. Because of the dynamic interpersonal aspects of communication, the interactive form seems more appropriate than the horizontal form.

There are various factors that underscore the need for interactive communication. Several research studies have summarised four of the most important purposes of interactive communication, namely, a) task coordination, b) problem solving, c) information sharing, d) conflict resolution. Team meetings that take place in most organisations are among major methods of interactive communication. The quantity, quality and human implications discussed in relation to vertical communication process in an organisation are also integral to interactive communication.

8.4 PROCESS OF COMMUNICATION

The most widely used communication model has evolved from the work of Shannon and Weaver and Schramm. The basic ingredients of the model include a source, an encoder, a message, channels, a decoder, a receiver, feedback, and noise. Basically, the process of communication consists of a sender and a receiver. Communication begins with a sender. The sender transmits the information to the receiver either orally or in writing. The message may be transmitted through the computer, telephone etc. The proper selection of the channel is important for effective communication. The receiver should be ready to receive the message. Unless the sender and the receiver understand the communication in the same manner, the communication cannot be complete. Misunderstanding or wrong interpretation of communication by the receiver hinders the communication process and creates a communication gap.



Source: Shannon & Weaver, 1949.

To check the effectiveness of communication, proper feedback system is essential. Feedback makes it possible to know whether the communication has been understood as it should be and whether the organisational changes

have taken place as a result of the communication. Feedbacks also reduce the communication gap between the sender and the receiver. Thus, that communication process has five key elements, namely, 1) communicator, 2) transmission procedure, 3) form of communication, 4) recipient, 5) desired response.

8.5 NETWORKS COMMUNICATION

A communication network is the pattern of direction in which information flows in an organisation. A network, in computing, is a group of two or more devices that can communicate. In practice, a network comprises a number of different computer systems connected by physical and /or wireless connections. All networks allow computers and/ or individuals to share information and its sources. There are various types of networks that are classified according to specific characteristics like connection types, whether they are wired or wireless, the scale of the network, and their architecture and topology. Network types include Local Area Networks (LAN), Wide Area Networks (WAN), Metropolitan Area Networks and Backbone Networks.

- **Local Area Networks (LAN):** This is a network that connects computers and devices in a limited geographical area like a home, school, office building etc.
- **Wide Area Networks (WAN):** It is a computer network that covers a large geographical area like a city or country; it spans even intercontinental distances.
- **Metropolitan Area Networks:** It is a large computer network that usually spans a metropolitan city or a large campus.
- **Backbone Network:** It is part of a computer network infrastructure that provides a path for the exchange of information between different LANs or sub-networks.

Check Your Progress 1

Note: i) Use the space given below for your answers.

ii) Check your answers with those given at the end of the Unit.

1. Explain the meaning of communication and give a few definitions of the same.

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2. Describe the various types of Network Communication.

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8.6 TYPES OF COMMUNICATION

Communication is a general term; different persons interpret it in different ways. Communication is an interpersonal process that involves exchange of behaviours. The behaviours that occur in an organisation are vital to the communication process. Discussed below are a few type of communication:

8.6.1 Formal Communication

Communication broadly can be categorised into formal and informal communication. There are three types of formal communication based on the direction of information flow viz., downward, upward and lateral.

i. Downward Communication

Downward communication flows from top to bottom. It refers to the instruction and other official messages originating from the top personnel of an organisation. It is transmitted through hierarchical channels and reaches the lowest ranking official in the chain. Downward communication is both oral and written. Instructions, speeches, meetings etc., are the media employed for the downward oral communication. Written downward communication is sent through letters, handbooks, pamphlets etc.

Katz and Kahn(1978) have identified five general purposes of the top to bottom communication in an organisation:

- a) To give specific task directives about the job.
- b) To give information about organisational procedures and practices.
- c) To provide information about the rationale of the Job.
- d) To tell subordinates about their performance.
- e) To provide ideological information to facilitate the indoctrination of goals.

In downward communication, information is often lost or distorted. Misunderstandings can easily occur when instructions pass through many channels and levels. As is well known, several instructions or directions are not understood correctly by the receiver of the communication. This calls for a feedback system to ensure that information is perceived as intended by its sender.

ii. Upward Communication

Upward communication is the opposite of downward communication. In upward communication information travels from the subordinates to the superiors. The means used for the transfer of information in the upward communication system are suggestions, appeals, grievances, complaints, group meetings, questionnaires etc. For an effective use of upward communication channel, an environment where the subordinates feel free to communicate is essential. Such an environment has to be created by superiors.

iii. Lateral Communication

This type of communication is either horizontal or diagonal in nature. Lateral communication may take place among officials of the same level in the hierarchy or among the officials who are out of the superior-subordinate relationship. The aim of lateral communication is to spread information to all corners of the organisation and coordinate efforts to achieve organisational goals.

8.6.2 Informal Communication

The deliberately established communication system in an organisation is called formal communication. But this system must be supplemented with informal communication. Information, advice and even orders flow, many a time, along informal channels and not along the deliberately established formal channels of communication. The informal network of communication is based on social relations existing within the organisation. Two or more persons at different levels in an organisation may be communicating with each other in a way not formally charted out. Social relations like friendship or distancing may create such informal conditions of communication. The rigidity of formal channels may give rise to informal channels of communication. Informal communication flows through small groups in the organisation. One positive feature of these channels is that they overcome certain problems of upward communication. Informal communication also facilitates downward and lateral communication.

A notable dysfunction of informal channels is that they can distort information. If the administration knows what type of informal channels are working in the organisation and what sort of information is circulated, it helps them in coordinating properly organizational affairs. Excessive dependence of employees on informal channels is an indicator of weak coordination in the organisation. Sometimes informal channels sabotage the prominent organisational purpose. To counter this risk, organisations need to develop openness in information sharing and the socialisation practices.

8.6.3 Grapevine Communication

Grapevine communication is an unorganised, unofficial, and informal channel of communication in an organization. It is an integral part of the communication system in an organisation. Informal channels of communication, often called 'grapevine' are considered dysfunctional to organisational functioning. They are alleged to damage the organisational interests by creating and carrying gossip and false information. When the formal channels fail or do not work properly, people spread rumours, false and irresponsible statement or half truths in all the directions. It is called 'grapevine' channel of communication.

According to Bovee and others (2000), "Grapevine is an informal interpersonal channel of information not officially sanctioned by the organization". Newstrom and Keith Davis (1993) observe that, "Grapevine is an informal system that arises spontaneously from the social interaction of the organization". In the opinion of R.W.Griffin(2013), "the grapevine is an informal communication network that can permeate an organization". The grapevine does not have any definite pattern or direction, though it is largely horizontal in nature". Keith Davis has classified it into four basic types:

- **Single strand chain:** It involves the passing of information through a line of persons to the ultimate recipient.
- **Gossip chain:** In this pattern, one person disseminates information to everyone, thus making a gossip chain.
- **Probability chain:** It is a random process in which some transmit the information to others in accordance with the laws of probability, and then the others communicate to still others in a similar manner. This chain may also be called a random process of communication.
- **Cluster chain:** In this pattern, a person gives information to a few selected persons who may in turn pass the information to other select persons. These linkages forms a cluster chain.

As is well known, grapevine communication spreads information, whether right or wrong, very fast. This is a highly sensitive channel. Constructively, it spreads information which cannot be disseminated through regular channels. On the other hand, the main disadvantages of grapevine communication is that it often spreads rumours and gossips that can cause distortions and misconceptions.

8.6.4 Rumour

A rumour is a tall and unsubstantiated tale of explanations of events circulating from person to person and pertaining to an object, event, or issue in public concern. In social sciences, a rumour involves some kind of a statement whose veracity is not quickly or ever confirmed. The terms ‘rumours’ and ‘gossip’ are used sometimes interchangeably, but rumours are not quite the same as gossips. Both are “pieces” of information that cannot be verified, but rumours tend to affect organisations or groups of people, while gossips refer to more personal matters.

8.7 TRANSFORMATIONAL THEORY

Transformation is really about thinking differently and about connecting existing things in different ways to achieve new capabilities. Generally, transformation communication theory is related to military operations. The world of military communications is on the verge of massive and revolutionary change, from new generations of satellites providing greatly enhanced band width, speed, and capability. Transformational communication is a whole new way of looking at military operations, capability, and procurement. Operationally, the foundation of transformational communications rests on four primary supports: the Transformational Satellite Communication System or TSAT; the Global Information Grid Band width Expansion or GIG-BE; the Warfighter Information Network - Tactical Systems, or WIN-T; and the Joint Tactical Radio System or JTRS.

8.8 BUILDING EFFECTIVE COMMUNICATION

After analysing different aspects of communication to achieving organisational cohesiveness, the following guidelines need to be made to build affective communication in an organisation:

- a. Communication channels should be straightforward and short to minimise delays and prevent distortion of information and its transmission.
- b. Arrangement should be made for the prompt transmission of information to those who need it.
- c. A fast and automatic transit system of information flow should be built into the organisational structure.
- d. Information should be reliable, accurate, credible, precise and clear.
- e. The language employed in communication should be simple and easy to understand.
- f. Feedback is an important component of an effective communication system.
- g. There is a clear need for supplementing formal communication channels with informal channels.
- h. The communication system should be flexible enough to absorb additional loads of information to incorporate new techniques of information and transmission and to adapt to the changing organisational requirements.

8.9 BARRIERS TO COMMUNICATION

There are certain factors which come in the way of smooth flow of the communication process. Following are some of the barriers that often can make communication less effective:

1. Complexity of language can make the communication difficult. Unclear ideas in the mind of the sender of the communication may act as a barrier to effective communication. This could occur due to poorly chosen words, lack of ideas and unnecessary jargon.
2. Poor retention of information also leads to ineffective communication. Often people start writing without planning and stating the purpose of the message.
3. The size and distance of an organisation is another hindrance to the communication process. If the organisation is large and the employees are more in number, communication becomes difficult. Too many levels of hierarchy hinder or dilute communication.
4. Unclear assumptions may cause confusion in the transmission of communication.
5. Lack of planning to communicate is another hurdle in making the communication system smooth and effective.

The chief executive must be aware of communication barriers like the lack of a communication policy, legal limitations, poor strategy of communication, over-confidence, underestimating the intelligence and overestimating the fund of knowledge of listeners, poor listening, lack of clarity, poor motivation and neglect in the use of available data.

Check your progress 2

- Note:** i. Use the space given below for your answers
ii. Check your answers with those given at the end of the unit.

1. Explain types of formal communication in an organisation

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2. State some of the barriers to communication.

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8.10 CONCLUSION

Communication is one of the most widely discussed phenomena in organisational theory. It is an effective tool for achieving organisational goals. Communication is a process to facilitate an effective interchange of information, understanding and ideas between two or more people, organisations and even nations.

There is a continuum of communication in organisational behaviour. It includes communication technology, interpersonal communication and non-verbal communication. The process of communication model includes a few basic steps such as a source, an encoder, a message channels, a decoder, a receiver, feedback and noise.

There are various types of network communications which include Local Area Networks (LAN), Wide Area Networks (WAN), Metropolitan Area Networks and Backbone Networks. In organisations, there are different types of communications – formal, informal, grapevine, rumour etc. There are certain barriers to communication which includes complexity of the language used, poor retention of information, large size of the organisation and lack of planning. Therefore, the chief executive of an organisation needs to build an effective communication system by removing these barriers to achieve organisational cohesiveness.

8.11 GLOSSARY

- MIS** : Management Information System (MIS) involves generating, processing and transmitting information.
- Interpersonal Communication** : Transforming communication from one person to another or among several individuals

| | |
|--|---|
| Interorganisational Communication | : Transforming communication from organisation to another. |
| Grapevine Communication | : An unorganised, unofficial and informal channel of communication. |
| Rumour | : Some kind of a statement whose veracity is not quickly or ever confirmed. |

**Communication:
Meaning, Nature and
Process**

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8.13 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress Exercise 1

1. Your answer should include the following points:

- Communication refers to transfer of information from the sender to receiver.
- Communication is the heart of management.

**Organisational
Behaviour: Major
Facets**

- It is a blood stream of an administrative organisation.
- Communication is that process whereby one person makes his ideas and feelings known to another.

2. Your answer should include the following points:

- Local Area Networks (LAN).
- Wide Area Networks (WAN).
- Metropolitan Area Networks.
- Backbone Network.

Check Your Progress Exercise 2

1. Your answer should include the following points:

- Downward communication
 - Upward communication
 - Lateral communication
2. Your answer should include the following points:
- Complexity of language makes the communication difficult.
 - Poor retention of information.
 - The size and distance of an organisation.
 - Unclear assumptions.
 - Lack of planning.

UNIT 9 LEADERSHIP: CONCEPT AND THEORIES*

Structure

- 9.0 Objectives
- 9.1 Introduction
- 9.2 Meaning and Definitions
- 9.3 Styles of Leadership
- 9.4 Theories of Leadership
- 9.5 Leadership Skills
- 9.6 Conclusion
- 9.7 Glossary
- 9.8 References
- 9.9 Answers to Check Your Progress Exercises

9.0 OBJECTIVES

After reading this Unit, you should be able to:

- Know the meaning and definitions of leadership;
- Explain the styles of leadership;
- Understand different theories of leadership; and
- Identify the skills of effective leadership.

9.1 INTRODUCTION

The success or failure of an organisation largely depends on its leadership. All organisations, big or small, simple or complex, need effective leadership. Unlike many other themes in the field of organisational behaviour, there are a number of studies and a considerable body and knowledge on leadership. A leader has to persuade, influence, encourage, energise and motivate people to achieve the objectives of an organisation. Thus, leadership is the process of influencing the activities of individuals or groups to achieve the goals of organisation. The first and the foremost task of management in every organisation is to provide leadership that is expected to direct, control and coordinate the activities of a group of persons with a view to achieving the desired goals of the organisation.

An interesting addition to contemporary leadership studies is the ability of a leader to motivate and persuade his team members to do something which they do not want to do initially, but gradually, they start involving themselves with dedication in these activities which facilitate the achievement of organisational

goals. Thus, leadership skills also include the persuasive powers to convert an unwillingness into a willingness of the employees or followers. In this Unit we shall discuss conceptual aspects of leadership in an organisational context.

9.2 MEANING AND DEFINITIONS

The dictionary meaning of leadership is to guide others, to be head of an organisation or to hold command. Leadership has been variously defined as an attribute of personality, a positional characteristic and an attitude of behaviour. A leader is partly a manager as he performs quite a few managerial functions. The distinguishing feature of leadership is its ability to persuade others to seek defined objectives.

The importance of leadership lies in the fact that leaders have not only to motivate their followers but also arouse in them an interest to work for the realisation of the goals of organisation. Further, an interesting distinction between leadership and management has been given by an eminent behavioural scientist, Warren Bennis (2010), who on the dust cover of his famous book *Leaders*, mentioned: “Leaders do the right things, managers do them right.” What Bennis implied was that leaders have to be visionary, good policy-makers and sound decision-makers, while managers are expected to execute such vision, policies and decisions systematically and methodically.

This appears to be a convincing distinction, but we should keep in mind that leaders have also to perform managerial roles, while the managers have also to undertake leadership roles. Both the roles are not exclusive, but interrelated and inter-dependant.

According to Mc Farland (1969), “Leadership is a process of interpersonal influence by which executive or manager influence the activities of others in choosing and attaining given goal”.

“Koontz O’ Donnell (1984) observes: “Leadership means influencing people to follow the achievement of common goals. It is the ability to exert interpersonal influence by means of communication towards the achievement of goals”.

According to the Encyclopaedia of Social Sciences, “Leadership is a relation function between individual and group around some common interest and behaving in a manner directed or determined by them”.

Chester James and Orlando comment: “Leadership is a social influence process in which the leader seeks the voluntary participation of subordinates in an effort to reach organisational objectives”.

Theo Haimann, observes: “Leadership can be defined as the process by which an executive imaginatively directs, guides and influences the work of others in choosing and attaining specified goals by mediating between individual and organisation in such a manner that both will obtain maximum satisfaction”.

According to Relph M Stogdill, “Leadership is a process of directing and influencing the task related activities of group members”.

Although many specific definitions (Jain & Saakshi, 2008) could be cited, most would be influenced by the theoretical orientation adopted. Besides influence,

leadership can be defined in terms of group processes, personality, compliance, particular behaviours, persuasion, power, goal achievement, interaction, role-differentiation, initiation of structure and combination of two or more of these.

9.3 STYLES OF LEADERSHIP

The style an executive selects greatly influences his effectiveness as a leader. Leadership style influences the motivation of subordinates in the achievement of organisational goals. Leaders adopt different styles at different points of times depending on the situation. Inappropriate styles may cause irreparable damage as the employees may feel dissatisfied and resentful. Broadly, three leadership styles are identified viz. autocratic, participative and laissez faire. Each of the styles has both advantages and disadvantages. We shall now briefly discuss each of these styles:

Autocratic Style

In this style, authority is concentrated in the hands of the leader. It is the leader who decides policies and modifies them according to his own wishes. This type of leader expects unquestioned acceptance of his or her leadership by the subordinates. It is very difficult to anticipate the behaviour of autocratic leaders. Such a leader tends to be private and remains aloof from the group. He considers himself superior and all his colleagues as inferior, inexperienced and ignorant. This type of leadership has the advantage of quick decision-making, but it causes pain to the employees and results in dissatisfaction.

Participative Style

This style is also called 'democratic' style of leadership. In this style, leaders obtain the cooperation of employees in achieving organisational goals. They allow the employees to participate in the decision-making process. All policies and decisions are arrived at through group deliberations. The leader encourages and assists his colleagues and only suggests alternatives instead of dictating the final decisions or policies. The members of the group enjoy considerable freedom. Participative style leads to improved employee-employer relations, higher morale and greater job satisfaction. It also reduces the burden on the leader. Major problems in this style are dilution of quality and more time consumed in the formulation of policies and decisions. The consultative process naturally becomes time-consuming.

Laissez-faire Style

In this type of leadership, the organisation does not depend on the leader to provide external motivation. The employees motivate themselves. They enjoy greater freedom and leader's participation in decision-making is minimal. The leader only assumes the role of one of the members of the organisation. This style of leadership has an advantage of giving freedom and independence to employees. The basic problem in this style is an absence of strong leader to direct and control the teams. Employees generally miss guidance and motivation in such a style of leadership.

Check Your Progress 1

- Note:** i) Use the space given below for your answers.
ii) Check your answers with those given at the end of the Unit.

1. Explain about meaning and definitions of leadership.

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2. State different types of leadership.

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9.4 THEORIES OF LEADERSHIP

Leadership has several distinct theoretical bases. At first, leaders were seen as either ‘born’ or ‘made’. The ‘great person’ theory implied that individuals were born with certain traits. Dissatisfied with this approach, researchers shifted their emphasis on the group leadership. In the group approach, leadership is viewed more in terms of the leader’s behaviour and his relationship with his followers. Later, the situation began to receive increased attention in leadership theory. Now a leader is viewed as a product of the times and the situations. The person with particular qualities or traits that a situation requires will emerge as a leader. The following sections examine different theories of leadership:

Trait Theory

This theoretical approach is related to characteristics or traits that are required for a person to become as leader. This theory is known as “great man” theory assuming that leaders are born with certain special necessary traits for leadership. Ordway Tead and Chester I. Barnard are prominent trait theorists. Ordway Tead has brought out ten qualities of a leaders viz. 1) Physical and nervous energy 2) A sense of purpose and direction 3) Enthusiasm 4) Friendliness and affection 5) Integrity 6) Technical mastery 7) Decisiveness 8) Intelligence 9) Teaching skill and 10) Faith. Chester I. Barnard indicates two categories of leadership traits. The first category includes outstanding qualities in respect of physique, skill, technology, perception, knowledge, memory and imagination. These qualities are expected to command the subordinates’ admiration. The second category includes the individual merits of determination, persistence, endurance and courage.

Researchers do not welcome trait theory due to its low analytical value. But still the theory is alive with changed focus. Now the emphasis has shifted from

personality traits to job related skills, such as technical, professional, conceptual and human skills needed for effective management.

Group and Exchange Theory

This theory has roots in social psychology. It assumes that there must be a positive and harmonious relationship between the leaders and followers to accomplish group goals. Chester Barnard was key proponent of this theory. According to this theory, leadership is an exchange process between the leader and followers. This theory strongly believes that the leader and his followers affect and influence each other.

Contingency Theory

The lacunas in the trait theory have led to the formulation of this theory. The theory stresses the significance of situational variables that affect leadership roles, skills, behaviour and followers' performance and satisfaction. Fred Fiedler proposed a widely recognised situation-based or contingency theory for leadership effectiveness. This model contains the relationship between leadership style and the favourableness of the situation.

Fiedler was convinced that the favourableness of the situation in combination with the leadership style determines leadership effectiveness. In simple terms, this theory proposes that people become leaders not only because of the attributes of their personalities but also because of various situational factors and interaction between leaders and situations. This means that there is nothing automatic or good in leadership styles; leadership effectiveness depends upon various factors.

Path Goal Theory

This theory of leadership was developed by Robert House. It describes the most effective leaders as those who help subordinates achieve both the enterprise goals as well as their personal goals. Personal goals of subordinates includes money, promotion, opportunity of growth and development. Leaders of this theory remove obstacles to performance, increase opportunities for personal satisfaction in work performance by reducing unnecessary stress and strain.

In addition to the above traditional leadership theories, a number of modern theories have emerged in recent years. The following section provides an overview of these theories.

Charismatic Theory

This theory is also attributed to the work of Robert House. He suggests that charismatic leaders are characterised by self-confidence and trust in subordinates, high expectation for subordinates, ideological vision and the use of personal example. Followers of the charismatic leaders identify with the leader and the mission of the leader, exhibit extreme loyalty to and confidence in the leader, emulate leader's values and behaviour, and derive self-esteem from their relationship with the leader. Charismatic leaders have superior oratorical and persuasive skills and technical expertise, and foster attitudinal, behavioural, and emotional changes among their followers.

Transformational Theory

This theory is based on transforming the values, beliefs and needs of their followers by the leader. Such a leadership facilitates superior performance in organisations that are facing demands for renewal and change. The organisation fosters transformational leadership through the processes of recruitment, selection, promotion, training and development. It has a positive impact on health, well-being, and effective performance of the organisation. Empirical research studies highlight that transformational leaders more frequently employ legitimising tactics and engender higher levels of identification and have better performance.

Social Learning Theory

This theory is model for the continuous and reciprocal interaction between the leader, the environment and behaviour itself. This model is called Situation Organism Behaviour Consequence (S–O–B–C) model. Subordinates are actively involved in the process and together with the leader they concentrate on their own and each other's behaviour, environmental contingences and their mediating behaviour and cognitions. In this approach, the leader and the subordinate have a negotiable, interactive relationship and are consciously aware of how they can modify each other's behaviour by giving or holding back desired rewards.

Substitutes Theory

This theory was proposed by Kerr Jermier. It suggests certain substitutes or neutralisers for leadership. Substitutes that make leader behaviour unnecessary and redundant, whereas neutralisers prevent the leader from behaving in certain way or which counteract a behaviour. These substitutes or neutralisers can be found among subordinates, tasks, and organisation characteristics. Those subordinates who don't particularly care about organisational rewards will neutralise both supportive / relationship and instrumental / task leadership attempts. There are also a number of organisational characteristics that substitute for or neutralised leadership.

Rensis Likert's Leadership Model

Rensis Likert and his associates at the University of Michigan have studied the patterns and styles of leaders. Likert developed certain approaches to leadership behaviour. He propounded four systems of leadership or management. They are:

- (i) **System-I: Exploitative-Authoritative Management.** In this type, managers are highly autocratic. Besides they have little trust in their subordinates. They motivate people through fear and punishment. They centralise decision-making at the top.
- (ii) **System-II: Benevolent-Authoritative Management.** In this system, managers trust their subordinates. They motivate people through rewards, fear and punishment. They invite ideas and opinions from their subordinates and allow them some delegation of decision making powers.

- (iii) **System-III: Consultative Management.** In this system, managers do not have complete confidence and trust in their subordinates. They usually try to make use of subordinates' ideas and opinions. They motivate subordinates through rewards and resort to punishment. They act in consultation with their subordinates and allow some specific decisions to be taken at the lower levels.
- (iv) **System-IV: Participative-Management.** In this system, managers have complete trust and confidence in their subordinates in all matters. They always consult them and get their ideas and opinions and use them. They give economic rewards and encourage decision-making at all levels of the organisation.

Of the four systems of management of leadership, Liker found that those managers who applied the System-IV approach had the greatest success as leaders. He believed that their success was due to the participativeness of the subordinates in the management of affairs.

9.5 LEADERSHIP SKILLS

Leadership styles, roles and activities are closely related to leadership skills. The research on leaders' traits has given way to attempts to identify leaders' skills. The following is a list of suggested leadership skills that are considered critical to success in the global economy:

- i. **Cultural Flexibility:** This skill refers to cultural awareness and sensitivity. Leaders must have the skills not only to manage but also to recognise and celebrate the value of diversity in their organisations.
- ii. **Communication Skills:** Effective leadership must be able to communicate in written form, orally and non-verbally.
- iii. **HRD Skills:** These skills include developing a learning climate, designing training programmes, transmitting information and experience, assessing results, providing career counselling and creating organisational change.
- iv. **Creativity:** Leaders must possess skills like problem-solving, innovation and creativity to face the external competition. They should develop congenial atmosphere to encourage these skills among the organisation employees.
- v. **Self-management Learning:** This skill refers to the need for continuous learning of new knowledge and skills. In this time of dramatical change and chaos, leaders must undergo continues change themselves. They must be self-learners.

Effectiveness of leaders is critical to organisational survival and success. There are at least three major views on the determinants of leadership effectiveness. One view is that effectiveness is a function of the personal qualities or traits of individuals who assume the role of leadership. Although these qualities do not generate effectiveness, all we can say is that they increase the probability of leadership effectiveness.

The second view is that leadership effectiveness is not a matter of what leaders are but rather a matter of what they do and how they behave. This is known as the behavioural approach. The two most important dimensions of the behaviour of leaders are the productivity-orientation and the employee satisfaction orientation. Leaders who score very high in both these dimensions are considered to be very effective. They give equal importance to the tasks and goals of the organisation and their employees. Effective leaders do regard high productivity and employee satisfaction as complementary to each other.

The third view is that leadership is a function of interaction among at least three variables: The leader, the group of followers and the task situation. This is known as situational or contingency theory of leadership. Here effectiveness is defined in terms of the performance of the group followers. It is determined by the qualities of the leader, his authority or power position, the aspirants, attitude and skills of group members and the complexity of the relations. Leadership effectiveness in this context depends upon the ability of the leader to adopt different behavioural styles to address different situations. There is no one best leadership style for all situations. The leader tends to be more effective if he possesses high authority or power, good formal and information relations and clarity in task structure.

Check your progress 2

- Note:** i. Use the space given below for your answers.
ii. Check your answers with those given at the end of the Unit.

1. Write about Rensis Likert’s leadership models.

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2. State some of the leadership skills.

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9.6 CONCLUSION

The success or failure of an organisation largely depends on its leadership. The importance of leadership lies in the fact that leaders have not only to motivate their followers or subordinates but arouse in them interest to work for the realisation of organisational goals. The leaders adopt different styles like autocratic, participative and laissez faire, depending on the situation.

There are several distinct theoretical bases for leadership. The important theories of leadership include trait theory, group and exchange theory, contingency

theory, path-goal theory, charismatic theory, transformational theory, social learning theory and substitutes theory. Rensis Likert developed four systems of management. Leadership styles, roles and activities are closely related to leadership skills. Leadership skills like cultural flexibility, communication skills, HRD skills, creativity, self management of learning etc. are critical to success in the global economy. Effective and efficient leaders are necessary for organisational survival and success.

Most theories of leadership above have developed in the Western organisations. They cannot be applied in the same format in a developing country like India and, more particularly in government organisations. India, because of its long colonial history and monarchical pattern of governance, has been characterised by centralised, hierarchical and authoritarian structures as well as leadership styles. Democracy within a government organisation is a rare phenomenon in India and in most developing countries. Hence, a combination of various leadership styles, keeping in view the nature of the organisation and the competence of subordinates, needs to be evolved and adopted in public administrative systems.

9.7 GLOSSARY

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| Autocratic Style | : | In this style of leadership, the leader has the absolute authority to take decisions. |
| Participative Style | : | In this style of leadership, the employees participate in the decision-making process. |
| Laissez-faire Style | : | The employee have full freedom to take decisions, leaders participation in decision making is minimal. |
| Trait Theory | : | According to this theory, leaders have inborn qualities. |
| Situational Theory | : | According to this theory, leadership emerges from situation and is influenced by situation. |
| Group Theory | : | According to this theory, a person is accepted as a leader as long as he/she satisfies the needs of the groups. |

9.8 REFERENCES

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9.9 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress Exercise 1

1. Your answer should include the following points:

- Leadership is to guide others, to be head of an organisation to hold command.
- Leadership has been variously defined to mean an attribute of personality, a positional characteristic and an attitude of behaviour.

2. Your answer should include the following points:

- Autocratic Style.
- Participative Style.
- Laissez-faire Style.

Check Your Progress Exercise 2

1. Your answer should include the following points:

- System-I: Exploitative-Authoritative Management.
- System-II: Benevolent-Authoritative Management.
- System-III: Consultative Management.
- System-IV Participative-Management.

2. Your answer should include the following points:

- Cultural Flexibility.
- Communication Skills.
- HRD Skills.
- Creativity.
- Self-management-Learning.