

5

DYNAMICS OF ORGANISATIONAL BEHAVIOUR

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5.1 Organizational Culture



- The unique personality of an organization is referred to as its culture.
- In groups of people who work together, organizational culture is an invisible but powerful force that influences the behavior of the members of that group.
- There seems to be wide agreement that organizational culture refers to a system of shared meaning held by members that distinguish the organization from other organizations.
- Organizational culture is a system of shared assumptions, values, and beliefs, which governs how people behave in organizations. Organizational culture includes an organization's expectations, experiences, philosophy, and values that hold it together, and is expressed in its self-image, inner workings, interactions with the outside world, and future expectations.
- It is based on shared attitudes, beliefs, customs, and written and unwritten rules that have been developed over time and are considered valid.
- These shared values have a strong influence on the people in the organization and dictate how they dress, act, and perform their jobs.
- Every organization develops and maintains a unique culture, which provides guidelines and boundaries for the behavior of the members of the organization.

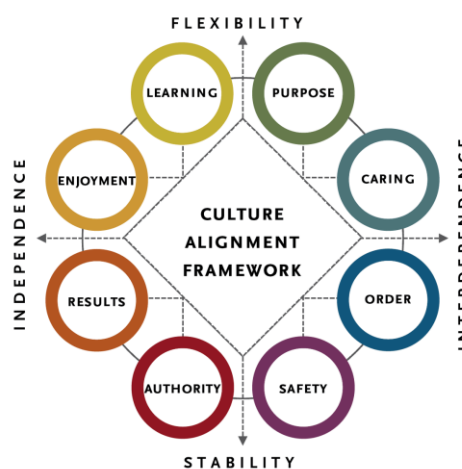
Organizational culture/corporate culture includes-

- The ways the organization conducts its business, treats its employees, customers, and the wider community,
 - The extent to which freedom is allowed in decision making, developing new ideas, and personal expression,
 - How power and information flow through its hierarchy, and
 - How committed employees are towards collective objectives.
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- Many Scholars had given the definition of organizational culture. Some of the popular definitions are given below:
 - According to Robbie Katanga, "Organizational Culture is how organizations do things."
 - According to Alec Haverstick, "In large part, Organizational culture is a product of compensation."
 - According to Bruce Perron, "Organizational culture defines a jointly shared description of an organization from within."
 - According to Richard Perrin, "Organizational culture is the sum of values and rituals which serve as a glue to integrate the members of the organization."
 - According to Alan Adler, "Organizational culture is civilization in the workplace."
 - According to Elizabeth Skringar, "Organizational culture is shaped by the main culture of the society we live in, albeit with greater emphasis on particular parts of it."
 - According to Abdi Osman Jama, "An organization is a living culture that can adapt to the reality 4s fast as possible."

- Organizational, culture affects the organization’s productivity and performance and provides guidelines on customer care and service, product quality and safety, attendance and punctuality, and concern for the environment.
- It also extends to production methods, marketing, and advertising practices, and to new product creation.
- Organizational culture is unique for every organization and one of the hardest things to change. Corporate culture reflects the values, beliefs, and attitudes that permeate a business.

5.2 Characteristics of Organizational Culture

- As individuals come into contact with organizations, they come into contact with dress norms, stories people tell about what goes on, the organization’s formal rules and procedures, its formal codes of behavior, rituals, tasks, pay systems, jargon, and jokes only understood by insiders and so on.



- Organizational culture is composed of seven characteristics that range in priority from high to low. Every organization has a distinct value for each of these characteristics.
- Members of organizations make judgments on the value their organization places on these characteristics, and then adjust their behavior to match this perceived set of values.
- Characteristics of organizational culture are;
 - Innovation (Risk Orientation).
 - Attention to Detail (Precision Orientation).
 - Emphasis on Outcome (Achievement Orientation).
 - Emphasis on People (Fairness Orientation).
 - Teamwork (Collaboration Orientation).
 - Aggressiveness (Competitive Orientation).
 - Stability (Rule Orientation).

Innovation (Risk Orientation)

- Companies with cultures that place a high value on innovation encourage their employees to take risks and innovate in the performance of their jobs.
- Companies with cultures that place a low value on innovation expect their employees to do their jobs the same way that they have been trained to do them, without looking for ways to improve their performance.

Attention to Detail (Precision Orientation)

- This characteristic of organizational culture dictates the degree to which employees are expected to be accurate in their work.
- A culture that places a high value on attention to detail expects its employees to perform their work with precision. A culture that places a low value on this characteristic does not.

Emphasis on Outcome (Achievement Orientation)

- Companies that focus on results, but not on how the results are achieved, place a high emphasis on this value of organizational culture.
- A company that instructs its sales force to do whatever it takes to get sales orders has a culture that places a high value on the emphasis on outcome characteristics.

Emphasis on People (Fairness Orientation)

- Companies that place a high value on this characteristic of organizational culture place a great deal of importance on how their decisions will affect the people in their organizations.
- For these companies, it is important to treat their employees with respect and dignity.'

Teamwork (Collaboration Orientation)

- Companies that organize work activities around teams instead of individuals place a high value on this characteristic of the organizational culture.
- People who work for these types of companies tend to have a positive relationship with their coworkers and managers.

Aggressiveness (Competitive Orientation)

- This characteristic of organizational culture dictates whether group members are expected to be assertive or easygoing when dealing with companies they compete within the marketplace.
- Companies with an aggressive culture place a high value on competitiveness and outperforming the competition at all costs.

Stability (Rule Orientation)

- A company whose culture places a high value on stability is rule-oriented, predictable, and bureaucratic in nature. These types of companies typically provide consistent and predictable levels of output and operate best in non-changing market conditions.
- These are the seven characteristics that are common in the context of organizational culture.
- Of course, it is true that the characteristics are not the same in all times and spheres.

5.3 Types of Organization Culture

- The culture a firm follows can be further classified into different types. They are –
 - Mechanistic and Organic culture
 - Authoritarian and Participative culture
 - Subculture and Dominant culture
 - Strong and Weak culture
 - Entrepreneurial and Market culture

Mechanistic and Organic Culture

- Mechanistic culture is formed by formal rule and standard operating procedures. Everything needs to be defined clearly to the employees like their task, responsibility and concerned

authorities. Communication process is carried according to the direction given by the organization. Accountability is one of the key factors of mechanistic culture.

- Organic culture is defined as the essence of social values in an organization. Thus there exists a high degree of sociability with very few formal rules and regulations in the company. It has a systematic hierarchy of authority that leads towards free flow of communication. Some key elements of organic culture include authority, responsibility, accountability and direct flow towards the employee.

Authoritarian and Participative Culture

- Authoritarian culture means power of one. In this culture, power remains with the top level management. All the decisions are made by the top management with no employee involvement in the decision making as well as goal shaping process. The authority demands obedience from the employee and warns them for punishment in case of mistake or irregularity. This type of culture is followed by military organization.
- In participative culture, employees actively participate in the decision making and goal shaping process. As the name suggests, it believes in collaborative decision making. In this type of culture, employees are perfectionist, active and professional. Along with group decision making, group problem solving process is also seen here.

Subculture and Dominant Culture

- In subculture, some members of the organization make and follow a culture but not all members. It is a part of organizational culture, thus we can see many subcultures in an organization. Every department in a company have their own culture that gets converted to a subculture. So, the strength and adaptability of an organizational culture is dependent on the success of subculture.
- In dominant culture, majority of subculture combine to become a dominant culture. The success of dominant culture is dependent on the homogeneity of the subculture, that is, the mixture of different cultures. At the same point of time, some cold war between a dominant culture and a minor culture can also be seen.

Strong and Weak Culture

- In a strong culture, the employees are loyal and have a feeling of belongingness towards the organization. They are proud of their company as well as of the work they do and they slave towards their goal with proper coordination and control. Perception and commitment are two aspects that are seen within the employees. In this culture, there is less employee turnover and high productivity.
- In a weak culture, the employees hardly praise their organization. There is no loyalty towards the company. Thus, employee dissatisfaction and high labor turnover are two aspects of this culture.

Entrepreneurial and Market Culture

- Entrepreneurial culture is a flexible and risk-taking culture. Here the employees show their innovativeness in thinking and are experimental in practice. Individual initiations make the goal easy to achieve. Employees are given freedom in their activity. The organization rewards the employees for better performance.
- Market culture is based on achievement of goal. It is a highly target-oriented and completely profit-oriented culture. Here the relationship between the employees and the organization is to achieve the goal. The social relation among the workers is not motivating.

5.4 Organizational Climate

- The concept of organisational climate was formally introduced by the human relationists in the late 1940s. Now it has become a very useful metaphor for thinking about and describing the social system. Organisational climate is also referred to as the “situational determinants” or “Environmental determinants” which affect the human behaviour.
- Some persons have used organisational culture and organisational climate interchangeably. But there are some basic differences between these two terms. According to Bowditch and Buono, “Organisational culture is connected with the nature of beliefs and expectations about organisational life, while climate is an indicator of whether these beliefs and expectations are being fulfilled.”
- Climate of an organisation is somewhat like the personality of a person. Just as every individual has a personality that makes him unique and different from other persons. Each organisation has an organisational climate that clearly distinguishes it from other organisations.
- Basically, the organisational climate reflects a person’s perception of the organisation to which he belongs. It is a set of unique characteristics and features that are perceived by the employees about their organisations which serves as a major force in influencing their behaviour. Thus, organisational climate in a broad sense, can be understood as the social setting of the organisation.
- “Climate in natural sense is referred to as the average course or condition of the weather at a place over a period of years as exhibited by temperature, wind, velocity and precipitation.”
- However, it is quite difficult to define organisational climate incorporating the characteristics of natural climate. This is so because the most frustrating feature of an attempt to deal with situational variables in a model of management performance is the enormous complexity of the management itself. People have defined organisational climate on the basis of its potential properties. A few important definitions are as given below.
- According to Forehand and Gilmer, “Climate consists of a set of characteristics that describe an organisation, distinguish it from other organisations are relatively enduring over time and influence the behaviour of people in it.”
- According to Campbell, “Organisational climate can be defined as a set of attributes specific to a particular organisation that may be induced from the way that organisation deals with its members and its environment. For the individual members within the organisation, climate takes the form of a set of attitudes and experiences which describe the organisation in terms of both static characteristics (such as degree of autonomy) and behaviour outcome and outcome- outcome contingencies.”
- Thus, organisational climate is a relatively enduring quality of the internal environment that is experienced by its members, influences their behaviour and can be described in terms of the value of a particular set of characteristics of the organisation. It may be possible to have as many climates as there are people in the organisation when considered collectively, the actions of the individuals become more meaningful for viewing the total impact upon the climate and determining the stability of the work environment. The climate should be viewed from a total system perspective. While there may be differences in climates within departments these will be integrated to a certain extent to denote overall organisational climate.

5.5 Factors affecting organizational climate

- Litwin and Stringer have included six factors which affect organisational climate. These factors are:
 - Organisational Structure: Perceptions of the extent of organisational constraints, rules, regulations,
 - Individual Responsibility: Feeling of autonomy of being one’s own boss,
 - Rewards: Feelings related to being confident of adequate and appropriate rewards,

- Risk and Risk Taking: Perceptions of the degree of challenge and risk in the work situation,
- Warmth and Support: Feeling of general good fellowship and helpfulness prevailing in the work setting.
- Tolerance and Conflict: Degree of confidence that the climate can tolerate, differing opinions.

5.6 Job Satisfaction



- Job satisfaction is the feeling and perception of a worker regarding his/her work and how he or she feels well in an organization. It indicates the extent of employees' positive or negative feelings towards their jobs and organizational behavior tried to improve it.
- In Organizational Behavior, job satisfaction is one of the most researched variables in the area of workplace psychology and has been associated with numerous psychosocial issues, the changing world of work, organizational factors ranging from leadership to job design.
- It is the level of contentment a person feels regarding his or her job. This feeling is mainly based on an individual's perception of satisfaction.
- It can be influenced by a person's ability to complete the required tasks, the level of communication in an organization, and the way management treats employees. There are different levels of job satisfaction.
- Effective job satisfaction is a person's emotional feeling about the job as a whole. Cognitive job satisfaction is how satisfied employees feel concerning some aspect of their job, such as pay, hours, or benefits.
- Due to the popularity of job satisfaction within the field of occupational and organizational psychology, various researchers and practitioners have provided their definitions of what job satisfaction is.
- E. A. Locke describe job satisfaction as, "the pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values"
- According to P. E. Spector, "Job satisfaction is the extent to which people like or dislike their jobs".
- De Nobile defined job satisfaction as "the extent to which a staff member has favorable or positive feelings about work or the work environment."
- Davis, Newstrom, and Dessler describe job satisfaction as "a set of favorable or unfavorable feelings for the employees to perceive their work and that determine the possibility of a major disposition to achieve higher performance".
- According to S.P. Robbins, "Job satisfaction refers to an individual's general attitude toward his or her job."
- Job satisfaction may be defined in many different ways.
- Some believe it is simply how content an individual is with his or her job, in other words, whether or not they like the job or individual aspects or facets of jobs, such as the nature of work or supervision.

5.7 Importance of Job Satisfaction

- Job satisfaction has been linked to many variables, including productivity, absenteeism, turnover, etc. It is significant because a person's attitude and beliefs may affect his or her behavior.
- Importance of job satisfaction are;
 - Lower Turnover.
 - Higher Productivity.
 - Increased Customer Satisfaction.
 - Employee Absenteeism.
 - Helps to Earn Higher Revenues.
 - Satisfied Employees Tend to Handle Pressure.

5.8 Factors affecting Job Satisfaction

- No doubt, job satisfaction is a big factor in employee engagement and the level of discretionary effort team members are likely to make.
- Job satisfaction depends on several different factors such as satisfaction with pay, promotion opportunities, fringe benefits, job security, relationship with co-workers and supervisors, etc.
- Factors affecting the level of job satisfaction are;
 - Working Environment.
 - Fair Policies and Practice.
 - Caring Organization.
 - Appreciation.
 - Pay.
 - Age.
 - Promotion.
 - Feel of Belongings.
 - Initiation and Leadership.
 - Feel of Being Loved.
 - Safety and Security.
 - Challenges.
 - Responsibilities.
 - Creativity in Job.
 - Personal Interest and Hobbies.
 - Respect from Co-Workers.
 - Relationship with Supervisors.
 - Feedback.
 - Flexibility.
 - Nature of Work.

5.9 Stress



- Stress is defined in terms of its physical and physiological effects on a person, and can be a mental, physical, or emotional strain.
- Stress is defined in terms of how it impacts physical and psychological health; it includes mental, physical, and emotional strain. Stress occurs when a demand exceeds an individual's coping ability and disrupts his or her psychological equilibrium. Stress occurs in the workplace when an employee perceives a situation to be too strenuous to handle, and therefore threatening to his or her well-being.

Stress at Work

- While it is generally agreed that stress occurs at work, views differ on the importance of worker characteristics versus working conditions as its primary cause. The differing viewpoints suggest different ways to prevent stress at work. Different individual characteristics, like personality and coping skills, can be very important predictors of whether certain job conditions will result in stress. In other words, what is stressful for one person may not be a problem for someone else.
- Stress-related disorders encompass a broad array of conditions, including psychological disorders (e.g., depression, anxiety, post-traumatic stress disorder) and other types of emotional strain (e.g., dissatisfaction, fatigue, tension), maladaptive behaviors (e.g., aggression, substance abuse), and cognitive impairment (e.g., concentration and memory problems). Job stress is also associated with various biological reactions that may ultimately lead to compromised physical health, such as cardiovascular disease.

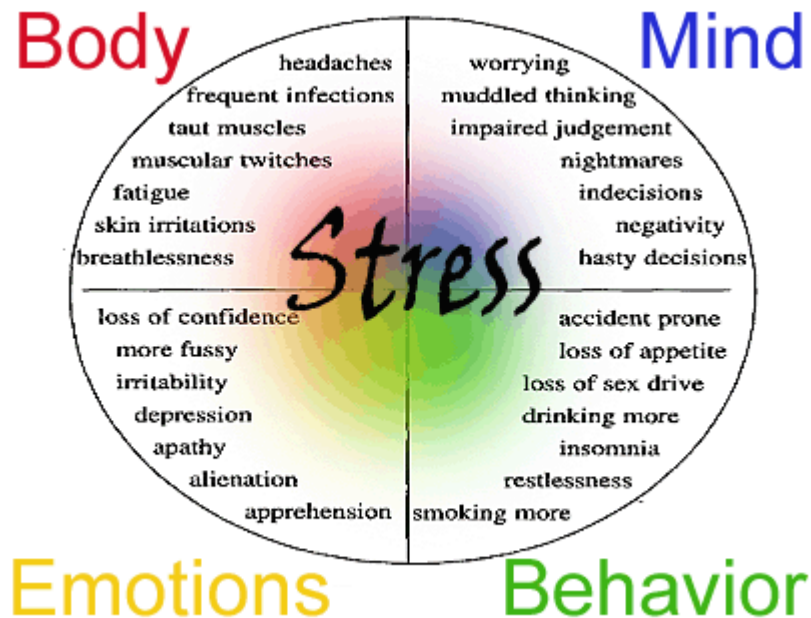
Categories of Work Stress

- Four categories of stressors underline the different causal circumstances for stress at work:
- Task Demands – This is the sense of not knowing where a job will lead you and whether the activities and tasks will change. This uncertainty causes stress that manifests itself in feelings of lack of control, concern about career progress, and time pressures.
- Role Demands – Role conflict happens when an employee is exposed to inconsistent or difficult expectations. Examples include: interrole conflict (when there are two or more expectations or separate roles for one person), intrarole conflict (varying expectations of one role), person-role conflict (ethics are challenged), and role ambiguity (confusion about their experiences in relation to the expectations of others).
- Interpersonal Demands – Examples include: emotional issues (abrasive personalities, offensive co-workers), sexual harassment (directed mostly toward women), and poor leadership (lack of management experience, poor style, cannot handle having power).
- Physical Demands – Many types of work are physically demanding, including strenuous activity, extreme working conditions, travel, exposure to hazardous materials, and working in a tight, loud office.

Consequences of Workplace Stress

- Stress can impact an individual mentally and physically and so can decrease employee efficiency and job satisfaction.

Stress



- Negative or overwhelming work experiences can cause a person substantial distress. Burnout, depression, and psychosomatic disorders are particularly common outcomes of work-related stress. In general, individual distress manifests in three basic forms: psychological disorders, medical illnesses, and behavioral problems.

Psychological Disorders

- Psychosomatic disorders are a type of psychological disorder. They are physical problems with a psychological cause. For example, a person who is extremely anxious about public speaking might feel extremely nauseated or may find themselves unable to speak at all when faced with the prospect of presenting in front of a group. Since stress of this type is often difficult to notice, managers would benefit from carefully monitoring employee behavior for indications of discomfort or stress.

Medical Illnesses

- Physiological reactions to stress can have a long-term impact on physical health. In fact, stress is one of the leading precursors to long-term health issues. Backaches, stroke, heart disease, and peptic ulcers are just a few physical ailments that can arise when a person is under too much stress.

Behavioral Problems

- A person can also exhibit behavioral problems when under stress, such as aggression, substance abuse, absenteeism, poor decision making, lack of creativity, or even sabotage. A stressed worker may neglect their duties, impeding workflows and processes so that the broader organization slows down and loses time and money. Managers should keep an eye out for such behaviors as possible indicators of workplace stress.

5.10 Reducing Workplace Stress

- A combination of organizational change and stress management is a productive approach to preventing stress at work.

- Stress management refers to a wide spectrum of techniques and therapies that aim to control a person's levels of stress, especially chronic stress, to improve everyday functioning.
- Specifically, organizations can prevent employee stress in the following ways:

Intentional Job Design

- Design jobs that provide meaning and stimulation for workers as well as opportunities for them to use their skills.
- Establish work schedules that are compatible with demands and responsibilities outside the job.
- Consider flexible schedules—many organizations allow telecommuting to reduce the pressure of being a certain place at a certain time (which enables people to better balance their personal lives).
- Monitor each employee's workload to ensure it is in line with their capabilities and resources.

Clear and Open Communication

- Teach employees about stress awareness and promote an open dialogue.
- Avoid ambiguity at all costs—clearly define workers' roles and responsibilities.
- Reduce uncertainty about career development and future employment prospects.

Positive Workplace Culture

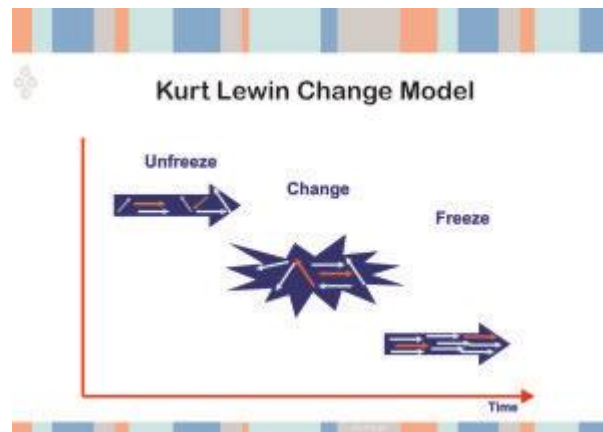
- Provide opportunities for social interaction among workers.
- Watch for signs of dissatisfaction or bullying and work to combat workplace discrimination (based on race, gender, national origin, religion, or language).

Employee Accountability

- Give workers opportunities to participate in decisions and actions that affect their jobs.
- Introduce a participative leadership style and involve as many subordinates as possible in resolving stress-producing problems.

5.11 Kurt Lewin's—three step model

- The Kurt Lewin three-step model change theory, Unfreeze the current behaviours and processes, make the changes you need, then practice and freeze the new behaviours and practices into everyday actions.
- The Kurt Lewin, change theory model, is based around a 3-step process (Unfreeze-Change-Freeze) that provides a high-level approach to improvement. It gives a manager or other change agent a framework to implement a change effort, which is always very sensitive and should be as seamless as possible.
- The Kurt Lewin change theory or model can help a leader do the following three steps:
 - Make a radical change (innovation)
 - Minimise the disruption of the structure's operations
 - Make sure that the amendment is adopted permanently
- This three-step model gives a manager or change agent an idea of what implementing change means when dealing with people. The 3 phases of the Kurt Lewin model guide how to go about getting people to change. A manager will implement new processes and re-assign tasks. But change will only be effective if the people involved embrace it and help to put it into practice it.



Lewin change model – Unfreeze – “ready to change.”

- When a structure has been in place for a while, habits and routine have naturally settled in. The organisation as a whole is going in the right direction. But, as shown in the illustration, people or processes may have strayed off course. For example, tasks that are not relevant or useful anymore are still being performed by force of habit, without anyone questioning their legitimacy. Similarly, people might have learned to do things one way, without considering other, more efficient methods. Unfreezing means getting people to gain perspective on their day-to-day activities, unlearn their bad habits, and open up to new ways of reaching their objectives. The current practices and processes have to be reassessed for the wheels of change to be set in motion.

Lewin change model – Change – “Implementation.”

- Once team members have opened up their minds, change can start. The change process can be a very dynamic one and, if it is to be effective, it will probably take some time and involve a transition period.
- To gain efficiency, people will have to take on new tasks and responsibilities, which entails a learning curve that will look at first slow the organisation down.
- A change process has to be viewed as an investment. This process is both in terms of time and the allocation of resources. After the new organisation and procedures have been rolled out, inevitable chaos might ensue, but that is the price to pay to attain enhanced effectiveness within the structure.

Lewin change model – Freeze (sometimes called refreeze)- “Making it stick.”

- The change will only reach its full effect if it’s made permanent. Once the organisational changes have been made and the structure has regained its effectiveness, every effort must be made to cement them and make sure the new organisation becomes the standard. More changes can be made later on. Still, once the structure has found a way to improve the way it conducts its operations, “re-freezing” will allow the people to thrive in the new organisation and take full advantage of the change. Many quote the model as saying the third step of this approach is to re-freeze when in Lewin’s original work it was “freeze”.

5.12 Reference

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