

**SELF-LEARNING
MATERIAL**



MASTER OF BUSINESS ADMINISTRATION (HRM)

MBAH 101 : Management Process and Organizational Behavior

w.e.f Academic Session: 2024-25



**CENTRE FOR DISTANCE AND ONLINE EDUCATION
UNIVERSITY OF SCIENCE & TECHNOLOGY MEGHALAYA**

nirf India Ranking-2024 (151-200)

Accredited 'A' Grade by NAAC

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Centre for Distance and Online Education
UNIVERSITY OF SCIENCE AND TECHNOLOGY MEGHALAYA

First Edition

Print Aug 2024

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This book is a distance education module comprising of collection of learning material for students of Centre for Distance and Online Education, University of Science and Technology Meghalaya, 9th Mile, G.S. Road, Ri-Bhoi, Meghalaya – 793101.

Printed and Published on behalf of Centre for Distance and Online Education, University of Science and Technology Meghalaya - 793101

COURSE INTRODUCTION

This is the first paper of MBA first semester. In this paper, learners will get the ideas about management process and organisational behaviour. Learners will understand various functions of Management Process in detail. It will be also possible for the learners to understand how an employee should behave in an organisation.

Unit-1 will introduce the Management Concept along with its Purposes, Functions, Importance and Characteristics of Management and it will give the knowledge about different Management Objectives, Managerial Role and Skills.

Unit-2 will help the learners to get acquainted with the basic concept of Planning & it's various concept. They will understand the various concepts of Organising, Organisation Structure, Span of Control and Departmentation.

Unit 3 will make students learn about Staffing functions of Management. They will understand the various concepts of Directing. And also about the concept of Coordination and Controlling functions of Management.

Unit 4 will introduce students with various concept of Organisational Behaviour. They will gain Knowledge about various Organisational Forces and also will understand the concept of Organisational behavioural Models.

Unit 5 will give students the knowledge about Personality and also about Perception. Students will also acquire the knowledge about attitude as well as about Value.

UNIT- I

INTRODUCTION

- A. COURSE CONTENT**
- B. UNIT OBJECTIVE**
- C. INTRODUCTION**
- D. LEARNING OUTCOMES**

A. COURSE CONTENT

- 1.1 Concept and definition of Management
- 1.2 Concept, Definition & Characteristics of Organization
- 1.3 Definition of Goal, Target, Effectiveness, Efficiency, Manager and Employer
- 1.4 Management Functions
- 1.5 Management Process
- 1.6 Characteristics /Nature Of Management
- 1.7 Objectives Of Management
- 1.8 Purpose/Importance Of Management
- 1.9 Thoughts/ Approacher To Management
- 1.10 System Approach Of Management
- 1.11 Management –As A Profession
- 1.12 Management As A Science Management As An Art
- 1.13 Management As An Art
- 1.14 Levels Of Management
- 1.15 Functions Of Different Levels Of Management
- 1.16 Managerial Roles
- 1.17 Skills Of Managers/ Manegerial Skills
- 1.18 Management Challenges
- 1.19 Let Us Sum Up
- 1.20 References
- 1.21 Answer to Check Your Progress
- 1:22 Model Questions

B. UNIT OBJECTIVE

After studying this Unit, students will be able to:

1. Attain a general level of competence in Management Concept along with its Purposes, Functions, Importance and Characteristics of Management.
2. Give students the knowledge about different Management Objectives, Managerial Role and Skills
3. Have a better understanding of Management Challenges & Opportunities

C. INTRODUCTION

Organizations are comprised of individuals working together in a structured manner to achieve common goals that would be challenging or impossible to accomplish alone. Effective organizations leverage the strengths and efforts of their members to achieve collective success.

D. LEARNING OUTCOMES

The content and assessments of this Unit have been developed to achieve the following learning outcomes:

1. Students will acquainted with the basic concept of Management along with its Purposes, Functions, Importance and Characteristics of Management.
2. Understand the various concepts of Management Objectives, Managerial Role and Skills.
3. Understand the concept of Management Challenges & Opportunities

1.1 CONCEPT AND DEFINITION OF MANAGEMENT

Management is a method of completing tasks with assistance from others. It can be defined as the art of getting things done.

Five different functions come under Management and they are- Planning, organising, leading, and controlling are the tasks and activities that go into leading an organisation or one of its components. These are referred to as management activities.

Management, in fact, encompasses a wide variety of activities that no one single definition can capture all the facets of management, given its dynamic nature. That is why, it is often said that there are as many definitions of management as there are authors in the field. However, the definition given by James A.F. Stoner covers all the important facets of management. According to him: "Management is the process of planning, organizing, leading and controlling the efforts of organization members and of using all other organizational resources to achieve stated organizational goals".

1.2 CONCEPT, DEFINITION AND CHARACTERISTICS OF ORGANIZATION

Organization can be defined as -a structured and well-organized team of persons working towards certain objectives that can't be accomplished by individuals working alone.

Organization can also be defined as the People working together and coordinating their actions to achieve specific goals. It is made up of individuals working together to accomplish goals that would be impossible for one person acting alone

Two or more people who work together in a structured way to achieve a specific goal or set of goals is also known as Organization.

CHARACTERISTICS OF AN ORGANIZATION

Below given the characteristics of an Organization:

- An organization has a structure.
- An organization consists of a group of people striving to reach goals that individuals acting alone could not achieve.

1.3 DEFINITION OF GOAL, TARGET, EFFECTIVENESS, EFFICIENCY, EMPLOYER, EMPLOYEE AND MANAGER

DEFINITION OF GOAL/OBJECTIVES/TARGET

A goal can be defined as an ideal state of the future that the organisation aims to attain. Moreover, It is a goal that an organisation works to accomplish; objectives are essential components of organisations and are frequently several.

DEFINITION OF EFFECTIVENESS

To achieve objectives within the available resources.

DEFINITION OF EFFICIENCY

To achieve objectives at the least cost of resources.

DEFINITION OF EMPLOYER

The person/ persons who has/have invested the money for the establishment and growth of the company.

DEFINITION OF EMPLOYEE

People who is working in an organization and get something in return (compensation/Remuneration) due to the service/performance he has provided to the company.

DEFINITION OF MANAGER

Those in charge of organising the activities meant to assist organisations in achieving their objectives. an individual who arranges, prepares, oversees, and manages the distribution of information, financial, material, and human resources in order to achieve the objectives of the company.

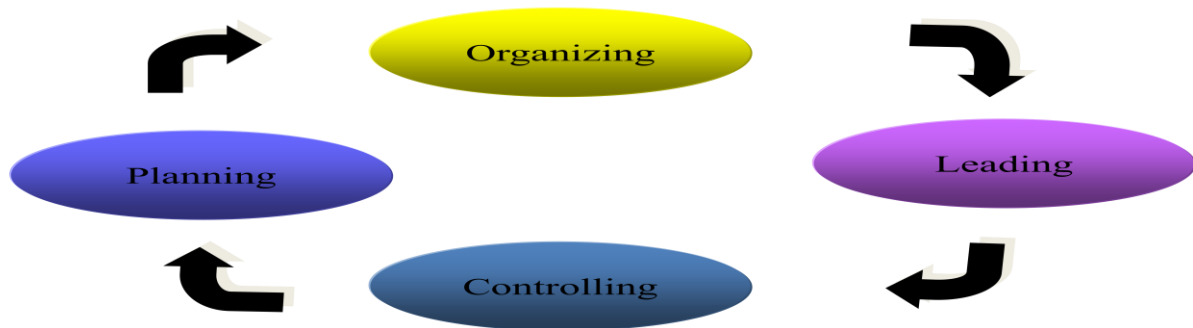
1.4 CONCEPT OF MANAGEMENT FUNCTIONS

Management people need to do some functions to convert input into output, called management functions. They are- Planning, Organizing, Staffing, Directing and Controlling. (POSDC)

BASIC MANAGERIAL FUNCTIONS

Basic Managerial Functions

(Figure 1.1)



1.5 CONCEPT OF MANAGEMENT PROCESS

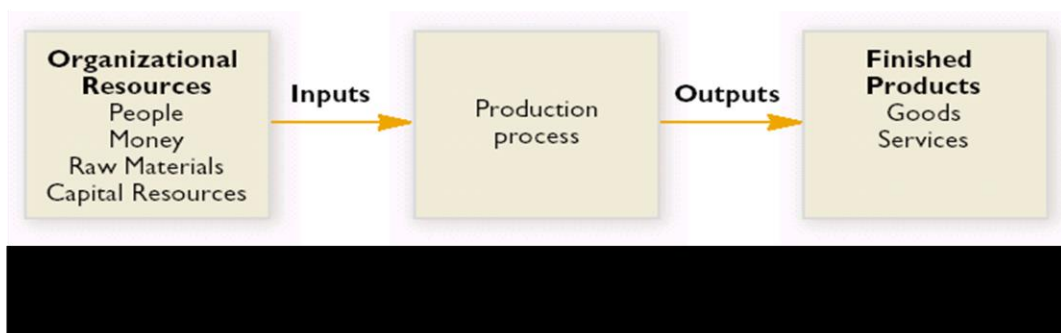
The process of using organizational resources to achieve the organization's goals by Planning, Organizing, Staffing, Leading, and Controlling is known as Management Process.

The management process can also be defined as the process of reaching organizational goals by working with and through people and other organizational resources. It is the process of reaching organizational goals by working with and through people and other organizational resources.

DIAGRAMMATIC REPRESENTATION OF MANAGEMENT PROCESS

It is a process which converts input into output with the help of managerial people.

Management Process



MANAGEMENT PROCESS ALONG WITH VARIOUS MANAGEMENT FUNCTIONS

There are five Management functions that mentioned above Planning, Organisaing, Staffing, Directing & Controlling together is known as Management functions.

Management Process along with Management Functions



1.6 CHARACTERISTICS /NATURE OF MANAGEMENT

1. **Economic terms:** Management aims at getting rapid results in economic terms by proper utilization of its four inputs (Man, Money, Machine & Material).
2. **Skills of Manager:** Management employees must have some skills and experience in getting the things done by maintaining good co-ordination among themselves.
3. **Management Process:** Management is a process that converts input into output having some functions like Planning, Organizing, Staffing, Directing & Controlling.
4. **Management is a Universal Activity:** Management is an Universal activity because it is applicable in any kind of business; whether profit making or non-profit making business, Public or Private sector, religious institutions, Educational institutions etc.
5. **Management is a Science or an Art:** Management is Science as well as Art depending on the situation.
6. **Management is a Profession:** Management is a professional course because it involves code of conduct for social responsibilities.
7. **Management is to achieve pre-determined goal:** Management always helps the organizers to achieve the pre-determined goal of the organization by making strategy.

8. **Group Activity:** Management is a group activity. If all the group members put their efforts, then only it is possible for an organization to get good results.
9. **Management has Authority:** Management is a system of authority. Lower level managers have minimum authority and top level managers have maximum authority.
10. **Decision Making:** Management highly involves in decision-making process. It means each and every management person has the right to make decision in his or her area of functioning.
11. **Leadership:** Management implies good leadership because a person will be a successful manager if he has good leadership qualities.
12. **Dynamic Nature:** Manager has to be dynamic in nature, not static. They will have to change themselves along with time and situation.
13. **Various Discipline:** Management draws various ideas and concepts from different discipline or subjects like Psychology, Sociology, Economics, Accounting, Statistics etc.
14. **Goal Oriented:** Management should be well focused so that they know what to do, when to do, how to do- to achieve organizational objectives.
15. **Levels of Management:** There are three levels of management, they are- Top level management, Middle level management and Lower level management; which ultimately give pyramidal shape of the organization.
16. **Need of Organization:** Management gives indirect benefits to the organization to maintain higher productivity and thereby more profit. Therefore, organization always needs management's contribution.
17. **Need not be Owner:** The owner can be the manager if he has all the managerial qualities. But if he feels he does not have the required managerial qualities, he can always appoint one capable person from outside for the managerial position.
18. **Management is Intangible:** Managers are tangible because you can touch them, but management process is intangible because we can not touch the management process, but we can just feel the existence of it.

On the basis of these characteristics, Management may be defined as a continuous social process involving co-ordination of human and material in order to achieve organizational objectives.

1.7 OBJECTIVES OF MANAGEMENT

Management objectives can be categorized in three different classes-

1. Organizational Objective
2. Personal/ Individual Objective
3. Social Objective

A. Organizational Objectives

Management is expected to work for achieving the objectives of a particular organization in which they exist. These objectives are known as organizational objectives, which includes-

1. Reasonable profit so as to get a fair return on the capital invested in the business.
2. Survival of the business so that it can continue its functioning.
3. Growth & expansion of the enterprise.
4. Improving the goodwill or the reputation of the organization.

B. Personal/ Individual Objective

An organization consists of several persons who have their own objectives. So, organization will have to take care for fulfilling the personal objectives of each & every employees working under them. They are-

1. Fair remuneration for work performed.
2. Reasonable working conditions.
3. Opportunities for training & development.
4. Participation in management decision making for the prosperity of the enterprise.
5. Reasonable security of service.

C. Social Objective

Management is not only a representative of owners and workers, but is also responsible to various groups outside the organization. Organization is expected to fulfill the objectives of the society which are-

1. Quality of goods and services at fair price to the customers.
2. Honest and prompt payment of taxes to the government.
3. Conservation of environment and natural resources.
4. Fair dealings with supplier, dealers and competitors.
5. Preservation of ethical values of the society.

1.8 PURPOSE/IMPORTANCE OF MANAGEMENT

Management is indispensable for the successful functioning of every organization. The purpose of management are being clearly given in the following points:

1. **Achievement of Group Goals:** A human group consists of several persons and each one of them is specialized in doing a part of total work. Management creates teamwork and maintains co-ordination among team members. The manager reconciles the objectives of the team with those of its number of employees, so that each one of them is motivated to make his or her best contribution towards the accomplishment of group goals.
2. **Minimization of cost of production:** Management directs day-to-day operations in such a manner that all the wastage are avoided and reduced. By doing this- the cost of production can also be reduced and so increasing the profits. Thus manager helps the organization to be competent enough to face competition and earn more profits.
3. **Survival and growth of organization:** Modern business operates in a rapidly changing environment. An organization has to adopt itself with the changing demand of the market & society. Management people have to keep in touch with the existing business surroundings and get the necessary changes to the company for its survival and growth.
4. **Generation of employment:** By setting up and expanding the business, managers create jobs for the people. People can earn livelihood by working in the organizations. Manager also creates such an environment that people working in the enterprise get satisfaction and happiness. Thus, broadly, managers help to satisfy the economy and social needs of the employees working in that particular organization.
5. **Development of Nation:** Efficient management is equally important for the National level development. Management is the most crucial factor for the Economical as well as for the Social development and hence, overall development of a country largely depends on the quality of the managers. Therefore, management is regarded as the key to the economic development of a country.

These are the purposes and importance of Management.

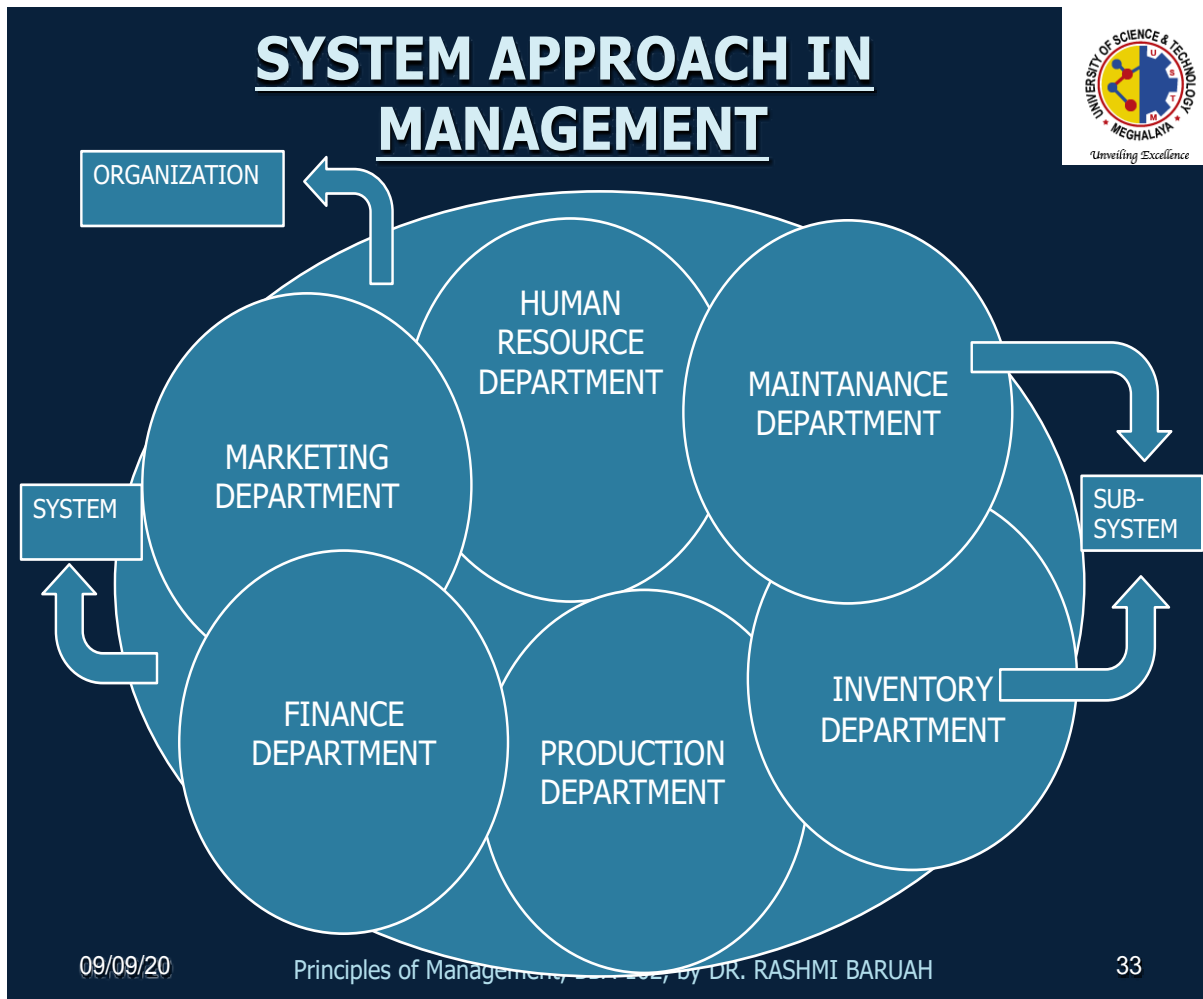
CHECK YOUR PROGRESS

- a. Which function of Management comes after the Planning function?
 - b. How many levels of Management exist in an organisation?
 - c. 'Quality of goods and services at fair price to the customers' is comes under which Objective?
 - d. Under which objective 'Reasonable working conditions' comes?
 - e. Under which objective 'Growth & expansion of the enterprise' comes?
 - f. Management process is tangible or intangible?
-

1.9 THOUGHTS/ APPROACHER TO MANAGEMENT

There are twelve approaches/ Thoughts to Management given by different management experts at different times. These Thoughts are given below- from the evolution of Management till the definition of Modern Management.

1. **Case approach:** Experiences in an organization are analyzed with the help of cases. Based on these successes and failures are identified.
2. **Interpersonal behavior approach:** This approach is based on individual psychology. It lays emphasis on interpersonal behavior, human relations and motivation.
3. **Group behavior approach:** This approach is based on the theories of Sociology and Social Psychology. The focus of this approach is on the study of group behavior patterns.
4. **Cooperative social system approach:** This approach is concerned with interpersonal relations and group behavior.
5. **Social-technical systems approach:** This approach highlights about the relationships among people and their ability in the utilization of technical systems. (personal attitudes, group behavior etc.)
6. **Decision theory approach:** This approach is concerned with the decision making process, that involves individuals or groups.
7. **Systems approach:** The systems approach is a study about the inter-relationship between planning, organizing and controlling among the sub-systems in organizations.
8. **Mathematical approach:** This approach views management as a purely logical process, expressed in mathematical symbols and relationships.
9. **Managerial roles approach:** It involves the study of managerial roles that are based on interpersonal, informational and decisional roles.
10. **Situational approach:** This approach recognizes the influence of the given solutions, regarding organizational behavior patterns.
11. **McKinsey's 7-S framework:** 7-S's structured by McKinsey are STRATEGY, STRUCTURE, SYSTEMS, STYLE, STAFF, SHARED VALUES and SKILLS.
12. **Operational approach:** This approach draws together the different concepts, principles, techniques and knowledge from other fields and from different types of managerial approaches.



1.10 SYSTEM APPROACH OF MANAGEMENT

An organization cannot work in isolation. Similarly a department in an organization also cannot work in isolation. Every department depends on each other and has to maintain the co-ordination among themselves to achieve overall organizational goals.

If we consider an organization as a ‘System’ and every department as a ‘Sub-System’, then each sub-system has to contribute efficiently to achieve overall organizational performance.

1.11 MANAGEMENT –AS A PROFESSION

McFarland gives the following characteristics of a Profession, they are:

1. Existence of an **organized and systematic knowledge**.
2. Formalized methods of acquiring **training & experience**.
3. Existence of an **association** with professionalization as its goal.
4. Existence of an **ethical code** to regulate the behavior of the members of the profession.
5. **Charging of fees** based on service, but with due regard for the priority of service over the desire for monetary reward.

1.12 MANAGEMENT AS A SCIENCE

Science means a systematic body of knowledge to a specific field of study. It contains general principles and facts that explain a phenomenon. The essential factors of Science are-

1. It should have a systematic body of knowledge.
2. General principles are capable of Universal applicable.
3. It is developed through Scientific enquiry or experiment.
4. It establishes "Cause & Effect" relationship between various factors.
5. Their validity can be verified and they serve as reliable guide for predicting future investment.

These above mentioned characteristics of Science have some similarities with the characteristics of Management-

1. **Management has a systematic body of knowledge:** Management is consisting of general principles and techniques given by many management experts. These principles are considered as the body of knowledge, help explaining any topics and give guidelines to become a good manager.
2. **Universal applicable:** Management contains some fundamental principles that are also universally applicable. These principles can be applied in different types of organization- whether it is profit making or non-profit making organization.
3. **Scientific Experiment:** Scientific principles can be derived through scientific investigation. Management principles also to some extent can be derived with the help of investigation. They have been developed through experiments and practical test of a large number of managers.
4. **Principles of Science contains a cause-and-effect link between related variables,** such as "temperature increases-sweating increases." Likewise, Cause and Effect relationships between many variables are established by Principles of Management, such as "advertisement increases-sales increases."
5. **Validity and Reliability Test:** Scientific concepts' validity might be put to the test once or several times. The test will get the same result each time. In a similar vein, the validity and reliability of the Principles of Management may also be examined, with comparable results.

Without a doubt, management is science. It is not, however, as precise as pure sciences like biology, chemistry, physics, etc. This is due to the fact that management works with people, and it is highly challenging to precisely forecast human behaviour.

CHECK YOUR PROGRESS

- g. Which approach views management as a purely logical process, expressed in mathematical symbols and relationships ?
- h. 'General principles are capable of Universal applicable'-this characteristics says Management is Science or Arts?

1.13 MANAGEMENT AS AN ART

Art implies the application of knowledge and skills to bring about the desired result. The essential elements and characteristics of Art are as follows:

1. It requires Practical Knowledge.
2. Personal Skill is required.
3. It should have Result Oriented Approach.
4. Creativity is required.
5. Improvement through Practices.

Let us judge how far Management fulfills these requirements as an Art, they are-

1. **Practical Knowledge:** There is a great deal of practical knowledge in all arts. An artist studies theory as well as its practical application. In a similar vein, reading theory alone won't make someone a great manager. He has to become proficient in using this theoretical knowledge to solve real-world managerial issues.
2. **Individual Skill:** Every artist approaches his work differently and in his own way. This is a result of their own skill level. In the same way, management is customized. Every manager approaches problem-solving in a different way and with a unique style. A manager's attitude and personal abilities determine how successful they will be.
3. **Result-Oriented Approach:** The ultimate goal of any artist is to achieve the intended outcome. In a similar vein, every manager uses specific knowledge and abilities to accomplish goals.
4. **Creativity:** To generate objectives and services, a manager skillfully integrates and synchronises the production components. It takes art to shape people's attitudes and behaviours at work so that desired goals may be achieved.
5. **Practice Makes Perfect:** Man perfection comes from practice. Every artist improves their efficiency over time via consistent practice. In a similar vein, a manager grows more proficient and experienced via consistent practice.

So these are the reasons why Management is called an Art.

MANAGEMENT IS SCIENCE AS WELL AS ART

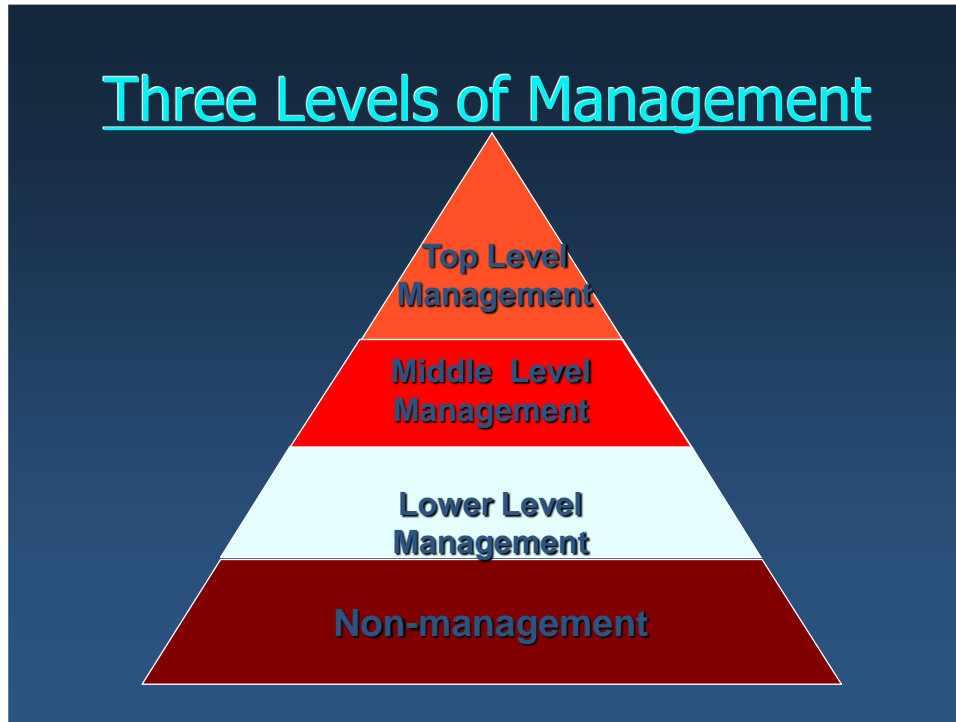
Management is, in this sense, both science and art. Its organised body of knowledge, which consists of a few universal facts, makes it a science. Because it entails producing outcomes by practice, application of knowledge, and talent, it is also known as art.

Nonetheless, science and art complement one another. Art teaches people how to do the new thing, whereas science educates them to know about it. Consequently, science without art is a waste of information, just as art without science has no direction. The effectiveness of management depends on both science and art.

1.14 LEVELS OF MANAGEMENT

Organizations often have 3 levels of managers and they are as follows:

1. Top Level Management.
2. Middle Level Management.
3. Lower Level/First Line Management.



1. **Top Level Managers:** Responsible for the performance of all departments and have cross-departmental responsibility. They establish organizational goals and monitor middle level managers.
2. **Middle Level Managers:** Supervise first-line managers. They are also responsible to find the best way to use departmental resources to achieve goals.
3. **Lower Level Managers:** responsible for day-to-day operation. They supervise the people performing the activities required to make the good or service.

1.15 FUNCTIONS OF DIFFERENT LEVELS OF MANAGEMENT

Functions of Management can be divided according to its three different levels and they have mentioned below:

A. Top Level Management-

1. They determine the goal of the company.
2. They make the policy for the organization.
3. They make the corporate plans to achieve corporate objectives.
4. They take decision regarding mobilization of resources.
5. They try to motivate middle level managers to get good performance from them.
6. They try to maintain co-ordination among middle level.

B. Middle Level Management-

1. They try to do all the departmental work to make the top-level management free.
2. They try to maintain good co-ordination among executive for smooth departmental functions.
3. They build efficient staff & executive and give them reward & penalty.
4. They give training to executive & lower level management to get better performance.
5. They try to motivate lower level management to get better performance.

C. Lower Level Management-

1. They plan the day-to- day activities.
2. They give instructions to workers.
3. Lower level management makes all equipment available in the factory.
4. They give on-the –job training to workers.
5. They should try to solve the workers problem.
6. They act as a middleman between workers and middle level management.
7. They should try to maintain discipline among workers.

1.16 MANAGERIAL ROLES

Though Planning, Organizing, Staffing, Directing and Controlling are the functions of management process or managers, but they need to play various '**Role**' in an organization.

A '**Role**' is a set of specific tasks a person performs because of the position he holds.

Role of a person is the expected behavior from him by other persons in a specific time. Hence, a person or manager is required to play different Roles at different times. Managerial roles should be clear to guide the organizations towards goal accomplishment.

■ Described by Mintzberg.

Roles are directed inside as well as outside the organization.

■ There are 10 roles of a manager which are classified in 3 broad categories, they are:

1. Interpersonal Role
2. Informational Role
3. Decisional Role

Role of a Manager

Sr. No.	Categories of Role	Types of Role
1.	Interpersonal Role	1. Figure Head 2. Leader 3. Liaison
2.	Informational Role	4. Monitor 5. Disseminator 6. Spokes Person
3.	Decisional Role	7. Entrepreneur 8. Negotiator 9. Disturbance handler 10. Resource Allocator

I. Interpersonal Roles

It is the Role where a manager assumes to coordinate and interact with employees and provide direction to the organization. This role helps the managers to keep their organization running smoothly by keeping good interpersonal relation.

This category of role can be divided into three types and they are as follows:

1. **Figurehead role:** This role helps to symbolize the organization and what it is trying to achieve. In this role, every manager has to perform some duties such as greetings dignitaries, solving employees' problems etc.
2. **Leader role:** This role helps to train, counsel, mentor and encourage high employee performance. As a leader, every manager must motivate and encourage his employees, he must try to reconcile their individual needs with the goals of the organization.
3. **Liaison role:** This role links and coordinates people inside and outside the organization to help achieve goals. Here, every manager must cultivate the relation in outside his vertical chain of command to collect useful information for his organization.

II. Informational Roles

This role is associated with the tasks needed to obtain and transmit information for management of the organization. This role is very important for managers because they need variety of information to make intelligent and rational decisions. Getting information and utilizing those is very important aspect for management.

This category of role can be divided into three types and they are as follows:

4. **Monitor role:** Getting information from outside to inside the organization is called monitoring role. Basically managers are constantly looking for useful information both within and outside the organization. This role helps to analyze information getting from both the internal and external environment.
5. **Disseminator role:** In this role, a manager transmits information to influence attitudes and behaviors of employees & after filtering- give right information to right person. Here, manager passes some of his information to his subordinates that are concerned for their particular function and give only that much information needed by the subordinates.
6. **Spokesperson role:** In this role, a manager informs various groups and individuals outside the organization & clarifies their doubts or issues that may have impact on the reputation of the company. Here, use of information to positively influence the way people in and out of the organization respond to it and clarify doubts of public whenever necessary.

III. Decisional Roles

This role is associated with the methods managers use to plan strategy, make decision and utilize resources to achieve goals.

- **Entrepreneur role:** In this position, a manager is always searching for fresh concepts to apply in an effort to better his organisation. Here, decisions are made about what new initiatives or programmes to start and fund with the aid of creative ideas.
- **Disturbance handler:** This position requires a manager to find solutions for unforeseen issues such as supplier problems, labour strikes, financial hardships, etc. In this scenario, a manager takes over in charge of managing an unforeseen circumstance or emergency.
- **Role of resource allocator:** In this position, a manager sets the budgets of subordinate managers and distributes resources among departments and functions. A manager must choose who will receive what resources, when, and how to complete the various tasks in the highest priority sequence to maximise profit.
- **Negotiator role:** At time, manger seeks to negotiate solutions between other managers, unions, customers, or shareholders. In this role, a manager needs to negotiate both within and outside the organization for the benefits of the company.

These are the three categories and ten different types of Manegerial Roles.

CHECK YOUR PROGRESS

- i. How many types of Managerial Roles are there?
 - j. Which is that managerial role where the manager gets information from outside to inside the organization?
-

1.17 SKILLS OF MANAGERS/ MANEGERIAL SKILLS

A skill is an individual's ability to translate his knowledge into action; hence it influences his/her performances.

In order to successfully discharging his role, a manager must have three different types of skills, they are-

1. Conceptual Skill
2. Human Relation Skill
3. Technical Skill

BELOW GIVE THE EXPLANATIONS OF THESE THREE DIFFERENT TYPES OF SKILLS:

1. **Conceptual skills:** These abilities allow one to identify the origin and impact of a situation as well as analyse, diagnose, and assess it. Furthermore, a manager's capacity for taking a wide but narrow perspective on the company, for having the correct conversations, and for using creativity and innovation are all necessary for accomplishing organisational goals.
2. **Human skills:** The capacity to comprehend, modify, guide, and exert influence over the behaviour of others is known as human relations skills. It is also the capacity to communicate with others at all levels in an efficient manner. The manager gains the ability to identify other people's emotions and attitudes. Employees with this talent are better able to interact with their coworkers, bosses, and subordinates.
3. **Technical skills:** These provide the task-specific knowledge needed to complete a task. Manufacturing, accounting, and marketing are typical examples. Furthermore, this refers to a manager's capacity to use his technical expertise and competency in any kind of procedure or method inside the company.

All three skills are enhanced through formal training, reading, and practice.

Levels of Management:

There are three levels of management in an organization, they are:

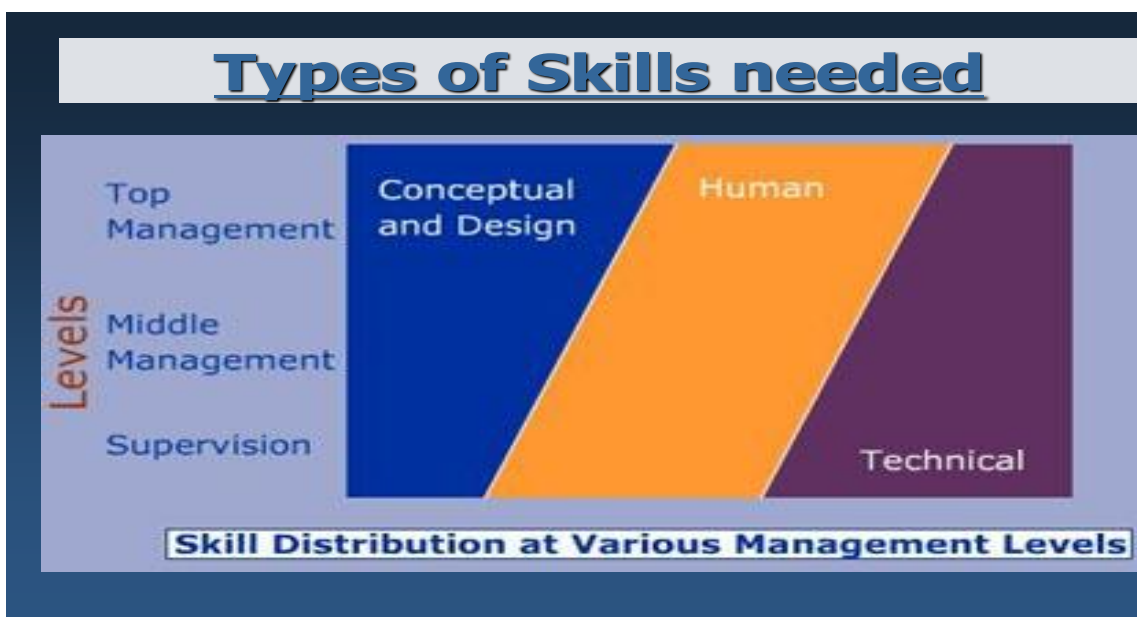
1. Top level management
2. Middle level management
3. Lower level management

As we know- different levels of management have different responsibilities in the organization, so the skills needed by different levels of management are always varies.

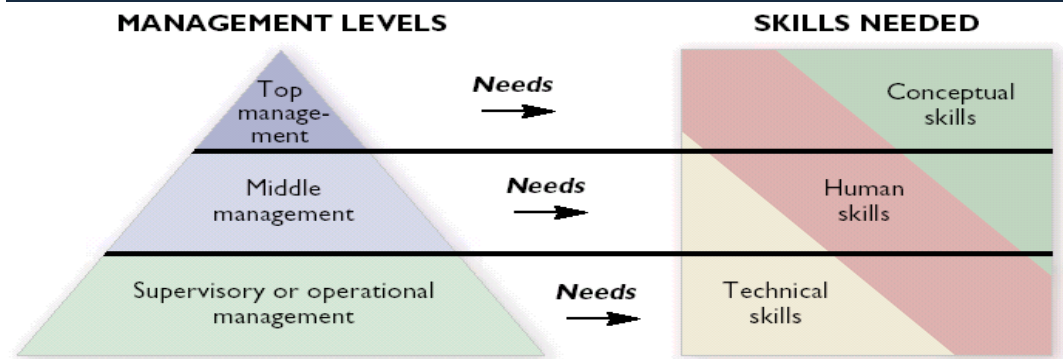


Linkage between level of Management and types of skills:

The figure gives an idea about the type of skills required by a specific level of management and how the change of skill is required and become essential with the change of managerial levels in an organization.



Management Level and Skills

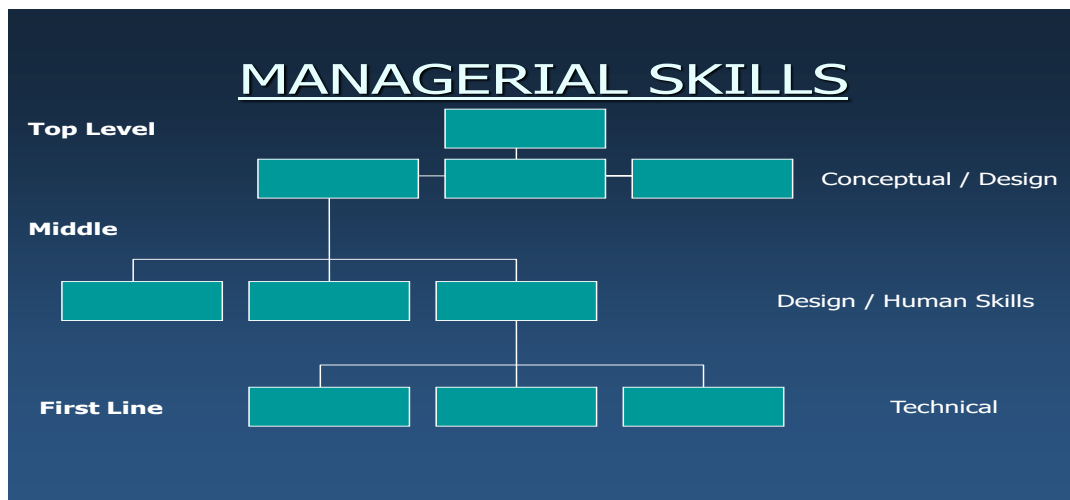


At the top level, the Technical skill becomes least important and Conceptual skill becomes maximum important.

At the lowel level, the Conceptual skill becomes least important and Technical skill becomes maximum important.

At the middle level, they must have the mixture of Technical as well as the Conceptual skills.

Human Relation skill should be there equally with every level of management to have good interpersonal relation.



1.18 MANAGEMENT CHALLENGES

- k. The number of international organisations is rising.
- l. Creating a competitive edge by being more effective, efficient, creative, and responsive.
- m. Improving output while continuing to be moral supervisors.
- n. Overseeing a workforce that is becoming more diverse.
- o. Applying updated technology.

1.19 LET US SUM UP

The Unit-1 provides a comprehensive coverage on the subject matter of management process. This unit explains various functions of Management. It also explains the Objective as well as characteristics of Management. Students will get the knowledge about various Managerial Roles and Skills of Management by reading this Unit. The concepts of Management as Science, Management as an Art and Management as a Profession are also described here. The levels of management such as Front -line managers, Middle level managers and Top-level managers in the management are described through this roles and responsibilities. The skills required to the people at different levels such as Technical skills, Human skills and Conceptual skills are also explained.

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1:21 ANSWER TO CHECK YOUR PROGRESS

- a. Organising
- b. Three
- c. Social Objective
- d. Individual Objective
- e. Organisational objective
- f. Intangible
- g. Mathematical Approach
- h. Science
- i. Ten
- j. Monitor

1:22 MODEL QUESTIONS

1. Define Management & Organisation. Explain the Management Process in an organisation? Write briefly any six characteristics of Management.
2. Define '*Management Process*'. Explain What are the different functions of Management? Explain all the managerial functions of an organisation. Mention various importance or purposes of Management.
3. What are the different levels of management exist in an organization? Explain any four functions of all the levels of Management.
4. Define Skill. Explain various 'Managerial Skills' that are required in different levels of management in an organization, with the help of a neat diagram.
5. What do you understand by 'Managerial Role'? Explain various types of roles that a manager need to perform in an organisation.
6. What do you understand by Managerial Role? 'Managers need to perform various roles related to Informational & Decisional'-Explain.
7. Explain – "Management as a Pofession".
8. Explain various Objectives of Management.
9. What are the different approaches of Management? 'System Approach is supposed to be the best management approach'-Justify.
10. Justify- Management as an Art.
11. Justify- Management as a Science.
12. "There exist many Management Challenges"- Explain those.



UNIT II

PLANNING & ORGANIZING

- A. COURSE CONTENT**
- B. UNIT OBJECTIVE**
- C. INTRODUCTION**
- D. LEARNING OUTCOMES**

A. COURSE OF CONTENT

2.1 Concept & Definitions of Planning

- 2.1.1 Purpose/ Significance / Importance Of Planning
- 2.1.2 Nature / Characteristics Of Planning
- 2.1.3 Advantage Of Planning
- 2.1.4 Disadvantages Of Planning
- 2.1.5 Steps Of Planning Process
- 2.1.6 Types Of Planning

2.2 Management by Objectives (MBO)

- 2.2.1 Characteristics of MBO
- 2.2.2 Steps in MBO Process
- 2.2.3 Benefits/ Advantages of MBO
- 2.2.4 Weaknesses/ Disadvantage of MBO

2.3 Concept & Definitions of Organizing

- 2.3.1 Definition of “Organization Structure”
- 2.3.2 Process of Organising
- 2.3.3 Fundamental concept of Organising
- 2.3.4 Nature of Organising
- 2.3.5 Principles of Organizing
- 2.3.6 Types of Organization Structure
- 2.3.7 Formal Organization Structure
- 2.3.8 Informal Organization Structure
- 2.3.9 Span of Management/ Span of Control
- 2.3.10 Types Of Span Of Control
- 2.3.12 Factors Determining the Span of Management
- 2.3.13 Departmentation

2.4 Let Us Sum Up

2.5 Reference

2.6 Answer to Check Your Progress

2.7 Model Questions

B. UNIT OBJECTIVE

After studying this Unit, students will be able to:

- i. To make students understand the concept of Planning & its characteristics, advantages, disadvantages, types and steps of Planning Process.
- ii. Have a better understanding of Management by Objectives.
- iii. Give students the knowledge about Organising & its various concepts.

C. INTRODUCTION

Planning serves as a critical function in organizations by providing a structured approach to goal-setting, decision-making, and resource allocation, ultimately facilitating progress and success.

D. LEARNING OUTCOMES

The content and assessments of this Unit have been developed to achieve the following learning outcomes:

4. Students will be acquainted with the basic concept of Planning & its various concepts.
5. Understand the various concepts of Organising, Organisation Structure, Span of Control and Departmentation.
6. Better understanding of the concept of Management by Objectives.

2.1 CONCEPT AND DEFINITION OF PLANNING

Planning is a pre-determined course of action to achieve organizational objectives. It involves selecting a mission and requires decision-making, choosing a future course of action among alternatives. Plans thus provide a rational approach to achieve pre-selective objectives. Planning helps to fill up the gap from where we can start to where we want to go. Planning is necessarily forward-looking. It is looking into the future. It bridges the gap between where we are and where we want to go. It involves visualizing a future course of action and putting it in a logical way.

Managers utilise the planning process to determine and pick the best objectives and plans of action for their organisations.

To plan well, follow these three steps:

1. Which objectives ought to be followed?
2. How should the objective be fulfilled?
3. How ought resources to be distributed?

The planning function establishes the organization's strategy as well as its level of effectiveness and efficiency.

Determining organisational goals and ways to achieve them is made easier with the aid of planning.

Managers do planning for three reasons and they are as follows:

1. Establish an overall direction for the organization's future
2. Identify and commit resources for achieving goals
3. Decide which tasks must be done first to reach those goal.

2.1.1 PURPOSE/ SIGNIFICANCE / IMPORTANCE OF PLANNING

1. To minimize the risk and uncertainty.
2. To lead to success.
3. To focus attention on organizational goal.
4. To facilitate Control/ make control effective.
5. To give training to Executives.
6. To manage by objectives.
7. To secure economy in operation.
8. To help in co-ordination.
9. To increase organizational effectiveness.

2.1.2 NATURE / CHARACTERISTICS OF PLANNING

1. **Goal Oriented:** Planning should always try to fulfill overall organizational goal.
2. **Primacy of Planning:** Planning is the first step of management function for each and every level of managers.
3. **Pervasiveness of Planning** (existing everywhere): Planning is required to do in all the three levels of management and in every kind of organization whether it is profit making or non-profit making organization etc.
4. **Efficiency, Economy and Accuracy of Planning:** Planning should be efficient enough, economical and should be accurate, so that it gives good result to the organization.
5. **Continuous Process:** Planning is a continuous process. If any changes occurs- planning gets changed. So employees must monitor the condition frequently and change the plan accordingly whenever required.
6. **Intellectual Process:** Planning is an intellectual process, which requires the manager to think before doing. The quality of plan depend on the intellectual level of the manager who has done that particular plan.
7. **Decision making as an Integral part:** It is the planning that manager of an organization decides what is to be done, when & where it is to be done, and who is there to do it. So, decision making is an integral part of a planning.
8. **Flexibility of Planning:** We say that a plan must be flexible. Flexibility of a planning means its ability to change the direction to adopt the changing situation. Planning should not be rigid by nature.

These are the nature and characteristics of planning.

2.1.3 ADVANTAGE OF PLANNING

There are many advantages of planning, they are written below:

1. **Decreases wastage of resources:** Proper planning prevents wastage of resources by utilizing the input properly- to make the desired output with maximum productivity. So, well plan process reduce wastage of resources.
2. **Helps organization to remain competitive:** Proper planning helps to maintain the lead position in a competitive market. In the process of getting the best result, makes better profit as outcome giving the lead majority to the one who have greater resources for next planning to achieve its goals. In short, planning helps us to face new changes & remain us competitive.
3. **Anticipates crisis, so avoid wastage:** As the word says, a good plan can anticipate the crisis, which keeps a major advantage by meeting an opportunity to make a better plan and to avoid the crisis incase if needed. So, to avoid mistake, planning gives us the capability to tackle or handle the situation.
4. **Helps to manage the change effectively:** A plan should be flexible enough, so that if needed it can be changed accordingly to match with the situation.
5. **Helps to select best alternative solution:** In an organization, problem may be caused due to many reasons and factors. Selecting the right factor to solve a problem can be done by a well-laid plan. With a good plan organization can handle the problems by choosing the best-suited option.
6. **Helps to achieve optimum productivity and so Profit:** With a good planning, an organization can get more output with minimum input. Hence, productivity of the process increases. More productivity leads to more profit for the organization.
7. **Helps to find Product Standard:** If an employee does the planning beforehand, he can have a standard, which is then possible for him to check his own performance with the standard. It will help him to take decision whether he needs some corrective action or not.
8. **Helps to relate Enterprise with external environment:** Well plan always helps the organization to take fast decision to handle the crisis. Hence, planning is must for any organization to relate with external environment that is not in our control.

These are the advantages of planning.

2.1.4 DISADVANTAGES OF PLANNING

There are many disadvantages of planning, they are written below:

1. **Planning is a costly affair:** As the word suggest, planning in a large-scale organization requires lots of employees and subordinates as human resource to plan for the organization. So many times, lots of money is spent among the human resources that are the part of the planning process. Usually organization should spend not more than 0.05% for planning purpose.
2. **Planning delays action:** There are two types of organization structure. They are Centralization structure and Decentralization structure. In Centralization type of structure, centre of authority is at the top level in the organization. While in case of decentralization, it consists allocation of authority till the lower level of management.

If the top level management in centre is a fast decision maker, then no delay action will take place. But, in some cases with Centralization structure, it takes lots of time in making a request & formalities to be taken so that higher level management can take right decision. So, action is delayed down.

3. **False sense of security:** Planning gives a sense of security because once it is planned; it is taken for granted that we can achieve the desired outcome without much effort. But, since future is unpredictable, sometimes it does not happens how you plan, so gives false sense of security.
4. **No guarantee under uncertain conditions:** Uncertainty like strike in the organization, political issues, social constrains, bad weather etc. sometime spoil the ongoing plan. So no plan can give the guarantee under uncertain condition.
5. **Not very flexible under change:** Planning sometime fails due to its rigid nature. Planners do not always take into account all the possible events that might occur which will have serious impact on the implementation of the plan. So, if the plan is not flexible, it may be a failure under change.

These are the disadvantages of planning

CHECK YOUR PROGRESS

- a. Which is the first function of Management Process?
 - b. Planning must have the ability to change the direction to adopt the changing situation and it is known as _____.
 - c. Planning Helps to relate Enterprise with _____environment.
 - d. Which Management function comes before Organising function?
 - e. Planning is the first step of management function for each and every level of managers and it is known as _____
 - f. Planning sometimes gives a false sense of security and it is a _____ of planning.
-

2.1.5 STEPS OF PLANNING PROCESS

There are 8 steps in the Planning Process-

1. Being aware of opportunities.
2. Identify Organizational Objectives and Goals.
3. Considering Planning Premises.
4. Identifying different alternatives.
5. Comparing all the alternatives.
6. Choosing the best & right alternatives.
7. Formulating plans.
8. Make & priorities the plans according to budget.

Below given the Planning Process in detail

1. Being aware of opportunities

An awareness of opportunity in the external & internal environment is the real starting point for planning. It is very important to have a preliminary looks at possible future opportunities. Manager should know their strength & weakness to make realistic goals.

2. Identify Organizational Objectives and Goals

Top-level management should make the objective for the enterprise & sub-ordinates should work on it. This is to be done as long term & short term objectives that specify the results.

3. Considering Planning Premises

Planning is to be established and obtain through agreement to utilize critical planning premises and then go ahead with the actions.

4. Identifying different alternatives

It is the step of searching for different course of alternatives, at least those which fits with the organization and immediately apparent.

5. Comparing all the alternatives

After finding all the alternatives, examining their strength & weak points, so that one can evaluate all the alternatives and successfully finds the root cause of the particular problem faced by the organization.

6. Choosing the best & right alternative

This is the point at which the plan is adopted and decision making takes place, by analyzing & evaluating all the alternatives. This will help the management to make the right decision regarding all the alternatives ; which will be best suited for the organization.

7. Formulating plans

Management people make the major & minor plans from the overall plan, which will help them to achieve the objective efficiently.

8. Make & priorities the plans according to budget

After decisions are made and plans are set, they have to be numbered by relating with budget & then do the scheduling for all the steps. The overall budget of an organization represent the sum total of all the expenses with the result & profit.

2.1.6 TYPES OF PLANNING

There are 8 types of Planning-

1. Purpose or Mission
2. Objectives
3. Strategies
4. Policies
5. Procedures
6. Rules
7. Programs
8. Budgeting & Scheduling

1. Purpose & Mission: It identifies the basic function or tasks of an organization, which takes a long time to achieve.

2. Objective: It is the aim towards which the activities of an organization focus, to fulfill their purposes & achieve their mission. Organization has some organizational objectives, which can further be divided into some departmental objectives and then some individual objectives.

3. Strategy: A Strategy is a plan which takes few factors into account and provides an optimal match between the organization and the environment. These are the general programs of objectives or tactics of an organization. Ex- The adoption of different courses of action to reduce price.

4. Policies: It says the “do”s & “don’t”s of an organization. It is defined as an area within which a decision can be made & ensure that the decision should be constant and contribute to get organization’s objectives.

5. Procedures: These are the plans that establish the required method of handling future objectives. They guide to do some actions rather than to think or writing in a paper.

6. Rules: Rules are unlike procedures, guide action without specifying a time sequence. To fulfill one policy of the organization, many rules are required to make.

7. Programs: Programs are precise plans or definite steps in proper sequence which need to be taken to discharge a given task. Programs are drawn in conformity with the objectives and are made up of policies, procedures, budget etc.

8. Budgeting: It is a financial or quantitative statement prepared prior to a definite period of time, of the policy to be pursued during that period, for the purpose of obtaining a given objective. So, budgets are plans for a future period of time containing statements of expected results in numerical terms like rupees, man hours, product-units etc. Budget means planning related to expenses and scheduling means do planning related to time.

Types of Planning according to Time Period

1. Short-term Planning.
2. Long-term Planning.

2.2 MANAGEMENT BY OBJECTIVES (MBO)

MBO is a comprehensive managerial system that integrates many key managerial activities in a systematic manner and is consciously directed towards the effective & efficient achievement of organization and individual objective.

MBO is used for performance evaluation, as an instrument for motivating employees, Human resource development, Career planning, for the decision related to reward & punishment, and other managerial activities.

2.2.1 CHARACTERISTICS OF MBO

1. Goal Specificity.
2. Participative Decision Making.
3. An explicit time period.
4. Performance Feedback

2.2.2 STEPS IN MBO PROCESS

The process of Management by Objectives is given below:

1. **Setting Preliminary objectives at top:** It means that the top-level management has to make an objective/objectives and should be clear about it.
2. **Clarifying Organizational roles among Sub-ordinates:** The top-level management when divides the role among sub-ordinates, should make sure that the objective of the project or assignment is made clear to himself at the right place and must clarify sub-ordinates roles in the organization.
3. **Setting Sub-ordinates objectives:** When the idea of the project is made clear, the work is divided equally. The objective should be made clear to all the sub-ordinates and must clarify sub-ordinates roles in the project.
4. **Recycling Objectives:** Three sub-steps come under Recycling of objective, they are:

- a. **Reporting:** In order to know the scenario of the work progress, reporting of the work done by each of the member of the project to his/her immediate superior is very important.
- b. **Comparing with standard:** Once the working of the assignment is being reported, it should be compared with the intellectual skills of the seniors or the immediate superior, in order to meet the expectations and avoid errors or mistakes in the project.
- c. **Corrective action:** If in case, there are some errors in the project, proper measures and corrective action should be taken in order to avoid misrepresentation of the whole project and also loss of job or status.

2.2.3 BENEFITS/ ADVANTAGES OF MBO

There are four benefits that an organization gets from MBO, they are:

1. **Improvement of managing:** In MBO process, managers think about planning for results, to ensure that objectives are realistic. As all the members do their assign tasks themselves, they become more capable to manage their tasks independently in future.
2. **Clarification of Organization (Role & Responsibility):** Another major benefit of MBO is that it focuses the manager to clarify organizations rules, responsibilities and structures. Here, manager delegate authority to their sub-ordinates according to the result expected from them.
3. **Encouragement of Personal Commitment:** One of the major advantages of MBO is that it always encourages employees to commit themselves to their goals. In MBO-employees always feel happy because their immediate superior has full confidence on them , so employees are always dedicated to keep their commitments and to give better performances.
4. **Development of Effective Control:** Just because in MBO, the standard has been given to subordinate by superior, if there is any kind of deviation, the superior can control the subordinates immediately.

2.2.4 WEAKNESSES/ DISADVANTAGE OF MBO

Though MBO gives very good result, but many organizations could not achieve so good result by adopting MBO technique due to the following reasons:

1. **Failure to teach the philosophy of MBO to sub-ordinates:** It is one of the weaknesses of certain MBO program. Management must explain the subordinates in detail about- what it is? how it works, why it is being done etc.
2. **Failure to give guidelines to objective setters:** Sometime MBO is failed because the manager does not understand to give right guidelines to his subordinates to set the sub-objectives as well as to perform the task under MBO.

3. **Difficulty of setting verifiable goals:** There is difficulty in setting verifiable goals. Participants in MBO program should report to their immediate superior whenever they have difficulty. It is a big problem for the superior to verify the qualitative performance of his subordinates.
4. **Danger of inflexibility:** The danger of inflexibility can make manager hesitate to change the objective. In MBO, objective making is quite rigid in nature.
5. Emphasis on short-run goal, more than long-run goal.
6. Overuse of quantitative goals:

CHECK YOUR PROGRESS

- g. How many steps are there in the Planning Process?
- h. Which is the first step of planning process?
- i. Which is the fourth step of planning process?
- j. Which is the seventh step of planning process?
- k. How many types of planning are there?.
- l. A _____ is a plan which takes few factors into account and provides an optimal match between the organization and the environment Planning is the first step of management function for each and every level of managers and it is known as _____
- m. _____ are unlike procedures, guide action without specifying a time sequence.
- n. Which is the second step of MBO (Management by Objective) Process?
- o. 'Failure to give guidelines to objective setters' is a _____ of MBO.

2.3 CONCEPT AND DEFINITION OF ORGANIZING

ORGANIZING DEFINITION

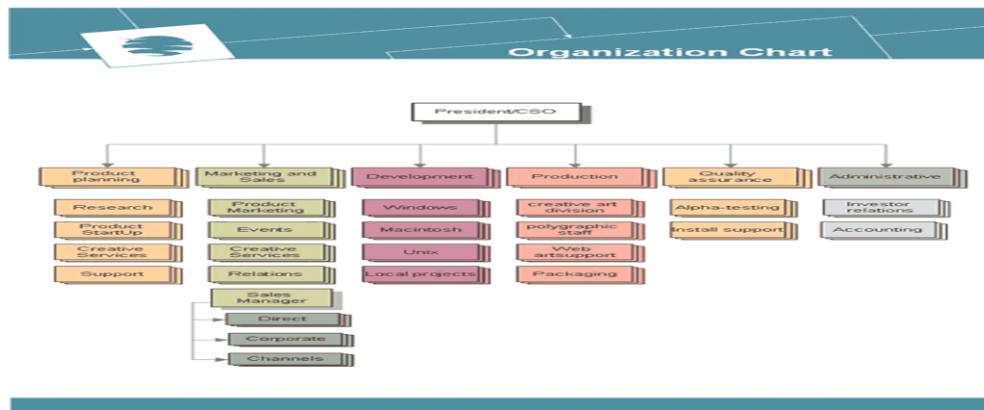
Division of work among groups of people. It determines- which work, which group of people will perform in an organization.

The process of arranging people and other resources to work together to accomplish a goal.

CONCEPT ABOUT ORGANIZING

- In organizing, managers create the structure of working relationships between organizational members that best allows them to work together and achieve goals.
- Managers will group people into departments according to the tasks performed.
- Managers will also lay out the lines of authority and responsibility for members.

Organising (Contd..)



Organizing means assigning the planned tasks to various individuals or groups within the organization and creating a mechanism to put plans into action.

So, Organizing is-

- Process of deciding where decisions will be made, who will perform what jobs and tasks, and who will report to whom in the company
- Includes creating departments and job descriptions.
-

Organizing viewed in relationship with the other management functions.

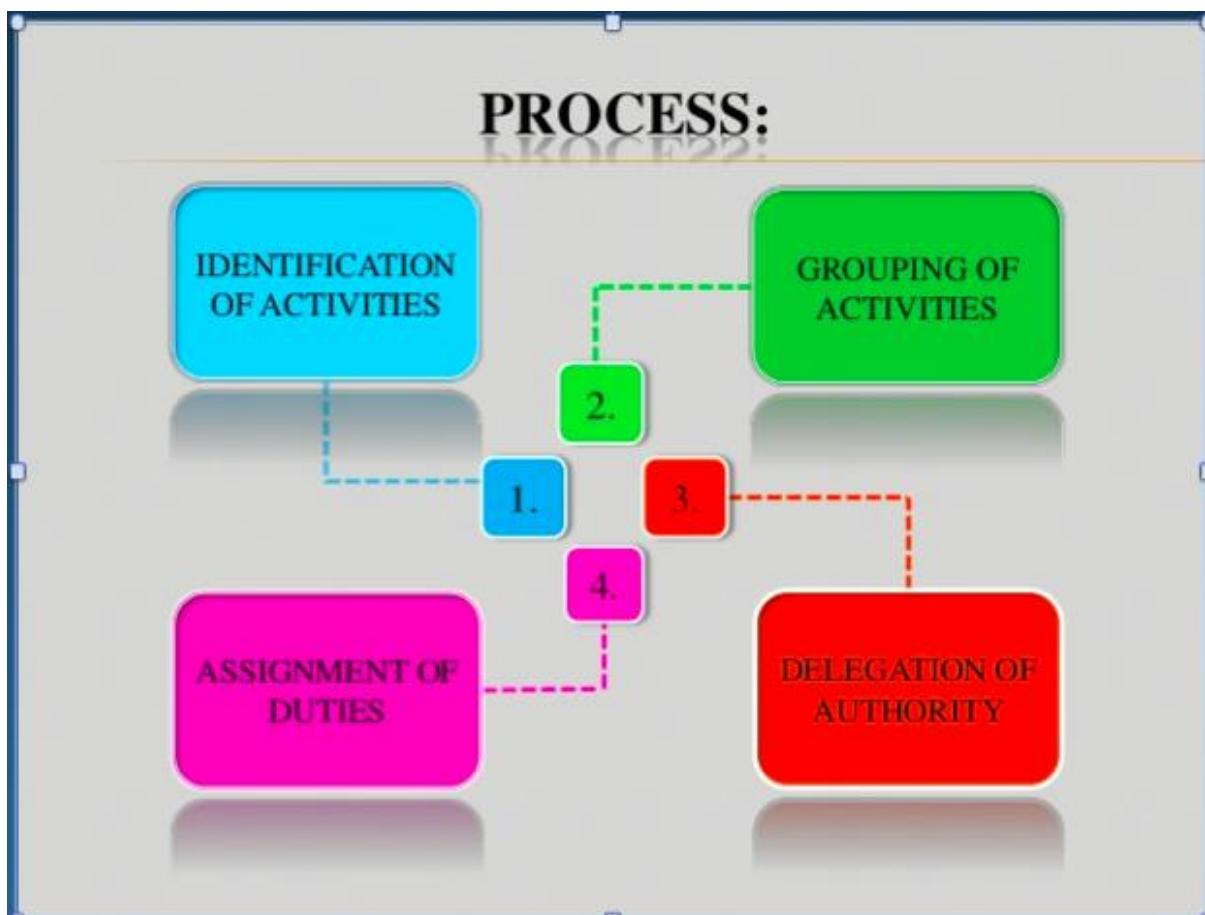


2.3.1 DEFINITION OF “ORGANIZATION STRUCTURE”

- *Organization structure* is the system of tasks, workflows, reporting relationships, and communication channels that link together diverse individuals and groups.
- An *organizational structure* is the outcome of organizing. This structure coordinates and motivates employees so that they work together to achieve goals.

2.3.2 PROCESS OF ORGANISING

Organising Process has four steps and they have given below:



PROCESS OF ORGANIZING:

- 1. Identification of Activities:** First step is to determine the tasks that must be performed to achieve the established objectives. Activities and jobs are building blocks of any organization. The activities to be performed depends upon the objectives, nature and size of the enterprise.
- 2. Grouping of Activities:** The various activities are the grouped into departments or divisions according to similarity and common purpose. Such grouping is necessary for the purpose of specialization, coordination and control. It may be grouped on various basis i.e. functions products, territories, customers etc depending on requirements.
- 3. Assignment of Duties:** Groups of activities or departments are then allotted to different positions. Every position is occupied by an individual best suited for it. The assignments of activities creates responsibility and ensures certainty of work performance. The process should be carried down to the lowest levels. It is basically done to avoid duplication of work and over-lapping efforts.
- 4. Delegation of Authority:** Every individual is given the authority required to carry out the responsibility assigned to him. A chain of command is created through successive delegation of authority. Different positions are linked vertically and horizontally by establishing formal authority. Every individual must know to whom he is accountable and who are his subordinates.

2.3.3 FUNDAMENTAL CONCEPT OF ORGANISING

FUNDAMENTAL CONCEPT OF ORGANIZING:

- **DIFFERENTIATION:** It means that an organization is composed of units that work on specialized tasks using different work methods and requiring employees with unique competencies.
- **INTEGRATION:** It means that the various units must be put back together so that work is coordinated.

2.3.4 NATURE OF ORGANISING

There are eight Nature of Organising and they have given below:

NATURE OF ORGANIZING:

1. Group of Persons
2. Common Objectives
3. Division of Work
4. Cooperative Efforts
5. Communication
6. Central Authority
7. Rules & Regulations
8. Dynamic Element

NATURE OF ORGANIZATION:

- **Group of Persons:** An organization is a group of people working together for the achievement of common objectives. The group may be large or small. An organization is a system of cooperative relationships of two or more persons.
- **Common Objectives:** Every organization has a common objectives distinct from personal objectives of the members. The common goal is the basis of cooperation among the members. The objectives of the organization are usually are made explicit

CONTD:

- **Division of Work:** An organization comes into existence when the total task is divided into the members of the group. Division of work is necessary not only because one individual cannot do all the work but specialization results in efficiency and effectiveness.
- **Cooperative Efforts:** The members of an organization are willing to help each other for the achievement of desired goals. Cooperative relationships are stabilized both vertically and horizontally among different units of the organization:

CONTD:

- ✿ **Communication:** People who form an organization communicates with each other in order to integrate or coordinate their efforts. The structure must be such that people can perform together efficiently.
- ✿ **Central Authority:** In an organization, there is a central directing authority which controls the concerted efforts of the group. The chain of authority- responsibility relationships is known as the chain of command.

- ✿ **Rules and Regulations:** For the orderly and systematic working of the members, rules and regulations are laid down and enforced by the central authority.
- ✿ **The Dynamic Element:** An organization is not a mere mechanical structure but a living organism arising out of the sentiments, attitudes, and behavior of people. The people are the material of construction that holds the structure together and gives it vitality.

2.3.5 PRINCIPLES OF ORGANIZING

1. Consider About Objective Unity

Since the enterprise's goals impact the structure of the organisation, it is important to initially establish the goals of the organisation. It is imperative that the entire organisation have a single, overarching goal.

2. Consider About Specialisation

Specialisation must be encouraged in an effective organisation. The organization's tasks must be broken down into functional divisions and staff assignments made in accordance with areas of expertise.

3. Preserves coordination across all tasks

Other department personnel, as well as other departments within the entire organisation, must maintain proper coordination.

4. Transfer of Power

In an organisation, appropriate authority should be assigned at the lowest levels. Delegation of authority must match accountability. As a result, each manager need to have sufficient power to complete the assignment given to him.

5. Assign Explicit Accountabilities

It is the superior's responsibility to answer for the actions of his subordinates. He has to assign his subordinate certain tasks. It is unacceptable for a superior to limit power delegation to his subordinates and avoid taking on responsibility themselves.

6. Control Span

A superior's ability to monitor a certain number of workers is limited, hence the scope of their authority should be kept to a minimum. This implies that an executive should only be tasked with managing a manageable number of subordinates.

7. Taking note of exceptions

Only extremely difficult problems should be directed to top-level management and executives due to their limited time; regular matters should be handled by lower-level subordinates.

8. Scalar Principles/ Chain of command

The line of authority from the top level to the lower level employees must be clearly defined.

9. Increase Efficiency & Effectiveness

The organization structure should enable the company to function efficiently and effectively, so that organization can attain its objectives with the lowest possible cost.

10. Simplicity in organization structure

Organisation levels should be kept to a minimum and the organisational structure as straightforward as feasible. An abundance of organisational structures makes collaboration and communication challenging.

11. Flexibility of organization structure

The organisation must be adaptive to changing conditions, flexible enough to allow for replacement and growth without upsetting or disrupting the fundamental structure.

12. Maintains Unity of Command

Unity of Command means –one subordinate must get an order from one superior who is just immediate to him in the organization structure. It is because, if an employee receives commands from many of his superiors at a time, it will be very confusing for him- whom to obey.

13. Maintains Proper communication channel

Organization structure must promote a system so that it can maintain a proper & formal chain of communication in the organization.

2.3.6 TYPES OF ORGANIZATION STRUCTURE

1. Types of Organization structure according to their “**Form**”-
 - a. Formal Organization Structure.
 - b. Informal Organization Structure.
2. Types of Organization structure according to their “**Span of Control**” –
 - a. Tall Organization Structure.
 - b. Flat Organization Structure.

2.3.7 FORMAL ORGANIZATION STRUCTURE

The structure of the organization in its official state.

Characteristics of Formal Organization

1. Well defined rules and regulations.
2. Arbitrary structure.
3. Work according to Objectives & Policies.
4. Every position has designation & status symbol.
5. Limits of all the activities of every individual.
6. Strict observations for Co-operation & Co-ordination.
7. Messages are communicated through Scalar Chain or formal chain of communication.

Informal Organization Structure

A “shadow” organization made up of the unofficial, but often critical, working relationships between organization members.

Possible benefits of non-formal structures:

1. Aiding individuals in completing their tasks.
2. Going beyond formal structural constraints.

3. Acquiring entry to social networks.
4. Informal learning.

Possible drawbacks of non-formal structures:

1. Could act against the organization's overall best interests.
2. Openness to hearsay.
3. Could include false information.
4. Could encourage aversion to change.
5. Redirecting labour efforts away from crucial goals.

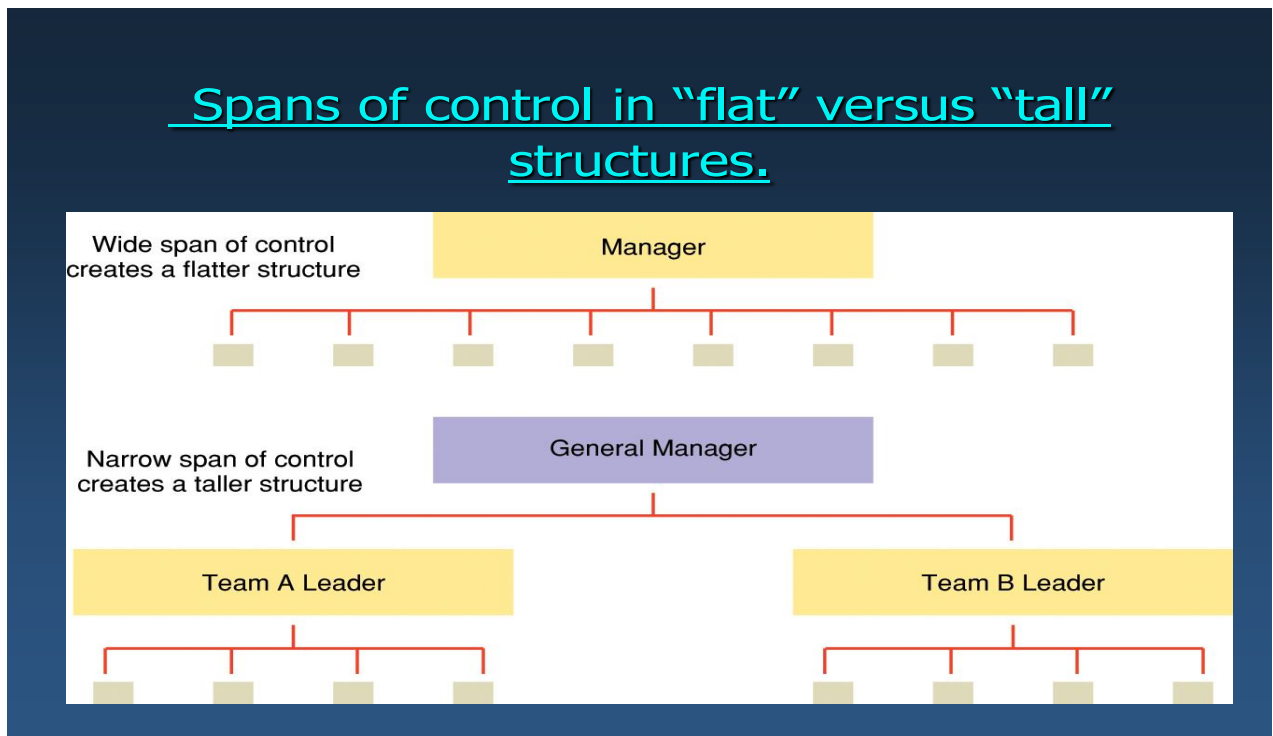
2.3.9 SPAN OF MANAGEMENT/ SPAN OF CONTROL

It is also called span of supervision.

DEFINITION of span of management or span of control

Span of Control or Span of anagement can be defined as the number of subordinates that a manager directs and supervises. The number of subordinates reporting directly to a Manager /supervisor.

SPANS OF CONTROL IN “FLAT” VERSUS “TALL” STRUCTURES



About SOC

- Some managers are able to supervise more subordinates than others.
- As the number of subordinates varies, so form wide and narrow span and so form Tall and Flat organization structure.
- The smaller or narrower the span, the more levels of management will be required.
- The bigger or wider the span, the less levels of management will be required.

2.3.10 TYPES OF SPAN

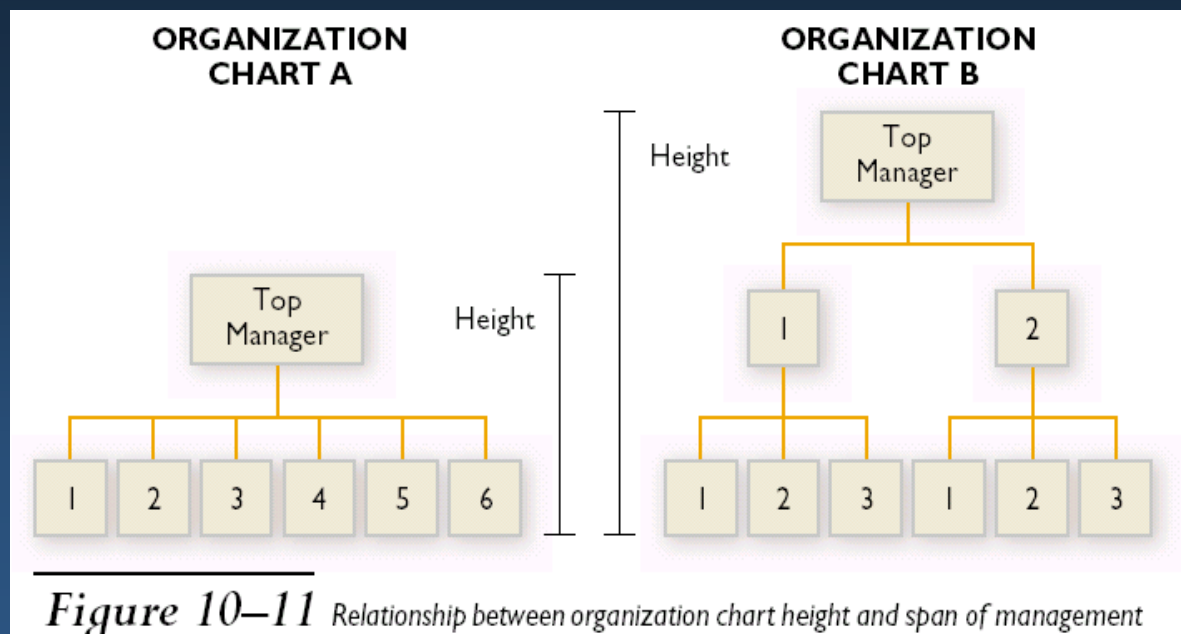
Types of Span

- Wide spans: larger number of direct reports.
- Narrow spans: fewer number of direct reports.

Tall vs. Flat Organizations

- Tall organizations: more management layers and more hierarchical controls.
- Flat organizations: fewer management layer and fewer hierarchical controls .

Flat and Tall Organization Structure



I. FLAT ORGANIZATION STRUCTURE

Advantages of Flat organization structure

1. Superiors are forced to delegate.
2. Clear policies must be made.
3. Sub-ordinates must be clearly selected.

Disadvantages of Flat organization structure

1. Overload superior for decision making
2. Danger for superior (due to loss of control)
3. Problem if doesn't have quality manager.

II. TALL ORGANIZATION STRUCTURE

Advantages of Tall organization structure

1. Get close supervision.
2. Get close control.
3. Fast communication between superior & subordinates.

Disadvantages of Tall organization structure

1. Many levels exist, so many problems arise.
2. High cost due to many levels of employees.
3. Excessive distance from top to bottom levels.

2.3.11 FACTORS DETERMINING THE SPAN OF MANAGEMENT

1. Competence of the supervisor
2. Competence of the subordinates/ Trained or Untrained
3. Clarity of plans.
4. Rate of change
5. Communication Technique
6. Amount of personal contact needed
7. Repetitive work
8. Number of functions
9. Nature and importance of the activities performed
10. Sub-ordinates willingness to take responsibility.
11. Maturity of sub-ordinates.
12. Interaction between superior and subordinates.
13. The dynamics and complexity of the activity to be performed
14. The degree to which a comprehensive set of standards and procedures are available to guide subordinates
15. Availability of self-directed teams

2.3.12 DEPARTMENTATION

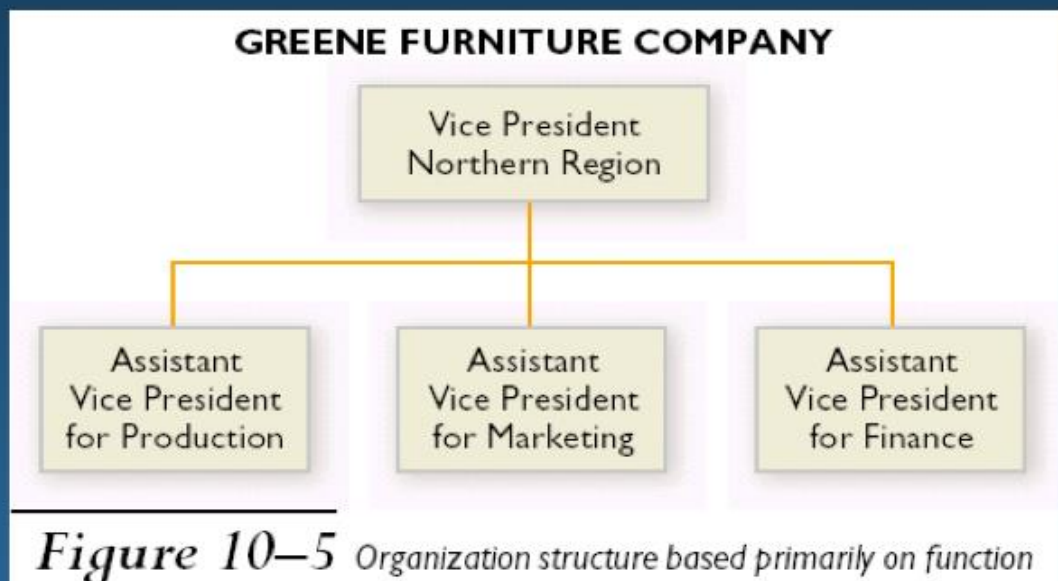
The process through which an organization's activities are grouped together and assigned to managers; the organization-wide division of work.

The process of grouping the similar activities of an organization into units/departments is called departmentation.

The units are grouped by the following methods:

- Functions
- Process and equipment
- Territory or location
- Customer
- Product

Organization structure based primarily on Function



Organization structure based primarily on Process

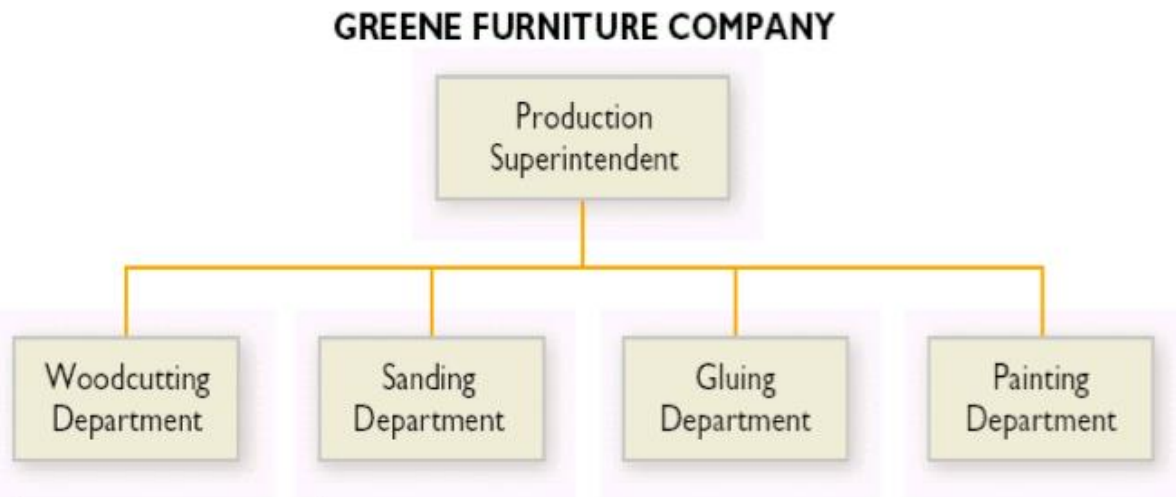


Figure 10-9 Organization structure based primarily on manufacturing process

Organization Structure based primarily on Territory

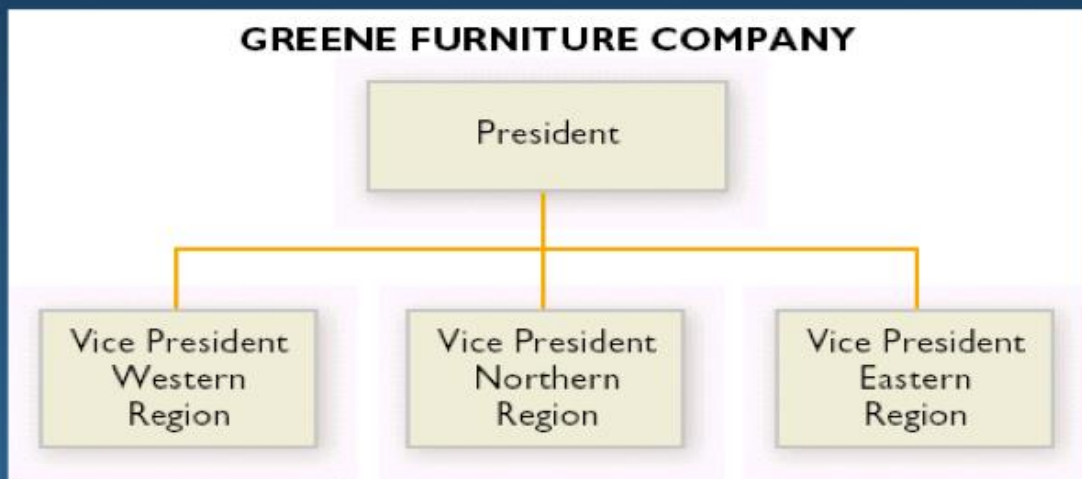
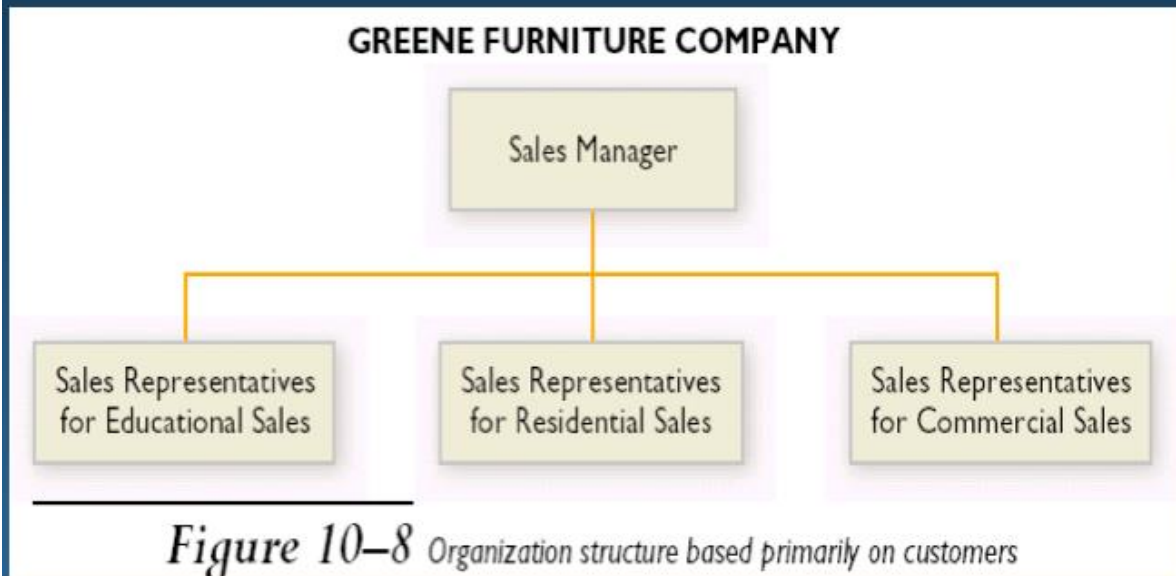
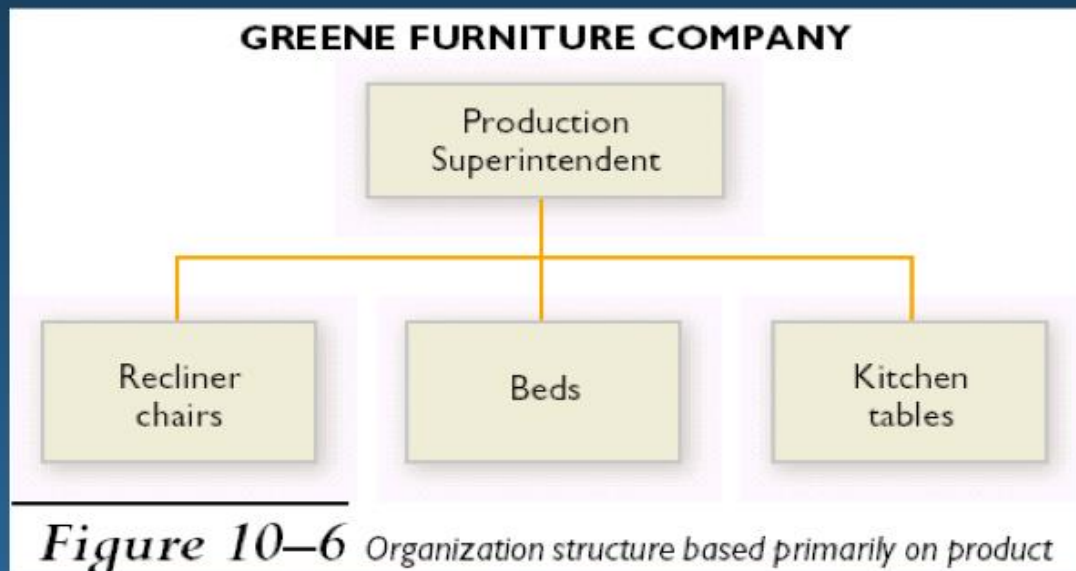


Figure 10-7 Organization structure based primarily on territory

Organization structure based on Customers



Organization structure based primarily on Product



Combined Organization Chart

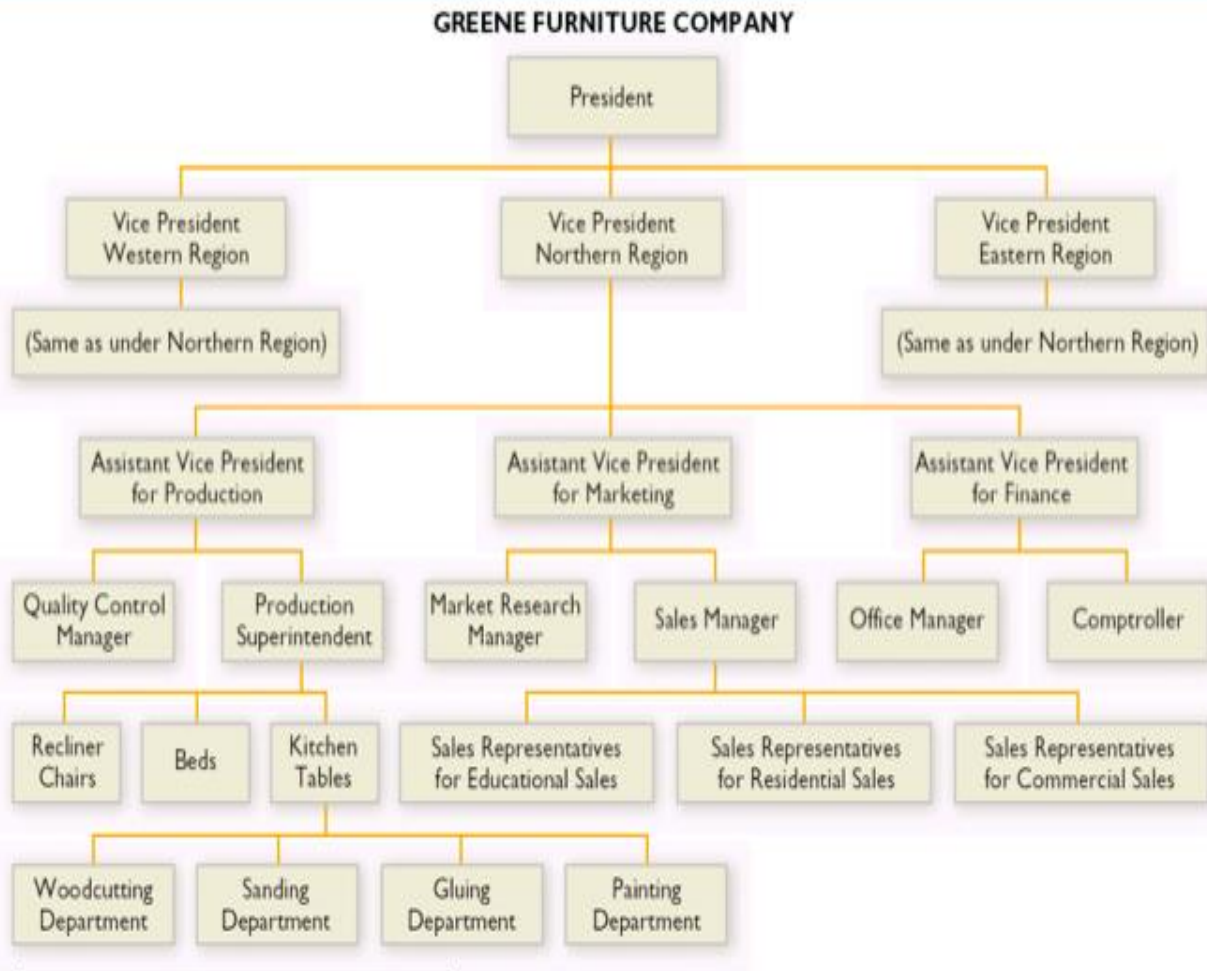


Figure 10–10 Combined organization chart for Greene Furniture Company

CHECK YOUR PROGRESS

- p. How many steps are there in the Organising Process?
- q. Which is the first step of Organising process?
- r. _____ means –one subordinate must get an order from one superior who is just immediate to him in the organization structure.
- s. _____ has larger number of direct reports.
- t. _____ has fewer number of direct reports.
- u. ‘Get close supervision’ is an advantage of _____ organisation behaviour.

2.4 LET US SUM UP

The Unit-2 provides a comprehensive coverage on the subject matter of first two management functions that are Planning and Organising. This unit explains various characteristics of Planning along with types of planning and Planning process. It also explains the concept of Management by Objective. This chapter also gives the knowledge about the second Management function Organizing. It helps the students to get acquainted with basic concept of Organising like –span of control, Organisation structure, Departmentation etc.

2.5 REFERENCE

1. Steiner, George A, 'Top Management Planning' Macmillan, New York, 1969.
2. Koontzn, H. and O'DonnelC. Essential of Management–Tata MGH.
3. Robins S.P. and Decenzo D.A., Fundamentals of Management, Pearson education, New Delhi, 5thedition,2009
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5. Rao V.S.P .and Bajaj P.S Excel books, New Delhi, 1stedition, 2005.
6. Anderson D.R., An Introduction to mgt science, Thomson publication, Australia, 11thEdition, 2007

2.6 ANSWER TO CHECK YOUR PROGRESS

- a. Planning
- b. Flexibility of Planning
- c. External
- d. Planning
- e. Primacy of planning
- f. Disadvantage
- g. Eight
- h. Being aware of opportunities
- i. Identifying different alternatives
- j. Formulating plans
- k. Eight
- l. Strategy
- m. Rules
- n. Clarifying Organizational roles among Sub-ordinates
- o. Disadvantage
- p. Four
- q. Identification of Activities
- r. Unity of Command
- s. Wide spans
- t. Narrow spans
- u. Tall

2.7 MODEL QUESTIONS

1. What is Planning? Mention any six characteristics of Planning. Explain any six significances of Planning.
2. “There exist many advantages & disadvantages of Planning”- Explain those.
3. Explain various steps of Planning Process usually adopted in an organisation.
4. “There are various types of Planning”- Justify.
5. What do you understand by MBO? Explain characteristics of MBO. Write any three advantages and three disadvantages of MBO.
6. Define Organizing. Write the Fundamental Concepts of Organizing. Explain the Nature of Organizing.
7. What do you understand by the Organizing Process? Explain all the steps of Organizing Process. Mention various Principles of Organizing.
8. Define Organization Structure. Explain the types of Organization structure based on ‘Forms’.
9. Write the characteristics of Formal & Informal Organization structure.
10. What do you understand by ‘Span of Control’? Mention two different types of Span. Write the advantages as well as disadvantages of Tall & Flat Organisation Structure.
11. “There are various factors that influence Span of Control in an organisation”- Explain.
12. What do you understand by the word “Departmentation”? Explain various types of Departmentation with the help of diagram.

UNIT-III

STAFFING, DIRECTING AND CONTROLLING

A. COURSE CONTENTS

B. UNIT OBJECTIVE

C. INTRODUCTION

D. LEARNING OUTCOMES

A. COURSE CONTENT

- 3.1 Concept and definition of Staffing
 - 3.1.1 Significance, Importance and Function of Staffing
 - 3.1.2 Sub-functions of Staffing
- 3.2 Concept and definition of Directing
 - 3.2.1 Nature & Characteristics of Directing
 - 3.2.2 Significance/ Functions of Directing
- 3.3 Concept and Definition of Co-ordination
 - 3.3.1 Principles of Co-ordination
- 3.4 Concept and Definition of Controlling
 - 3.4.1 The Controlling Process
 - 3.4.2 Types of Control
 - 3.4.3 Control Techniques
 - 3.4.4 Modern Control Aids/ Real Time Information
 - 3.4.5 Requirement of Effective Control
- 3.5 Let Us Sum Up
- 3.6 Reference
- 3:7 Answer to check Your Progress
- 3:8 Model Questions

B. UNIT OBJECTIVE

After studying this Unit, students will be able to:

1. Attain a general level of competence in Staffing functions of Management.
2. Give students the knowledge about Directing functions of Management
3. Have a better understanding about Controlling functions of Management

C. INTRODUCTION

Effective staffing practices are critical for building a capable and motivated workforce that drives organizational success. By investing in recruiting, selecting, placing, training, retaining, and managing employees strategically, organizations can cultivate a culture of excellence and achieve their objectives efficiently.

D. LEARNING OUTCOMES

The content and assessments of this Unit have been developed to achieve the following learning outcomes:

1. Students will learn about Staffing functions of Management
2. Understand the various concepts of Directing.
3. Understand the concept of Coordination and Controlling functions of Management.

3.1 CONCEPT & DEFINITION OF STAFFING

Filling and keeping the position provided by the organization structure with the right people is called staffing.

Shortly, Staffing can be defined by “Right people for the right job”.

3.1.1 SIGNIFICANCE/ IMPORTANCE/FUNCTIONS OF STAFFING

- It helps in discovering of talented and competent workers and developing them to move up in the economy ladder.
- It ensures greater production by putting the right man in the right job.
- It helps to prevent under utilization of employees.
- It helps in providing information to management about unanticipated problems.
- It helps to avoid sudden shortage of employees related to turn over. (due to under-utilization & over-utilization)

3.1.2 SUB-FUNCTIONS OF STAFFING

- **Recruitment** or getting applicants for the job.
- **Selection** of well qualified who is best suited for the job.
- **Training** those who need further introduction to perform their work efficiently.
- **Performance appraisal**- to know the performance of each and every employees.
- **Administration of compensation plans**- to motivate employees and to make many decisions.

3.2 CONCEPT & DEFINITION OF DIRECTING

It is the interpersonal aspect of managing employees by which- subordinates are lead to understand, and then contribute effectively and efficiently to the attainment of enterprise objectives.

3.2.1 NATURE & CHARACTERISTICS OF DIRECTING

- Harmony & Unity of Objective
- Unity of Command
- Direct Supervision
- Efficient & Effective Communication
- Follow through

3.2.2 SIGNIFICANCE/ FUNCTIONS OF DIRECTING

There are three major functions of “Directing”, they are-

1. Giving orders to sub-ordinates
2. Leading and Motivating employees
3. Checking their performance

3.3 CONCEPT AND DEFINITION OF CO-ORDINATION

- Co-ordination is the management of interdependence in work situation.
- It is the orderly synchronization and fitting together of the interdependent efforts of individuals in order to attain a common goal.
- It is the orderly arrangement of group effort to provide unity of action to get common goal.
- It is the ability to carry different operations smoothly.

3.3.1 PRINCIPLES OF CO-ORDINATION

- 1. Co-ordination should start in the early stage.
- 2. Co-ordination should attain by direct contact.
- 3. It should have reciprocal relation between different functions or units or department.
- 4. It should be maintained continuously.

CHECK YOUR PROGRESS

- a. _____ can be defined by “Right people for the right job” Which is the first step of Organising process?
 - b. ‘Recruitment or getting applicants for the job’ is a sub-function of _____.
 - c. Unity of Command is a characteristics of _____.
 - d. Giving orders to sub-ordinates is a function of _____.
 - e. _____ is the management of interdependence in work situation.
 - f. ‘Co-ordination should start in the early stage’ and it is one of the _____ of co-ordination.
-

3.4 CONCEPT AND DEFINITION OF CONTROLLING

Process by which a person, group, or organization consciously monitors performance and takes corrective action.

Concept about Controlling

- In controlling, managers evaluate how well the organization is achieving its goals and takes corrective action to improve performance.
- Managers will monitor individuals, departments, and the organization to determine if desired performance has been reached.
- Managers will also take action to increase performance as required.
- The outcome of the controlling function is the accurate measurement of performance and regulation of efficiency and effectiveness.

3.4.1 THE CONTROLLING PROCESS

There are three steps in “Control Process”, they are-

- 1. Establish objectives and standards.
- 2. Measure actual performance & Compare results of actual performance with objectives and standards.
- 3. Take necessary action. (If deviation takesplace).

1. Establish Objectives and Standards

- The control process begins with planning and the establishment of performance objectives.
- Performance objectives are defined and the standards for measuring them are set.

2(a). Measuring Actual Performance

- Measurements must be accurate enough to spot deviations or variances between what really occurs and what is most desired.
- Without measurement, effective control is not possible.

2 (b). Comparing Results with Objectives and Standards

The comparison of actual performance with desired performance establishes the need for action.

3. Taking Corrective Action

- Taking any action necessary to correct or improve things.
- Managers give attention on substantial differences between actual and desired performance.
- If gap is there and it is “positive”, no need for corrective action.
- If gap is “negative”, corrective action is required.

3.4.2 TYPES OF CONTROL

There are three types of Control.

1. Preliminary Control/ Feed Forward Control.
2. Concurrent/ Steering Control.
3. Post-action/ Feedback Control

1. Preliminary/ Feed forward Control

- This control starts before a work activity begins.
- They make sure that proper directions are set and that the right resources are available to accomplish them.

6. Concurrent/ Steering Control

- Focus on what happens during the work process.
- They monitor ongoing operations and activities to make sure that things are being done correctly.

7. Post-action/ Feedback Control

- This control takes place after an action is completed.
- They focus on end results, as opposed to inputs and activities.

3.4.3 CONTROL TECHNIQUES

There are different types of Controlling Techniques, they are-

1. Budgeting-

It is the formulation of plans for a given future period in numerical terms.

2. PERT- (Project Evaluation & Review Tech)

It is a time-event network technique.

3. Zero-base Budgeting-

This technique divides the enterprise programs into packages composed of goals, activities and needed resources and then to calculate cost for each package.

4. Special Report

5. Personal Observation

6. Operational Audit

3.4.4 MODERN CONTROL AIDS/ REAL TIME INFORMATION

It is the control system to give the information about – what is happening while it is actually happening- to have a good immediate control.

Ex- ATM (how much money withdrawn & available)

3.4.5 REQUIREMENT OF EFFECTIVE CONTROL

1. Tailoring controls to specific plans & position.
2. Tailoring controls to specific manager/ employee.
3. Designing control to point out exceptions at critical points.
4. Seeking objectivity of control.
5. Get flexibility of control.
6. Fitting the control system to organizational culture.
7. Achieving economy of control.
8. Establishing controls that lead to corrective action.

CHECK YOUR PROGRESS

- g. Which is this process where a person, group, or organization consciously monitors performance and takes corrective action?
 - h. How many steps are there in the Controlling Process?
 - i. How many types of Controlling Process are there?
 - j. ‘Establish objectives and standards’ is the _____ step of Controlling Process.
 - k. ‘Take necessary action’ is the _____ step of Controlling Process.
 - l. Which control starts before a work activity begin?
 - m. Which Control focus on what happens during the work process ?
 - n. Which control takes place after an action is completed ?
 - o. _____ is the formulation of plans for a given future period in numerical terms.
 - p. _____ is a time-event network technique
-

3.5 LET US SUM UP

The Unit-3 provides a comprehensive coverage on the subject matter of management functions that are Staffing, Directing, Coordinating and Controlling. This unit explains various significance, Importance and sub-functions of Staffing. It also explains the concept of Directing, its characteristics, significance and importance in an organisation. Concept, definition and principles of Coordination have also been explained over here. This chapter also gives the knowledge about the Controlling Process, various types of Control, controlling techniques as well as requirements of effective control.

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1. Koontzn, H. and O'DonnelC. Essential of Management–Tata MGH.
2. Robins S.P. and Decenzo D.A., Fundamentals of Management, Pearson education, New Delhi, 5thedition,2009
3. Robbins S.P/JugdeTA, Essentials of Organisational Behaviour, Pearson Education,10th Edition, 2011.
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5. Anderson D.R., An Introduction to mgt science, Thomson publication, Australia, 11thEdition, 2007

3.7 ANSWER TO CHECK YOUR PROGRESS

- a. Staffing
- b. Staffing
- c. Directing
- d. Directing
- e. Co-ordination
- f. Principles
- g. Controlling
- h. Three
- i. Three
- j. First
- k. Third
- l. Feed Forward Control
- m. Concurrent Control
- n. Post-action
- o. Budgeting
- p. PERT

3.8 MODEL QUESTIONS:

1. What do you understand by the word '**Staffing**'. Explain the Sub-functions of Staffing'.
2. "There are various Importance/Functions of Staffing"- Explain.
3. What do you understand by '**Directing**'. Explain the Nature & Characteristics of Directing in an organization.
4. Explain various Significance of Directing.
5. Define Coordination. Write the Principles of Co-ordination.
6. 'Co-ordination should start in the early stage'- Justify.
7. Define Controlling Process. Explain various steps of Controlling Process.
8. "There are various Control Techniques adopted in an organisation"- explain those.
9. What do you understand by 'Controlling function'? Explain various types of Control.
10. Explain various requirements of Effective Control in an organisation.



UNIT IV

ORGANIZATIONAL BEHAVIOR

A. COURSE CONTENTS

B. UNIT OBJECTIVE

C. INTRODUCTION

D. LEARNING OUTCOMES

A. COURSE CONTENT

- 4.1 Introduction to Organisational Behaviour
- 4.2 Concept and Definition of Organizational behavior
- 4.3 Goals of Organizational Behavior
- 4.4 Fundamental Concepts of Organizational Forces
- 4.5 Fundamentals Concepts of main Organizational Forces in detail
- 4.6 Contributing Discipline of Organization Behavior
- 4.7 Models of Organizational Behavior
 - 4.7.1 Basic OB Model, Stage I
 - 4.7.2 Basic OB Model, Stage II
- 4.8 Challenges and Opportunities for OB
- 4.9 Let Us Sum Up
- 4.10 Reference
- 4.11 Answer to check Your Progress
- 4.12 Model Questions

B. UNIT OBJECTIVE

After studying this Unit, students will be able to:

1. Attain a general level of competence in Organisational Behaviour.
2. Give students the knowledge about Organisational Forces
3. Have a better understanding about Organisational behavioural Models

C. INTRODUCTION

Organizational behavior provides valuable insights and tools for managers and leaders to understand, predict, and influence employee behavior and organizational outcomes. By applying OB principles and practices, organizations can create a positive work environment, foster employee engagement and commitment, and achieve their goals more effectively.

D. LEARNING OUTCOMES

The content and assessments of this Unit have been developed to achieve the following learning outcomes:

1. Students will learn about various concept of Organisational Behaviour.
2. Gain Knowledge about various Organisational Forces
3. Understand the concept of Organisational behavioural Models.

4.1 INTRODUCTION TO ORGANIZATION BEHAVIOR

What Managers/Officers/*administrators Do-*

Managerial /Officers' Activities

Make decisions

Allocate resources/employees

Direct activities of others to attain goals

WHERE OFFICERS WORK

What is Organization/ Department

A consciously coordinated social unit, composed of two or more people, that functions on a relatively continuous basis to achieve a common goal or set of goals.

4.2 CONCEPT AND DEFINITION OF ORGANIZATIONAL BEHAVIOR (OB):

A field of study that investigates the impact that individuals, groups, and structure have on behavior within organizations, for the purpose of applying such knowledge toward improving an organization's effectiveness.

4.3 GOALS OF ORGANIZATIONAL BEHAVIOR

1. To make all employees understand one common language of organization.
2. To understand – why people behave in different/ particular way.
2. To understand and predict future Employee's behavior.
4. To control and development of required human activities, to increase organizational effectiveness.

4.4 FUNDAMENTAL CONCEPTS OF ORGANIZATIONAL FORCES

1. People/ Employees

It makes internal social system.

2. Structure/ Organization Structure

It is represented by the organizational levels and organizational chart.

3. Technology/ Procedure

It represented by the types & kinds of technology/procedure that the organization has.

4. Environment

It is the combination of internal as well as external environment.

CHECK YOUR PROGRESS

- a. A consciously coordinated social unit, composed of two or more people, that functions on a relatively continuous basis to achieve a common goal or set of goals is known as _____.
 - b. Which makes internal social system?
 - c. _____ is represented by the organizational levels and organizational chart.
 - d. _____ is the combination of internal as well as external environment
-

4.5 FUNDAMENTALS CONCEPTS OF MAIN ORGANIZATIONAL FORCES IN DETAIL

- A. Nature of People.
- B. Nature of Organization

A. Components of Nature of People

1. Individual Differences
2. Perception
3. A Whole person
4. Motivated behavior
5. Desire for involvement
6. Value of the person

B. Components of Nature of Organization

1. Social system
2. Mutual interest
3. Ethics

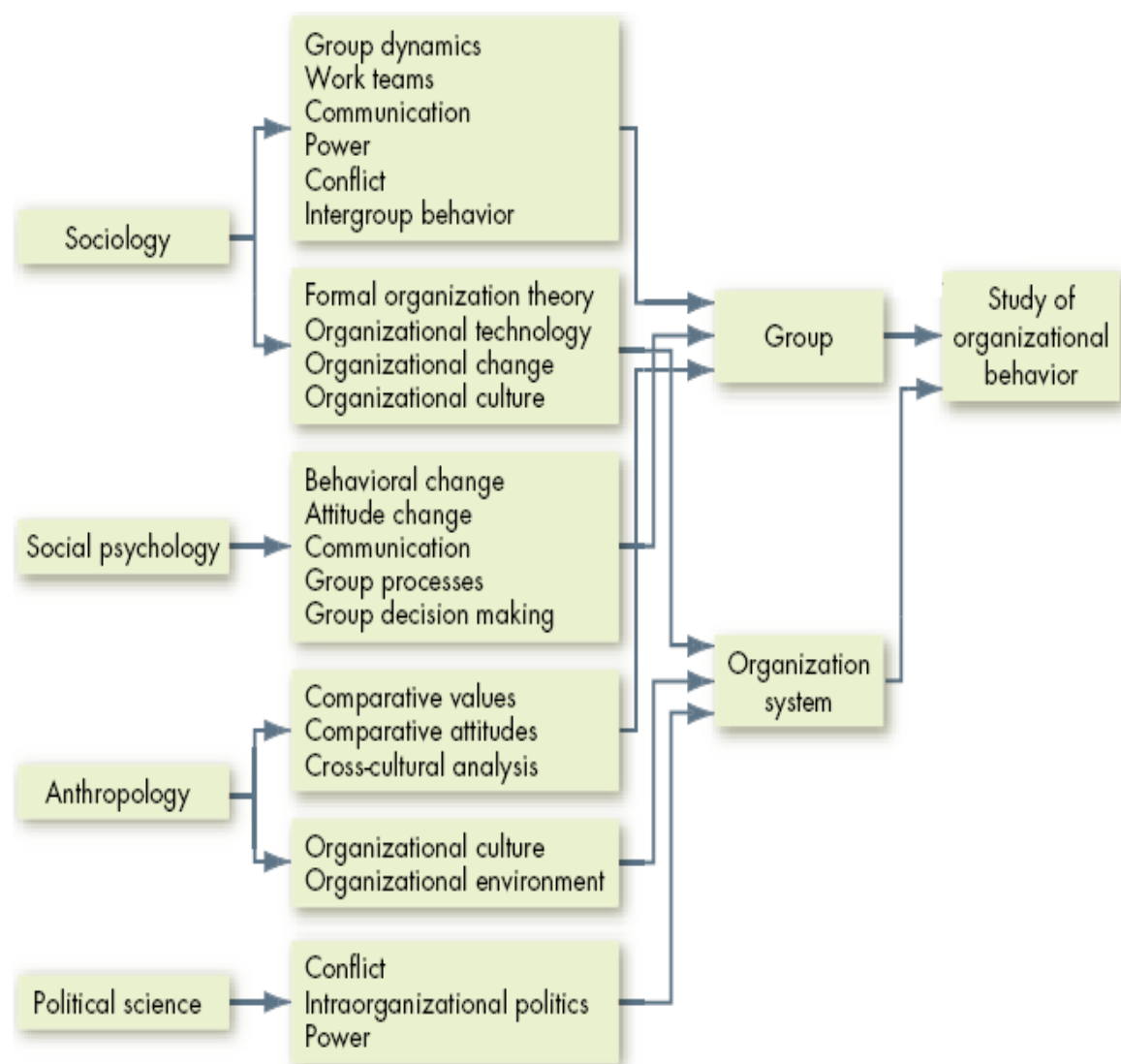
4.6 CONTRIBUTING DISCIPLINE OF ORGANIZATION BEHAVIOR

1. **Psychology:** It is the study of understanding individual behavior.
 2. **Sociology:** Study of social system and people in relation to their fellow beings.
 3. **Social Psychology:** It focus on the influence of people with one another.
 4. **Anthropology:** It is the studies of societies to learn about human beings.
 5. **Political Science:** It is the study of behavior of individuals and groups within a political environment.
-

CHECK YOUR PROGRESS

- e. Individual difference is a component of nature of _____ .
- f. Social system is a component of nature of _____
- g. _____ is the study of understanding individual behavior.
- h. _____ is the Study of social system and people in relation to their fellow beings.
- i. _____ focus on the influence of people with one another.
- j. _____ is the studies of societies to learn about human beings.
- k. _____ is the study of behavior of individuals and groups within a political environment.

Contributing Discipline of Organization Behavior



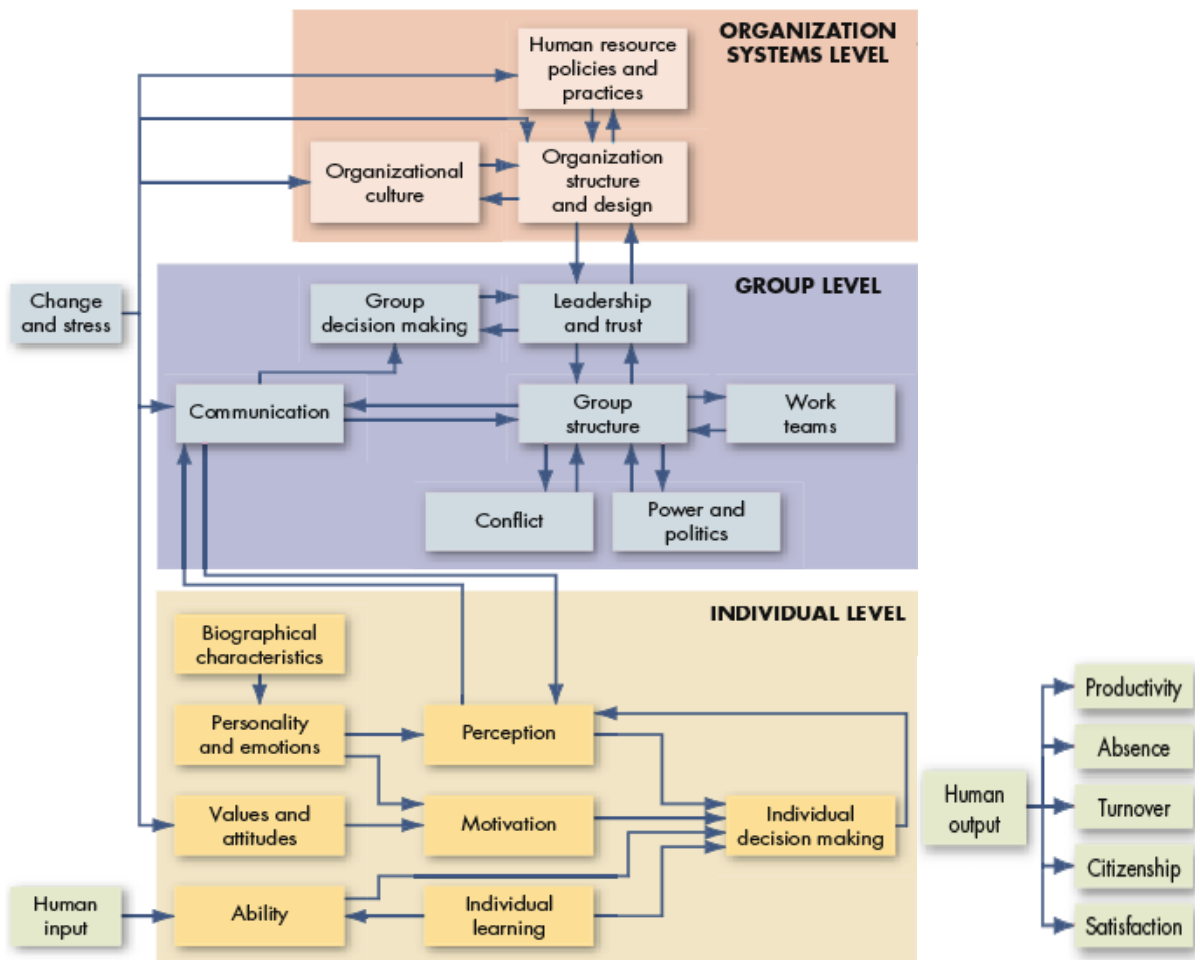
4.7 MODELS OF ORGANIZATIONAL BEHAVIOR

4.7.1 Basic OB Model, Stage I

An abstraction of reality. A simplified representation of some real-world phenomenon.



4.7.2 Basic OB Model, Stage II



Organizational Behavior Variables according to OB Model II

There are two types of variables exist in Organization Behavior, they are;

1. Independent Variable
2. Dependent Variable

1. Independent variable

The presumed cause of some change in the dependent variable.

Independent Level Variable divided into three sub-variables, they are-

- a. Individual Level Variable
- b. Group Level Variable
- c. Organizational System Level Variable

2. The Dependent Variables

a. Productivity

A performance measure that includes effectiveness and efficiency.

Effectiveness: Achievement of goals.

Efficiency: The ratio of effective output to the input required to achieve it.

b. Absenteeism

The failure to report to work.

c. Turnover

The voluntary and involuntary permanent withdrawal from an organization.

d. Citizenship

It is a feeling of ownership towards the organization. People become more dedicated and loyal to the organization.

e. Job satisfaction

A general attitude toward one's job, the difference between the amount of reward workers receive and the amount they believe they should receive.

4.8 CHALLENGES AND OPPORTUNITIES FOR OB

1. Responding to Globalization

- a. Increased foreign assignments
- b. Working with people from different cultures

2. Managing Workforce Diversity

- a. Embracing diversity
- b. Changing country's demographics : Gender, Age, Race, Culture, National origin, Religion, Disability etc.

3. Improving Quality and Productivity

- a. Quality management (QM)
- b. Process reengineering

4. Responding to the Labor Shortage

- a. Changing work force demographics
- b. Fewer skilled laborers
- c. Older workers

5. Improving Customer Service

- a. Increased expectation of service quality
- b. Customer-responsive cultures

4.9 LET US SUM UP

Various goals and fundamental forces of Organisational Behaviour have been explained in this Unit. Contributing discipline of Organisational behaviour is explained over here. Organisational Models and components of nature of People as well as nature of Organisation is also explained here. The chapter has also explained about various Challenges and opportunities of Organisational Behaviour.

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1. Luthans F, Organisational Behaviour, McGrawHill Companies, 8th Edition, 1998
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4.11 ANSWER TO CHECK YOUR PROGRESS

- a. Organisation
- b. People/Employees
- c. Organisation Structure
- d. Environment
- e. People
- f. Organisation
- g. Psychology
- h. Sociology
- i. Social Psychology
- j. Anthropology

4.12 MODEL QUESTIONS

1. Define 'organization/Department'. What do you understand by 'Organization Behaviour'? Explain various Goals of Organization Behaviour.
2. What are the Fundamental Concepts of Organizational Forces?
3. Explain various components come under "Nature of People" as Organizational Forces.
4. Explain various components come under "Nature of Organization" as Organizational Forces.
5. Explain various Contributing Discipline of Organization Behaviour.
6. Explain the Basic OB Model of Stage I with the help of a neat diagram.
7. Explain the Basic OB Model of Stage II by mentioning various Independent & Dependent variables of Organisational Behaviour.
8. 'There exist many challenges and opportunities for OB'- Justify.

UNIT V

FOUNDATIONS OF INDIVIDUAL BEHAVIOR

A. COURSE CONTENTS

B. UNIT OBJECTIVE

C. INTRODUCTION

D. LEARNING OUTCOMES

A. COURSE CONTENT

5.1 Concept And Definition Of Personality

5.1.1 Personality Trait

5.1.2 Personality Traits And Behavior

5.1.3 Factors Of Personality

5.2 Concept And Definition Of Perception

5.2.1 Perception Process

5.2.2 Factors Influencing Perception Process

5.3 Concept And Definition Of Attitude

5.3.1 Components/ Elements Of Attitude

5.4 Concept And Definition Of Value

5.4.1 Types Of Value

5.5 Let Us Sum Up

5.6 Reference

5.7 Answer to check Your Progress

5.8 Model Questions

B. UNIT OBJECTIVE

After studying this Unit, students will be able to:

1. Give students the knowledge about Personality.
2. Give students the knowledge about Perception.
3. Give students the knowledge about Value

C. INTRODUCTION

Understanding the foundation of individual behavior is essential for managers and leaders to effectively manage and motivate employees, foster a positive work environment, and enhance organizational performance. By recognizing and addressing individual differences and dynamics, organizations can better leverage the strengths and talents of their employees to achieve their goals.

D. LEARNING OUTCOMES

The content and assessments of this Unit have been developed to achieve the following learning outcomes:

1. Students will learn about various concept of Personality.
2. Gain Knowledge about various Concept of Perception.
3. Understand the concept of Attitude.
4. Gain Knowledge about various Concept of Value.

5.1 DEFINITION & CONCEPT OF PERSONALITY

The sum total of ways in which an individual behave, react and interact with others is called Personality.

5.1.1 PERSONALITY TRAIT

Enduring characteristics that describes an individuals behavior is called Personality Trait.

5.1.2 PERSONALITY TRAITS AND BEHAVIOR

Sr. no	Personality Trait	Personality and Behavior
1.	Warmth	Outgoing & Easygoing
2.	Reasoning	Bright, Intelligent & Mental capacity
3.	Emotional Stability	Adaptive & Stable
4.	Dominance	Assertive, Aggressive & Competitive
5.	Liveliness	Cheerful & Enthusiastic
6.	Role-consciousness	Beautiful Role bound & Moralistic
7.	Social Boldness	Uninhibited
8.	Sensitivity	Intuitive, Sentimental & Sensitive

5.1.3 FACTORS OF PERSONALITY

There are five factors that influence Personality of a person, they are:

1. **Hereditary:** Personality traits get from parents.
 2. **Family:** Personality traits get from family member
 3. **Society:** Personality traits get from Society.
 4. **Culture:** Personality traits get from different culture.
 5. **Situation:** Personality traits get from different situations/surroundings.
-

CHECK YOUR PROGRESS

- a. The sum total of ways in which an individual behave, react and interact with others is called _____.
 - b. What is the personality trait of a person who has behaviour like Bright, Intelligent & Mental capacity?
 - c. What is the personality trait of a person who has behaviour like Assertive, Aggressive & Competitive ?
 - d. Which is that factor of Personality where a person gets his personality traits from his parents ?
 - e. Which is that factor of Personality where a person gets his personality traits from his surroundings ?
-

5.2 CONCEPT & DEFINITION OF PERCEPTION

A process of Receiving, Selecting, Organizing, Interpreting, Checking and Reacting a stimuli is called Perception.

5.2.1 PERCEPTION PROCESS

Perception Process has six steps, they are-

1. Receiving
2. Selecting
3. Organizing

4. Interpreting

5. Checking

6. Reacting

1. Receiving: In this step the perceiver receive different stimuli with the help of his sensory organs.

2. Selecting: In this step, the perceiver select only those stimuli in which or where he is concerned for.

3. Organizing: In this step, the perceiver organizes all the selected stimuli and try to make some information out of it.

4. Interpreting: Here, the perceiver go through the information, analyze all the information and try to make some conclusion.

5. Checking: Here, the perceiver check whether it is true or not- the conclusion that he has already made.

6. Reacting: Here, the perceiver reacts how he wants after checking.

5.2.2 FACTORS INFLUENCING PERCEPTION PROCESS

Perception Process gets influenced by three factors, which again get influenced by many sub-factors, they are-

PROCESS	FACTORS	SUB-FACTORS
Perception Process	1. Perceiver	a. Attitude
		b. Motive
		c. Interest
		d. Past Experience

	2. Target/Perceived	a. Attractiveness
		b. Proximity
		c. Physical Looks
	3. Situation	a. Time
		b. Place

CHECK YOUR PROGRESS

- f. A process of Receiving, Selecting, Organizing, Interpreting, Checking and Reacting a stimuli is called _____.
- g. How many steps are there in the perception Process?
- h. Which is the second step of Perception process?
- i. Which is the fifth step of Perception process?
- j. Under which factor of Perception, the sub-factor 'Attitude' comes?

5.3 DEFINITION AND CONCEPT OF ATTITUDE

It is the favorable and unfavorable opinion about an object, idea and person.

CONCEPT

Favorable Opinion  Positive Attitude

Unfavorable Opinion Negative Attitude



Opinion Attitude Behavior



5.3.1

COMPONENTS/

ELEMENTS OF ATTITUDE

There are three components of Attitude, they are-

1. **Cognitive Component-** It is a component of mental processing. It influences thinking, knowing, remembering, judging and so help in problem solving.
 2. **Effective Component-** It is the components of feelings. It influences any individual feeling to make an attitude towards something.
 3. **Behavioral Component-** It is an intention to behave in certain ways towards someone. This component influences the behavior of a person to make attitude.
-

CHECK YOUR PROGRESS

- k. The favorable and unfavorable opinion about an object, idea and person is called _____.
 - l. How many components or elements of Attitude are there?
 - m. _____ is a component of mental processing.
 - n. _____ is the components of feelings.
 - o. _____ is an intention to behave in certain ways towards someone.
-

5.4 DEFINITION AND CONCEPT VALUE

It is a specific code of conduct which is personally and socially more preferable than other mode of conduct.

5.4.1 TYPES OF VALUE

There are six types of values, they are-

Types of Value	Definition
1. Political Value	If a person gives value to power.
2. Religion Value	If a person gives value to different religion or any specific religion.
3. Social Value	If a person gives value to people and society.
4. Economic Value	If a person gives value to money and other resources.
5. Aesthetic Value	If a person gives value to nature and its beauty.
6. Educational Value	If a person gives value to knowledge and learning.

CHECK YOUR PROGRESS

- p. How many types of Values are there?
 - q. Due to which value, a person gives importance to Power?
 - r. Due to which value, a person gives importance to Religion?
 - s. Due to which value, a person gives importance to People?
 - t. Due to which value, a person gives importance to Resources?
-

5.5 LET US SUM UP

Concept about various Individual Behaviour have been explained in this Unit. Individual behaviour Personality and its various traits are explained over here. Perception process and various factors that influence Perception process is also explained here. The chapter has also explained about Values and various types of Values.

5.6 REFERENCE

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5.7 ANSWER TO CHECK YOUR PROGRESS

- a. Personality
- b. Reasoning
- c. Dominance
- d. Heredity
- e. Situation
- f. Perception
- g. Six
- h. Selecting
- i. Checking
- j. Perceiver
- k. Attitude
- l. Three
- m. Cognitive component
- n. Effective component
- o. Behavioural component
- p. Six
- q. Political Value
- r. Religion Value
- s. Social Value
- t. Economic Value

5.8 MODEL QUESTIONS

1. Define **Personality**. Write about various factors that influence Personality of an individual.
2. Explain the Personality & thereby the behaviour of an individual who has the personality traits- **Warmth, Reasoning, Emotional Stability, Dominance, Liveliness, Role-consciousness, Social Boldness and Sensitivity**.

3. What do you understand by the word “Perception”. Explain the Perception Process in detail.
4. Mention various factors & sub-factors that influence the Perception Process.
5. What do you understand by the word ‘Attitude’? Explain various components of Attitude.
6. Define ‘Value’. Explain various types of Value.
