

# **Organizational Behavior**

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This book is about organizational behavior. It is also a text on management. The objective of the book is to present a research based approach to management from an applied behavioral science perspective.

I have summarized each chapter of the book, explaining the main points that the authors wish to communicate.



#### **Organizational behavior – Defining the field**

Organizations are collections of interacting and inter related human and non-human resources working toward a common goal or set of goals within the framework of structured relationships. Organizational behavior is concerned with all aspects of how organizations influence the behavior of individuals and how individuals in turn influence organizations.

Organizational behavior is an inter-disciplinary field that draws freely from a number of the behavioral sciences, including anthropology, psychology, sociology, and many others. The unique mission of organizational behavior is to apply the concepts of behavioral sciences to the pressing problems of management, and, more generally, to administrative theory and practice.

In approaching the problems of organizational behavior, there are a number of available strategies we can utilize. Historically, the study of management and organizations took a closed-systems view. The preoccupation of this view is to maximize the efficiency of internal operations. In doing so, the uncertainty of uncontrollable and external environmental factors often were assumed away or denied. This traditional closed-systems view of organizations made substantial contributions to the theory of organizational design. At the same time, for analytical reasons, organizations came to be viewed as precise and complex machines. In this framework, human beings were reduced to components of the organizational machine.

More recently, the study of organizations and the behavior of human beings within them have assumed a more open-systems perspective. Factors such as human sentiments and attitudes, as well as technological and sociological forces originating outside the organizations, have assumed greater importance in analyzing organizational behavior.

This book adopts the open perspective, because this is a contemporary and more meaningful way to view organizations and human behavior within them. After some preliminary issues, we shall examine the individual. We shall move from the individual to the small group, to the complex organization, and finally to some environmental factors important to the process of organizational change.



#### **Historical perspective**

This chapter presents a thorough, albeit brief survey of management history. The author has taken care to underline the events that are most relevant to our behavioral science perspective. The table below illustrates some of the important elements that have been discussed.

#### EVOLUTION OF THE BEHAVIORAL SCIENCES IN MANAGEMENT

	MACHIAVEL LI	ENGLISH PHILOSOPHER S	WEBER	TAYLOR	МАҮО	MODERN BEHAVIORAL SCIENTISTS
Basic assumption about human nature.	Human nature is basically evil and subordinate to the demands of the ruler and the state.	Human nature basically requires strong state if inherent desires are to be kept within boundaries.	Human beings are primarily irrational and subject to emotion, which makes for sub- optimum decisions.	Human beings are fundamentally lazy and must be carefully controlled to avoid waste.	Human beings are social creatures desiring association with others. The tendency is toward co- operation, not competition and conflict.	Human beings are neither good nor evil. Some argue that people possess a uniqueness in terms of purposeful behavior. Others view human behavior as being orderly in much the same way as inorganic objects.
Approach to analyzing human behavior	Historical analogy and observation of behavior in total environment	Basically a philosophical rather than scientific view. All believed that experience was source of understanding and they accepted the inductive method as refined by Francis Bacon.	A rational approach that logical and deductive. Began with well-founded premises and progressed to conclusions.	Experimental and extremely scientific. Used an approach that began with small elements of work and progressed to conclusions.	Basically experimental but also philosophical . Took considerable liberty in supplementin g fact with philosophical insights.	Fundamentally experimental. Places emphasis on closely controlled observation and the generation of data.
Predomina nt value sought	Power and practical political methods for goal accomplishmen t	Order and the means to achieve functional government.	Rationality and logic in organizationa l decisions.	Justice and a fair day's work for a fair day's pay.	Mental health and satisfaction in organizationa l relationships.	Scientific understanding with a comprehensive description of human behavior.

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UD E	Primary	The ruler or the	The society	The	Managers of	Management	The scientific
Internat	Primary ideneficiary	politician	through viable	organization	organizations	and workers	community
	of	•	government.	as a rational	and workers	through	through increased
	prescriptio		C	and efficient	through	increased	understanding of
	ns			entity.	increased pay.	satisfaction	human behavior.
				5	1 5	and mental	Value to
						health.	management in
							that the
							understanding
							may lead to
							improved
							performance.
	Appeal to	Practical and	Idealistic in the	Promising in	Compelling in	Attractive in	Compelling in its
	modern	expedient.	concept of	its support of	its simplistic	its picture of	objectivity and
	manageme		order.	rational,	view of	social man.	systematic
	nt			well-	economic		structure.
				informed	man.		
				decision			
				making.			

In looking at the table, we see a variety of interesting trends. For example, Machiavelli saw humanity as basically evil but capable of being manipulated toward the desired ends of rulers. The English philosophers adopted essentially the same view but placed more emphasis on the interests of the state (or organization) and less emphasis on the personal aspirations of the individuals in power. Weber avoided moralistic assumptions about the inherent good or evil of human nature and chose to view people as irrational and emotional. Taylor looked upon human beings as lazy and motivated by self-interest. Reasoning from any of these premises, one comes to the conclusion that control of human behavior is necessary, as evidenced by the concern for authority in early administrative and political thought.

With Mayo and the Hawthorne Studies, however, we see the assumption of the cooperative social human being. Thus, it is not surprising that the emphasis moved away from the control philosophy. Behavioral scientists today assume that human beings are neither good nor evil. For this reason, there has been more emphasis placed on describing behavior as it exists under different conditions. The result has been no clear-cut prescription for any specific type of authority orientation that can be applied to all cases.

With regard to the methods employed in understanding in behavior, Machiavelli relied on historical analogy and observation. The English philosophers advocated inductive logic, while Weber approached the subject deductively. Taylor was extremely experimental and scientific; Mayo mixed experiments with philosophy. Behavioral scientists today are almost completely experimental in their orientation.

Machiavelli sought a practical theory of power, while the philosophers sought order, Weber's quest was for rationality, and Taylor championed justice. Mayo's preoccupation was with the mental and emotional health of workers. Today's behavioral scientists are concerned primarily with understanding behavior for its own sake.

The person in power, or aspiring to be in power, would be the benefactor of Machiavellianism, while society with a stable system of government would benefit from the guidelines proposed by the English philosophers. Weber's bureaucracy was designed to add rationality to decision



HR Folks making. Both managers and workers conceivably could benefit from the systems proposed by International Taylor and Mayo, although the benefits derived would be different. Modern science would be served best by the actions of contemporary behavioral scientists, as would workers and managers through the application of scientific knowledge.

Finally, Machiavelli's practical-objective approach to reality constitutes his appeal. The philosophers are appealing because of their ideal of order. Weber and Taylor find support from business people because their ideas contain a promise of rationality and economic efficiency. Mayo is attractive because he enhances our image as unique beings unlike all others. Behavioral science today is compelling because of its objectivity and systematic structure.

In this chapter several things have been recognized. First, the basic interest in human behavior in organizations can be traced to distant origins. The interest goes back even further than we have noted, perhaps even to Biblical times. Secondly, the contributions have come from a variety of sources. Political and moral philosophy made their contributions along with economics, psychology, engineering, and sociology.

Systematic administrative thought, where the concern is for practical matters relating to the management of organizations, is properly viewed as a product of the twentieth century. From the mechanistic views of Weber, Fayol, and Taylor came the humanistic interest of Mayo and others in the 1920s and 1930s. This human relations view has been refined even more by modern behavioral scientists.



### **METHODOLOGICAL FOUNDATIONS OF ORGANIZATIONAL BEHAVIOR**

In this chapter a detailed look has been taken at the alternative methods available for generating valid knowledge in organizational behavior. Primary emphasis has been placed on the requirements for an acceptable deductive argument and the elements necessary for accurate empirical analysis. The problems of behavioral measurement are also analyzed. The chapter concludes with an examination of the functional explanation, which is frequently encountered in the biological and behavioral sciences.

Rather than reiterating here the arguments developed, the need for devoting a chapter to the discussion of selected philosophical problems of the inexact sciences is reviewed. The objective is not abstraction for the sake of abstraction. Sir Roy Harrod, the great British economist, once said that, "the barrenness of methodological conclusions is often a fitting compliment to the weariness entailed in the process of reaching them." Such discussions do indeed sometimes seem unusually boring and tiresome. However, in the area of organizational behavior, methodological issues are especially pressing. As the analysis is continued throughout the remainder of this book , frequent reference is continuously made to issues of knowledge generation, measurement, and associated topics that are all methodological in character. This is the method that unites science. If a systematic understanding of the concepts of organizational behavior is to be developed, then the methods employed in formulating them has to be appreciated.

Therefore, it is hoped that this chapter has provided a brief introduction to the methodology of the behavioral sciences. Of special significance is the recognition that although organizational behavior is scientific in character, it deals with human beings. Human beings are different from inanimate objects and organizational behavior is an empirical discipline. The application of the strict and unmodified inductive method, however, fails to account for many unique qualities of humans. The objective is to be as scientific as possible, while remaining open to the realities of human behavior.



#### PERSONALITY DEVELOPMENT AND ATTITUDES

In this chapter there are several things of special importance that have been considered. First, personality is briefly traced and attention given to the contributions and limitations of psychological theory, trait-factor theory, and the need theories of Maslow and McClelland. All of these important formulations provide some useful information about the behavior of individuals in organizations.

Next, a systems view of human behavior was proposed to illustrate how cognitive processes and needs act upon environmentally induced stimuli. This interaction results in actions that are once again subjected to the influence of environmental forces. In this section, attention is given to the complex problem of how heredity (nature) and experience (nurture) interact in determining human behavior. The conclusion drawn is that most important aspects of behavior are neither genetically nor environmentally determined. Instead they result from the influence of the two.

An attempt has also been made to examine the relationship between culture and behavior. Since culture includes all learned behavior, the discussion is restricted to the influence of generational values and the specific importance of value differences among social classes and work groups.

The final major topic of discussion related to attitudes and attitude change. A careful analysis is made of attitude formation and the controversial relationship between attitudes and behavior. Although some studies question any casual association between attitudes and behavior, most of the discrepancies can be explained on methodological grounds.

With regard to attitude change, it's noted that congruent changes (changes in magnitude rather than in direction) are easier to effect than incongruent changes. Behaviorally, factors such as communicator credibility and attractiveness are important determinants of the ease alteration.



#### THE COGNITIVE BASIS OF INDIVIDUAL BEHAVIOR

This chapter has examined the core cognitive processes and has illustrated their importance to organizational behavior. To begin with, it looks at perception and specifies three characteristics of the perceptual process. Perception was first characterized as a selective activity. People cannot perceive all the stimuli confronting them from the surrounding environment. Thus, it is safe to say that managerial action usually takes place on the basis of imperfect or incomplete information. The stimuli that are selected are usually those that reinforce the attitudes of the perceiver.

Perception is further characterized by closure. Even though people selectively screen environmental stimuli, they fill in gaps and complete the perceptual picture as if they had complete information. Finally, perception takes place within a context. The context helps people to orient themselves to reality. In practical terms, the perceptual process is important is important to management because this process determines the quantity and quality of information upon which decisions are made.

Learning is discussed as a cognitive process. a distinction is made between classical and instrumental conditioning, in classical conditioning a stimulus is presented prior to or simultaneously with a response. In instrumental conditioning a response occurs in anticipation of some consequence. In recent years some of the most important implications of learning theory for management have been in the area of motivation.

The cognitive process of human problem solving has been examined. Its noted that few realworld situations, present individuals with one, and only one, course of action. Usually, one must make a choice among alternatives and engage in problem solving. Applications of problem solving were shown to be evident in the managerial activity of decision making. Two approaches to decision making have been analyzed. Normative decision theory tells us how decisions ought to be made if maximizing behavior is to be achieved. Behavioral decision theory tells us how decisions are actually made and does not attempt to prescribe normative guidelines. The objective of core cognitive processes has set the stage for discussion of modern motivation theory and practice, which is the next topic.



### **MOTIVATION THEORY AND SELECTED RESEARCH**

 $\vec{I}$ n this chapter, an attempt has been made to review selected topics in motivation. The format was methodological primarily to illustrate that considerable controversy exists in the area, even though motivation has consumed much of the energy of writers in the behavioral sciences and management.

The important point to recognize is that the generality and pragmatic usefulness of a particular approach to motivation is closely related to the manner in which that approach is developed. Rational-deductive theories such as the Barnard-Simon model(exchange theory) and expectancy theory are based on certain prior assumptions about rational human choice. Consequently, they are extremely general, in a scientific sense, because they can be applied to a wide range of situations and circumstances. Herzberg's two-factor theory and operant conditioning are more inductive and empirical. Thus, they are more specific and less universally adaptable.

Given the present sate of motivation theory, the best strategy for a prospective manager is to become as familiar as possible with all of the theories currently available. The truth is that thee is something new and something true in all of them. The manager's problem is to carefully choose those new things that are true, and to skeptically decide which true things are really new. This, of course, is not an easy dilemma for the manager to resolve. Even behavioral scientists who devote most of their time studying motivational problems find the issue complex and frustrating.

Once the essential foundations of motivation theory and practice are understood, one is able to confront the more philosophical questions of how behavioral science knowledge should be used in the managerial context. Issues of this nature immediately converge on such questions as the ethics of behavior modification. This issue cannot be avoided by any managers because of very real pressures from society, including legal intervention into motivational practices and the protection of individual rights on and off the job.



#### **INTRODUCTION TO SMALL GROUP BEHAVIOR**

This chapter has discussed the concept of the small group and has illustrated the importance of the small group within the broader topic of organizational behavior. Small group has been defined as a collection of interacting individuals who have common goals, similar values, and a structure of relationships. Groups come in a variety of forms, depending on the classification schema utilized.

The problem of defining the size of a small group is particularly troublesome. Because of their uniqueness, dyads and triads are considered special cases. Consequently, the main body of small-group theory that we discussed was related to groups of four or more, up to some theoretical limit where personal interaction is no longer possible.

One of the more important characteristics discussed is the nature of normative behavior in groups. An extremely complex relationship exists among such factors as group norms, conformity, cohesiveness, and group performance. Since performance is a manager's primary concern, care has been taken to examine this interrelationship in detail and specific examples given of ways in which knowledge of this process has been used by the managers of organizations.

No discussion of small group behavior is complete without an analysis of the structures that inevitably develop in the group context. For this reason, role relations have been examined, including clarity, ambiguity, and conflict, along with the extremely relevant topic of status. In all cases, care has been taken to report the hard research data that have developed with respect to these topics.

One is too familiar with the fact that the role expectations and status hierarchies exist in all kinds of groups. A careful reading of the research should help to understand why this is true and even necessary for proper group functioning. Recent attention has been given to other topics involving group interaction. One of the important areas has to do with the effectiveness of groups as problem solvers. After the discussion the pros and cons of individual versus group problem solving, guidelines were offered for effectively using a combined interacting-nominal group process.

Remarks on sociometry and interaction process analysis were included as methods of understanding group behavior. There are other methods of analyzing interpersonal behavior. Particular methods were selected primarily for purposes of illustration – to show that there are indeed systematic techniques for gaining insights into small-group phenomena.



#### **LEADERSHIP BEHAVIOR AND EFFECTIVENESS**

A variety of topics relating to leadership has been presented in this chapter. Some important aspects are highlighted here.

Early leadership theory concentrated on the traits possessed by leaders. The interest in traits progressed from an analysis of physical-cultural characteristics such as height, nationality, race and so on, to more complex socio-psychological traits such a competitiveness, intelligence, and aggressiveness.

This approach continues to have a certain intuitive appeal. For example, the International Herald Tribune (1976) in reporting the death of MaoTse-tung, noted that the Chinese leader was greatly influenced by a book entitled Great Heroes of the World, in which he read about Napolean, Catherine the Great, Abraham Lincoln, George Washington and others. Even today the temptation to look at the important traits of recognized leaders is great.

Recent leadership research has been directed more carefully towards the situational or relative view of leadership. Rather than taking the view that leadership is a personal phenomenon related to the traits of individual personalities, the approach looks more clearly at the impersonal aspects of the situation. Although this appears to many people to be a more productive approach, the definition of the situation is far from simple. Some researchers have taken a positional approach and have examined an individual's position within the network of group information flow. The conclusion has been that leadership is related to the control of information. Thus, a person who is 'central' or controls information, appears to have a greater probability of emerging as a leader. Other factors such as visibility also appear to offer promising opportunities for further research.

A more developed theory of leadership effectiveness that has been successful in relating leadership style to group effectiveness is known as contingency theory. Through the use of the least preferred co-worker score (LPC), leaders are first classified as task or relation oriented. The leadership situation then is categorized according to the leader's position power, the structure of the task, and the favorableness of leader-follower relations. By relating a person's leadership orientation and the situational favorableness, the contingency model proposes a rather complex set of associations.

The chapter concludes by briefly introducing path-goal theory to provide an extension of the previously discussed models and to relate leadership to the earlier discussions of instrumentality theories of motivation.



#### THE ORGANIZATION AND THE INDIVIDUAL

The purpose of this chapter has been to provide a transition between group behavior and the influences of organizational design. In addition, some rather specific goals have been established for the analysis. The attempt has been to not overestimate or underestimate the importance of structure on organizational behavior.

The objectives having been defined, the authors surveyed various views of the individual's interaction with the organisation. Both the Weber's theory of bureaucracy and the new developing contemporary structural view advocated by Charles Perrow have been elucidated. The point of agreement in both formulations is the importance attached to positions and roles rather than to personality factors.

Then the non structural arguments by Chris Argyris and Warren Bennis were dealt with. The former propounded that there is incongruency between the needs of the mature adult personality and the demands of the formal organization. This incongruency is capable of producing many things, including frustration and apathy on the part of organizational members. Warren Bennis' idea was regarding the inability of bureaucracy to adequately respond to change. These ideas are relevant to the issue of organizational behavior because they propose a drastic shift from the traditional bereaucratic views regarding human nature, power and democratic processes in oranisations.

The chapter concludes with a look at two different views of the organization, developing a relation between the two relating to the ease with which organizations interact with environmental forces. The first view which is regarded as the machine model of organization tends to minimize the importance of environmental factors in influencing organizational behaviors. The second is the open systems model which recognizes the necessity of organizational – environmental forces are explicitly acknowledged as determinants of structure. The structure consequently influences behavior which in turn has reciprocal impact on design.



#### **Environment, Organizations and Behavior**

In this chapter the specifics of the complex linkage between environmental externalities, organization and individual behavior have been explained. In sociotechnical systems, social relationships in work groups can be associated with the technological demands of their tasks. In spite of the enthusiasm of the proponents of the sociotechnical view, considerable controversies exist with respect to the nature of the effect of environmental factors on organizational structures and consequently on behavior.



#### Power relations in organizations

The chapter begins with a review of the sources of power and reveals that the power to influence can come from many sources. These sources range from extremely personal things such as charisma to structural or positional influences. The use of power is really a question of leadership styles. The power one holds over another is associated with dependency. When one person is influenced by another for something he or she values, the former is more easily influenced by the latter.

Complex interrelationship between organizational goals and the political process known as coalition formation is discussed. Regardless of whether one accepts the natural systems view or the individual view of organizational goals, one must explain how the desires of various interest groups and/or individuals are translated into objectives of organizations. This is where theory of political coalition becomes an important issue.

Viewing power and goal formation as political processes adds a distinctive behavioural tone to the processes evident in organizations of every type. Human beings are in fact political animals and it is important to recognize this aspect of organizational behavior.



#### Performance evaluation and organizational effectiveness

One essential component of a successful appraisal system is the existence of clear and well communicated goals. Without an understood standard, the evaluation has little meaning. There is a great deal of evidence stating that participation is an important part of implementing an appraisal system. When people feel that they have participated in setting goals and establishing guidelines, they appear less resistant to the changes such systems inevitably produce.

Orgnisational effectiveness is generally associated with goal accomplishment. Although this is an accurate method of examining effectiveness, problems arise when we rely completely on the goal approach. Reality is, in most cases, too complex to expect an organisation to proceed directly from the accomplishment of one goal to another.

A more realistic approach is the systems model which considers numerous subsystems and elements. The chapter attempts to look at selected organizational outputs. The first is effective performance and second is organisational effectiveness defined in a specific manner.