CHALIMBANA UNIVERSITY

DIRECTORATE OF DISTANCE EDUCATION

PYS 4100: INDUSTRIAL AND ORGANISATIONAL PSYCHOLOGY

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First Edition

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ACKNOWLEDGEMENT

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MODULE OVERVIEW

Introduction

The course presents theories and principles of Industrial and Organisational Psychology (I/O) and how these apply to, and contribute to the management of a range of human resource issues in the workplace.

Rationale

This course will equip you with skills that will enable you manage human resource in work places.

Course aims

The course aims to equip students with theories of Industrial and Organisational Psychology (I/O) and how these apply to, and contribute to the management of a range of human resource issues in the workplace.

Learning Outcomes

By the end of the course, you are expected to;

- explain the history and major perspectives underlying the field of I/O psychology.
- describe the I/O research methods used in investigating problems in the workplace.
- identify factors and psychological processes that influence individual and group behavior in workplaces.
- apply appropriate I/O theories and methods to practical human resource concerns in the work place.

Summary

This module covers the Psychology of work place.

Study skills

As an adult learner, your approach to learning will be different to that of your school days you will choose when you want to study. You will have professional and/or personal motivation for doing so and you will most likely be fitting your activities around other professional or domestic responsibilities.

Essentially you will be taking control of your learning environment. As a consequence, you will need to consider performance issues related to time management, goals setting, stress management, etc. perhaps you will also need to reacquaint yourself in areas such as essay planning, coping with examinations and using the internet as a learning source.

Your most significant considerations will be time and space i.e. the time you dedicate to your learning and the environment in which you engage in that learning. It is recommended that you take time now before starting your self-study to familiarise yourself with these issues. There are a number of excellent resources on the web. A few suggested links are: http://www.how-to-study.com/ and http://www.ucc.vt.edu/stdysk/stdyhlp.html

Time frame

You are expected to spend at least three terms of your time to study this module. In addition, there shall be arranged contact sessions with lecturers from the University during residential possibly in April, August and December. You are requested to spend your time carefully so that you reap maximum benefits from the course. Listed below are the components of the course, what you have to do and suggestions as to how you should allocate your time to each unit in order that you may complete the course successfully and no time.

Required resources

Text books and module.

Need help

In case you have difficulties in studying this module don't hesitate to get in touch with your lecturers. You can contact them during week days from 08:00 t0 17:00 hours. Mr Moono

Maurice mmoono.75@gmail.com Tutorial Room 3,. You are also free to utilise the services of the University Library which opens from 08:00 hours to 20:00 hours every working day.

Assessment

Continuous Assessment	50%
One Assignment	25%
One Test	25%
Final Examination	50%
Total	100

REFERENCES

Required Readings

1. Aamodt, M.G. (2013) *Applying Psychology to Work (7th Edition)*
   UK: Wadsworth Cengage Learning

2. Muchinsky, P.M. (2011) *Psychology Applied to Work (10th Edition)*
   Hypergraphic Press

3. Luthans, F (2007) *Organisational Behaviour (11th Edition)*
   McGrawHill

Recommended Readings

1. Arnold, J. & Randall, R. et al (2010) *Work psychology: Understanding Human Behaviour in the Workplace (5th Edition)* Essex: Pearson Education Limited,

2. Cascio, W.F. & Aquinis, H. (2010) *Applied Psychology in Human Resource Management (7th Edition)* Prentice Hall

3. Furnham, A. (2005) *The Psychology Of Behaviour at Work The Individual in the Organisation (2nd Ed*) Psychology Press

4. Jex, S.M. & Britt, T.W. (2008) *Organisational Psychology A Scientist-Practitioner Approach (2nd Edition)* New Jersey: John Wiley & Sons Inc.

5. Riggio, R.E. (2012) Introduction *to Industrial and Organisational Psychology (6th Ed)* Peaeson Education

6. Spector, P.E. (2006) *Industrial and Organisational Psychology: Research and Practice (4th Edition)* USA: John Wiley & Sons

7. Steers, R.M. & Black, J.S. (1994) *Organizational Behavior (5th Edition)*
   New York: HarperCollins College Publishers.

UNIT 1: HISTORY OF INDUSTRIAL AND ORGANISATION PSYCHOLOGY

1.1 Introduction

Welcome to this first unit, of this module you will learn about the history of industrial and organisation psychology.

Throughout history, individuals and organizations have attempted to understand work behaviour. By the turn of the twentieth century, industrial psychology emerged as a way to meet these needs scientifically. This part of psychology applies scientific methods to theoretical and practical questions about work behaviour.

1.2 Learning Outcomes

By the end of this unit, you are expected to;

- discuss the history of Industrial and Organisational Psychology.
- analyse the importance of Industrial Psychology.

1.3 Time Frame

You need about six (2) hours per week to interact with this material.

1.4 Content

- History of Industrial Psychology

One of the first of the industrial-organizational (I-O) psychologists was likely Hugo Munsterberg, a German trained by Wilhelm Wundt and chosen by William James in 1892 to head the Harvard psychology laboratory. Munsterberg conceptualized and studied selecting the best worker for the job and designing jobs to best fit workers. He applied experimental methods to practical business problems in his comprehensive text, Psychology and Industrial Efficiency (1913). His work was largely ignored until recently.

An individual commonly credited as the founder of industrial-organizational psychology is Walter Dill Scott, also trained by Wundt. Scott’s status derives from his early texts on advertising and his founding of the first personnel consulting firm. Another main figure whose involvement was indirect was an industrial engineer, Frederick W. Taylor. While Munsterberg and Scott concentrated on individuals, Taylor focused on the organization with his Principles of Scientific Management (New York. 1911). Taylor's ideas served as a lightning rod for many early I-O psychologists who objected to his engineering approach.

Almost all psychologists were employed in academia in these early years. Cattell worked at Columbia, Munsterberg at Harvard, Scott at Northwestern, and Bingham at Carnegie Tech (where he started the first specialized training program). Applications usually consisted of businessmen soliciting the help of academics for personnel selection.

Through the accomplishments of these early psychologists, the field made significant contributions to the American efforts in World War I. The needs of the military to select, place, and train thousands of recruits—as well as the need to staff domestic munitions factories—provided opportunities and challenges. Robert Mearns Yerkes headed the group of psychologists who concentrated on testing recruits, while Scott and Walter Van Dyke Bingham formed a group that focused on selection of officers. These efforts resulted in the first large-scale group intelligence testing (army Alpha and Beta tests) as well as the development of personality, psychopathology, and skills checklists.

The advances made by industrial-organizational psychologists during the war were transformed into practical applications in the years that followed. Examples include the early studies of illumination and productivity at the Hawthorne Electric Works by Elton Mayo. Several psychologists (including Marion Bills and Henry Link) entered corporations as personnel consultants. Additional landmarks in industrial-organizational psychology during this period included establishment of training programs and sophistication of statistical techniques. Following Bingham's pioneering program at Carnegie Institute of Technology (1916-1924), Ohio State University developed a doctoral specialization during the 1920s. as did the University of Minnesota and Stanford. Regression and factor analysis techniques added to the statistical tools available to researchers and practitioners.

The 1930s brought the Great Depression and with it, social disruption (unemployment) and Roosevelt's New Deal. This situation provided new topics of study (for example, effects of unemployment on self-concept), decreased use of employer testing and training, and increased emphasis on the human condition.

During this era, the later results of the Hawthorne studies highlighted the importance of social relations and employee attitudes in the workplace, helping to create the human relations movement in research and management. This paradigm allowed for the inclusion of the worker's perspective—in addition to the employer's perspective—on workplace issues. It also brought attitude surveys and structured interviews into use as research tools. Noteworthy is the fact that industrial-organizational psychology was also relatively uninfluenced by the hegemony of behaviourism.

Other advances included the formation of the Minnesota Employment Stabilization Research Institute and research conducted by Kurt Lewin and associates. Lewin especially addressed a range of topics pertinent to industrial and organizational psychology, such as leadership effects on productivity, job satisfaction, group dynamics, and expectancy theory. Additionally, it was out of the work of Lewin and his students that "action research" emerged. In this strategy, researchers and participants collaborate to develop knowledge.

The number of universities offering doctoral programs with emphases on industrial and organizational psychology increased during this period, as did the number of I-O psychologists (there were approximately 100 individuals in the United States who identified themselves as such by 1939). During the late 1930s, the Dictionary of Occupational Titles first appeared, as did the American Association for Applied Psychology—an organization founded by and for applied psychologists.

World War II brought more of the same opportunities and challenges to I-O psychologists as had World War I. Bingham and Yerkes were again called on to guide efforts for the military. Psychologists succeeded in developing several research programs of significance to the understanding of work behaviour. Among these were the Army General Classification Test (AGCT) and the Aircrew Classification Test Battery, assessment centre methods, and innovative performance appraisal methods.

Just as after World War I these advancements were "translated" to business settings. Additionally, the war provided opportunities for a wide range of academic and applied psychologists to work together. These relationships enriched the overall knowledge base of I-O psychology and facilitated post-war associations, including the merger of the American Psychological Association and the American Association for Applied Psychology into the present structure of divisions organized around sub disciplines.

Other developments during this period included racial integration, gender issues, and an increased emphasis on Lewinian industrial social psychology. The latter brought the organizational branch of industrial and organizational psychology into full partnership with the industrial vein.

Training programs in I-O psychology were also affected by events following World War II, with substantial increases in the number of new doctoral programs, the expansion of existing programs, and establishment of master's degree programs. The graduates of these programs increasingly found work in corporate and government settings, and to a lesser extent in consulting firms. The primary opportunities remained in academic and military positions. By 1960 there were approximately 756 I-O psychologists in the United States.

The 1960s brought many new forces to the world of work, including the civil rights movement, diversity issues, the Vietnam War, exponential advances in technology, a decline in national productivity, recognition of problems in the educational system, and a shift of focus in business from manufacturing to service, which presaged the information age. This list of forces captures the breadth and seriousness of the changes of this time period. These individual changes, as well as the pervasive tendency of modern culture to rapid metamorphosis, are redefining the science and work of industrial and organizational psychologists.

The range of topics under consideration grew exponentially from this time forward, making a comprehensive listing almost impossible. Great strides were made in the area of job analysis, with improvements in both theory and application. The Position Analysis Questionnaire (PAQ), the functional job analysis method, and the behaviourally anchored rating scale (BARS) are exemplary developments during the 1960s and 1970s. Validation and test fairness became essential considerations, with I-O psychologists having to defend tests in the face of antidiscrimination laws. An emphasis on cognitive abilities and interest in meta-analyses of test validities were two of the responses to these challenges.

On the organizational side of the spectrum, motivation became a main line of research. Vroom summarized his translation of expectancy theory in 1964. Locke proposed his goal setting model in 1968, and Deci conceptualized intrinsic motivation in 1975. Two major research programs, one at Cornell and the other at the University of Minnesota, developed scales for assessing job satisfaction. Other organizational research focused on job enrichment, organizational withdrawal, job involvement, and the reciprocal effects of organizations and persons.

By 1980 there were approximately 2.000 industrial and organizational psychologists in the United States, nearly a threefold increase over two decades. Doctoral training guidelines were published by APA in 1965, and the number of programs increased dramatically throughout this period. Training emphasis shifted from an academic-scientist orientation to a scientist-professional model. Employment settings for I-O psychologists were primarily in universities, corporations, and government agencies; however, there were increases in external consulting opportunities.

From the mid-1980s to the present, the workplace change dynamic of the earlier periods not only persisted, but accelerated. In addition to producing several topics of interest to industrial and organizational psychologists, this situation has generated interest in the nature of change itself, the forces that create the changes, and individual reactions to change.

The nature of change itself has received a great deal of attention, particularly in terms of psychological dynamics. Raymond Katzell (Triandis, Dunnette, & Hough, 1994) identified and elaborated 12 metatrends in industrial and organizational research. Temporal factors associated with work are his first major trend. Forces creating change that have been identified by I-O psychologists include economic concerns in industry due to decreases in productivity relative to the global market, increased diversity in the work force, turbulence in the environment, and the accelerated pace of mergers and acquisitions.

The topics identified above continue to be of major interest to the field; however, they are now being considered in novel ways. For instance, item response theory and structural equation models have emerged as important statistical tools for studying multidimensional structure and change. Additionally, the cognitive paradigm provides a basis for understanding and influencing performance appraisal, leadership, and abilities. Also, personality has again arisen as an individual difference variable—this time with more predictive power than in the past on the basis of meta-analytic evidence. This resurrection is due to improved measurement of the predictor constructs and better selection of criteria.

In addition to new approaches to classic topics, new topics appear. Labour relations has begun to receive attention by industrial and organizational psychologists it had historically been lacking. Worker health has received a great deal of recent attention, perhaps because of economic forces (such as health care costs) as well as investigation of worker-job it. On the organizational side of the discipline, issues of level in research and open-systems approaches have become guiding concepts in the field. Also, nonwork issues such as role conflict and child care have reached the research literature.

By 1997, there were 3,139 industrial and organizational psychologists in the Society for Industrial and Organizational Psychology. Training programs are increasingly professional in tone, perhaps following the lead of clinical psychology. Most of the I-O psychologists in the United States are involved in the practice side of the discipline, with a continued migration of consultants from in-house to external positions. Academia provides employment for approximately one third of I-O psychologists, which represents a major shift since the foundation of the discipline.

The history of the field represents many earnest attempts to understand and influence behaviour, broadly conceived, within organizations. In historical terms, great persons have seized opportunities provided by the environmental press, most notably during times of national crisis. Evaluatively, there have been persistent critics of the scope and generality of research findings, of the tendency of psychologists to be seen as agents of management, and of the dominance of methodological expertise at the expense of theoretical understanding. However, an exercise for the interested reader is to consider the constants and changes represented in three generations of handbooks, from the Handbook of Applied Psychology (Fryer & Henry, 1950) through Dunnette's first Handbook of Industrial and Organizational Psychology (1976) and Triandis, Dunnette, and Hough's (1994) second edition. Further historical details are contained in two special issues of the Journal of Applied Psychology (Katzell & Austin, 1992; Koppes, 1997).

Clearly, there are many more opportunities than threats, but the latter cannot be dismissed. The future of I-O psychology may depend on the discipline's ability to withstand centrifugal forces—those that provide diversity to the field but also disunity individual scientists. Additionally, the scientists and the practitioners in I-O psychology must work more closely if all are to survive. The issues of technology must be addressed carefully yet decisively in order to keep the discipline abreast of the challenges in the workplaces of the future, and globalization will be a persistent force influencing the field in the decades to come.

1.5 Importance of Studying Industrial Psychology

As Industrial Psychology is mainly concerned with studying different aspects of human behavior in the work environment, it has tremendous scope. The entire process of industrial management, dealing with people at work, the problems linked with industry and personnel management are all included in Industrial Psychology.

Hence, there is no aspect of Industrial management where industrial psychology is not put to use. Application of the techniques and principles of industrial psychology to different aspects of industrial management results in the efficient management of people at work.

1.6 Industrial Psychology is important in:

1.6.1 Understanding Human Relations:

By understanding the relations and group behavior existing between the individuals working in industrial organizations, it is possible to develop concepts and techniques of supervision, effective leadership, motivation etc. This knowledge can be applied in industrial management to increase efficiency of management.

1.6.2 Human Engineering:

Industrial Psychology is very important for understanding the work environment and human performance Human engineering or Engineering psychology or Human factor engineering is not possible without studying industrial psychology.

This is because human engineering in the study of man in his work environment, his work methods, the machine design, i.e., design of the equipment and tools used by him and the effect of work environmental conditions on his efficiency. Improving the work environment as advised by industrial psychologists leads to improvement in productivity and job satisfaction.

1.6.3 Recruitment, Selection and Placement:

Industrial psychology facilitates the appropriate matching of the requirements of a job, with the abilities of a prospective employee. This considerably reduces the cost of hiring, supervision and ultimately, production. By using psychological tests, candidates can be properly screened before recruitment. Accurate job analysis and standardized application forms also aid in recruiting the right personnel for a job.

The guidelines for the interviewer i.e., the knowledge of psychological principles to select right candidates by studying the information supplied by prospective employees in standardized application forms and the structured interviews, the body language and behavior, all help in proper selection and placement thereby reducing the problem of inefficiency and indiscipline in the industrial organization.

1.6.4 Development and Training of Personnel:

Industrial psychology provides knowledge of individual behaviour and individual differences. This knowledge can be measured for use in training of personnel to bring them up to a certain expected level of efficiency.

The techniques and principle of industrial psychology can be applied to train both workers as well as supervisors so that problems of supervision do not affect productive efficiency. Delegation, communication, motivation and leadership training imparted to managers increases their capabilities.

1.6.5 Accident Prevention:

It has been observed from various surveys that majority of the industrial accidents are preventable. Personal factors such as fatigue, monotony and boredom play an important role in accident prevention. Time and Motion studies conducted by F.W. Taylor are immensely helpful if used in safety programmes for accident prevention.

Fatigue studies also help in the analysis of factors leading to fatigue. If causes of fatigue are known, then solutions are also possible and thereby accidents caused due to fatigue also become preventable. Thus Industrial psychology cannot only help in identifying accident prove people but can also help in finding solutions to prevent accidents in industrial organizations.

1.6.6 Promotional Schemes and Wage and Salary Administration:

Based on the abilities performance and seniority of personnel, the management decides to promote, demote, transfer or discharge personnel employed in their organizations. Industrial psychology technique of Performance Appraisal brings out those abilities of personnel that aid the management in promotional schemes. It is no longer considered right in considering seniority as the guiding principle for promotion of personnel.

Job evaluation and Merit Rating techniques of Industrial Psychology are the scientific techniques for evaluating the worth of a job and the individual respectively. Based on these, the salary and wage-rates are fixed in the industry.

1.6.7 Motivation, Attitude and Morale:

Industrial psychology recognizes that needs or motives drive an individual to behave in a particular manner i.e., they are the causes of differences in human behavior. Industrial psychology plays an important role in determining the financial and non-financial incentives that can be used by industrial managements for motivating the personnel into working willingly and to his best ability in order to increase productivity.

Industrial psychological studies establish the relation between the attitudes of the employees and their performance. From these studies, the factors enhancing morale of personnel can be identified and incorporated into the working environment of employees' in order to increase their morale and job- satisfaction. It is clear that industrial psychology is very important for the purpose of improving management styles to yield maximum benefits.

1.7 Terminology

1. Industrial psychology: this is part of psychology which applies scientific methods to theoretical and practical questions about work behavior.

1.8 Activity

1. Discuss the history of industrial psychology.

1.9 Reflection

What do you think is the difference between industrial and organizational psychology?

1.10 Summary

In this unit, you have learnt about the history of industrial and organisational psychology. You have also learnt the importance of industrial psychology such as development and training of personnel, assisting with promotional schemes and wage and salary administration in the organisation. In the next unit, you will learn about organisation behaviour.

UNIT 2: ORGANISATION BEHAVIOUR

2.1 Introduction

Understanding how people and systems behave is vital to running a successful business as well as developing growing relationships with your employees and customers. Due to how relationships impact behavior, people tend to operate differently within a group or system than they do when they're all alone. Understanding this reality, as well as how to make it work for you rather than against you, can strengthen your business and help you reach your goals and projections more easily.

2.2 Learning Outcomes

By the end of this unit, you are expected to;

- discuss functions of management
- analyse Mintzberg organigraph.
- examine theories of organisation behavior.

2.3 Time Frame

You need about six (2) hours per week to interact with this material.

2.4 Content

- Organizational Behaviour Defined
- Complexity Theory and Organizational Behaviour
- French and Raven's Five Bases of Power
- Hybrid Organization Theory
- Informal Organizational Theory
- Resource Dependence Theory
- Team Management Flexibility
- Understanding Systems with Mintzberg's Organigraph
- Five Functions of Management
- The Role of Culture and Diversity in Organizational Behaviour in Business
- Culture in Organizational Behaviour
- The Impact of Diversity
- Encouraging Culture and Diversity in the Workplace

2.5 Organizational Behavior Defined

A good organizational behavior definition simply states that it's the study of how people behave and interact within groups. This includes studying group dynamics, job satisfaction, job performance, creativity, innovation and leadership. In studying organizational behavior, we want to find out what causes people and organizations to thrive and how to implement changes and new strategies to get businesses where they want to go.

While many managers and business leaders already think about these things on a regular basis, organizational behavior theories can help to speed up problem-solving and more quickly produce results. When your team is behind in meeting projections and you need a solid plan, it's a relief to know there's a solid body of knowledge there to help you craft a plan and proceed with confidence rather than trepidation.

2.6 Complexity Theory and Organizational Behavior

If you've ever sensed that your solutions and ideas about team structure are more rigid than reality, complexity theory could offer you an alternative way of doing things. An organizational behavior definition of complexity theory in business settings states that companies and workplace teams are more dynamic than rigid. Instead of functioning like a machine, they function as dynamic ecosystems, where every part impacts and is dependent on the other parts in order to be successful.

In this theory, when seeking to increase performance on a team, you'd consider each team member's relationship with one another as well as with the team as a whole. Your team members' level of engagement and role can shift over time with new projects, illnesses, the introduction of new team members, new policies and more. Instead of crafting rigid ideas about how the team must function forever, complexity theory leaves room for a certain level of dynamic flexibility and change.

2.7 French and Raven's Five Bases of Power

Most people who have ever worked in a corporate system or business have probably noticed that some people hold more influence than others in the organization, and the level of influence doesn't always correspond with their official title. An organizational behavior definition of power is often more dependent on relationships than titles.

In French and Raven's five bases of power, there are five identified sources of power that could help you figure out who has the most influence in your organization:

- **Legitimate:** Those with legitimate power are those who actually *do* hold the titles of power within your organization. These are managers, team leaders and executives. How much power they have depends on whether they also gain power from the other sources listed here or team up with others who do.
- **Reward:** People who have this kind of power earn it through their ability to reward others for doing what they're supposed to do. Reward isn't always financial. Often, it comes in the form of positive reinforcement or cheering others on.
- **Expert:** Most professional settings have someone in the mix who's famous for being incredibly knowledgeable and skilled at what they do. When others need information, they go to the expert who helps them learn what they need to know in order to succeed.
- **Referent:** Referent power comes through the ability to relate with others and practice incredible relational skills in the workplace. These individuals are well liked and respected because of who they are, their personality and their ability to unify people across their differences.
- **Coercive:** People who have coercive power tend to be the company manipulators who don't always have the best people skills. In contrast to those who have power through reward, these characters accumulate power through emotional punishment of others. These are generally not the healthiest people to team up with in your leadership, although awareness of them is important to managing them so they don't stand in the way of those who hold more positive and helpful forms of power.

2.8 Hybrid Organization Theory

Hybrid organization theory argues that people no longer have to choose between being an altruistic nonprofit or being a for-profit enterprise. In the organizational behavior definition of a hybrid organization, a company can be both altruistic and make a profit, as can teams and individuals within an organization. This model for organizational development and behavior is becoming more common with companies like Toms, Sevenly and Pura Vida paving the way.

Even if your company isn't an official hybrid organization, you can include these principles into the strategies you employ for managing your team. Consider organizing a team effort to make a difference for homelessness, human trafficking or another cause. As you reach certain team goals, your reward can be the opportunity to give back together.

2.9 Informal Organizational Theory

Of all the organizational theories, the informal theory is the one that best recognizes that there are often hidden systems within formal company structures. These informal organizations are the friendships and relationships formed between people in the organization. Suzy in accounting might eat lunch with Joe the CEO and become best buddies with Erica in the legal department. The three of them end up going on vacation together or enjoying weekend fun. This is an informal organization within the company.

If Suzy has a legal question about accounting, Erica is likely to help her out and Joe will probably back up whatever decisions the two of them make together. As a business leader, it's important to take note of friendships and other alliances that form within your organization. These informal alliances can help you to better achieve your goals. They can also stand in the way of them when they're not healthy.

2.10 Resource Dependence Theory

Most product-based industries are well acquainted with the resource dependence theory. This theory states that performance is often influenced by the availability of outside resources. For instance, the toy manufacturer relies on toy wheels from China to manufacture its toy cars. This can even be an issue in service professions like when quality internet signals determine whether or not a life coach can meet with clients on Zoom.

Some organizational behavior professionals also consider customers to be a resource. Without customers, your business can't thrive, so to ensure you're thriving, it's vital to maintain several streams for acquiring and retaining customers. When there are multiple sources available for attaining the resources needed for a business to thrive, this creates the security necessary for the people within the system to thrive.

2.11 Team Management Flexibility

No matter what organizational behavior theories you subscribe to, it's important to lead your team intentionally with focus and heart. If you find that one theory isn't helpful in your setting or isn't producing results, look into incorporating multiple theories into your leadership approach. For instance, some of the best managers recognize that there are internal systems (informal organization theory), outside influences (resource dependence theory), differing sources of power (French and Raven's five bases of power), ways to make a social difference (hybrid organization theory) and that things are always in flux (complexity theory).

2.12 Understanding Systems with Mintzberg's Organigraph

When attempting to use more than one theory of organizational behavior and understand how the complex systems in your business work, one of the most helpful tools could be Mintzberg's organigraph. Unlike organizational diagrams that only picture the hierarchical structure of the company, an organigraph also shows relationships, dynamics and patterns of communication between departments, teams, individuals and even outside suppliers.

In other words, instead of drawing the company's structure, when you create an organigraph you show how it actually works. For instance, in the engineering department of a telecommunications company, an organigraph would use hubs and webs to show how planning engineers interact with field engineers, upper management, customers and even that they go out to lunch with suppliers. If someone from the sales department wants information on suppliers, this organigraph would show them that the best person to call would be a planning engineer. A traditional organizational chart wouldn't show any of this.

2.13 Five Functions of Management

The study of organizational behavior recognizes the important role of management in leading their teams to success. You can incorporate organization behavior theories as you go about the five functions most essential to managing your team:

- **Planning:** In this stage of organizational behavior management, you're surveying the situation and dynamic while coordinating with others to determine which theories or tools would best help you lead your team to success.

- **Organizing:** During the organizational stage of managing your team, your job is to ensure the necessary tools, resources, systems and financial support are in place to affect the necessary changes.
- **Commanding:** Commanding isn't about shouting out orders but rather clearly conveying the plan and how things are going to work moving forward. In this stage, you're also answering employee questions and ensuring everyone is on the same page.
- **Coordinating:** During the coordination stage, you're responsible for tending to group dynamics in such a way that creates momentum and ensures everyone is moving in the same direction.
- **Controlling:** The controlling stage isn't about controlling others but rather controlling outcomes. During this stage, you ensure expectations are realistic, examine results and make any changes necessary to improve outcomes.

Organizational Behavior and Management Style

Whether you're commanding or shy, bubbly or down to business, the concepts and principles of human behavior in an organization setting, as well as the five functions of management, can apply to you. As long as you understand where your own strengths and growth areas are as a leader, you can plan around them and incorporate others on your team who make up for your deficits. Remember that management and organizational behavior is about relationships most of all, so keep your relational skills sharp and you're more likely to navigate the road to change with grace.

While understanding your team and the organization behavior dynamics that are at play within your company can help you lead your team to success, sometimes outside help is needed. If you've tried your best but things aren't improving, consider looking for an organizational behavior specialist. Someone in your company's human resources department could be trained in this or you could hire an outside consultant to come in and analyze the dynamics in your organization and craft a plan to help you move forward

2.14 The Role of Culture and Diversity in Organizational Behaviour in Business

Due to globalization, economic changes, and the ever-growing population, organizational behaviour tends to reflect the culture and diversity present in society. Unless you work alone or with an isolated demographic of people, it's quite likely that you will encounter someone who has a different background and culture than you in the workplace. This can be a co-worker, business associate, or client. In any case, it carries the potential that it will play a role in the organizational behaviour of your business.

This unit will look at what impacts culture and diversity have directly and indirectly on the organizational behaviour of a business. Also included will be ways in which employees and employers can encourage the healthy expression of diversity in the workplace and how businesses can handle issues.

2.15 Culture in Organizational Behaviour

Culture in organizational behaviour tends to apply to two different areas: the culture of the staff, and the culture of the workplace. One does influence the other and both can be forces of change and momentum for the business.[1] For many years, culture did not hold the same value in the workplace that it does today. Experts who were researching organizational behaviour in the 1980s began to notice that the culture backgrounds of the employees often impacted the culture of their work environment with successful outcomes, so long as the two were nourished and kept healthy.[2] They stressed the importance of culture in organizational behaviour, claiming that its influence could prove wildly successful for businesses and companies that apply the concepts correctly. Since then, many businesses have taken this advice to heart and work to create a professional culture within their working environment that is as beneficial as possible to productivity and employees.

The presentation and establishment of culture in the workplace is not always in control of the management or the employees, as workplace culture tends to develop based on the factors present. In that regard, there is more value on directing existing culture in the workplace to foster a positive impact than there is in creating the desired culture from scratch. The cultural traits of a business' staff members, customers, location, and the economy, amongst other factors, are going to impact the cultural atmosphere of the business whether management wants it to or not. Typically, management has control over the culture of the workplace through policies and documents like the company mission statement. These paradigms present as the roots of the business' office culture and shift the way the staff works together and individually in their tasks. Likewise, the and organizational structure of the business is going to set the business' culture as well since there is a division of power throughout its hierarchical setup.[3] The cultural backgrounds of those who carry power is going to impact their decision making for the business, which can shift its cultural dynamics any which way.

However, making changes to a business' organizational culture is no easy task. Change of any kind upsets the harmony of the business' environment, which can be reflected in the behavior of employees and in the quality of their work. Trying to make a major change in the culture of a company isn't necessarily going to be welcomed with open arms either. It disrupts routines and habits that the business has developed and the new rules that changes bring can be hard for employees to immediately follow without error. As much as management may want to make a drastic change or completely overhaul the culture of their business, it might not be a good idea to do it all at once. Their best bet is to make changes gradually to allow for adjustment and to give ample time for problems that arise to be handled. This means informing employees of what is going to happen in advance, updating material like the employee handbook, and encouraging feedback.

2.16 The Impact of Diversity

Diversity is a word that gets tossed around in society without any real explanation as to what it is and what it can do for an environment. In short, diversity is defined as the different traits and backgrounds of the people present in a group.[4] This can apply to age, gender, educational background, religion, language and culture, political beliefs, socioeconomic status, and orientation. The diversity of a business' staff members will often depend on the business' location, size, and industry.

Managing diversity is going to be dependent on any of those factors, which means that businesses need to be able to handle things on a case by case basis. There are significant benefits and challenges to diversity in the workplace, and management needs to be trained properly in order to handle either.[5] When properly addressed, diversity does present some advantages for businesses:

Learning-Diversity in any situation is a chance for others to learn about people who are different from themselves. In business, this can aid in the growth of individual employees and for the business as a whole by exposing them to new ideas and perspectives.[6] Interactions between co-workers of different backgrounds can help reduce prejudice and make it easier for them to work together.

Experience and Knowledge-The experiences a person has often are impacted by their background and cultural traits, which allows each employee to bring a unique set of skills and strengths into the business. Teams that have members with different skill sets tend to be able to combine their strengths to offset any weaknesses that prevent them from being efficient. Together, this can boost their productivity and make them adaptable to changes.

International Skills-With globalization become an integral part of business, it's more important than ever for companies to be able to interact in the global market. The diversity in a business may include employees who speak other languages and can work on customers and business partners directly. Diversity can also help when a company has multiple branches throughout the world, as the traits of an employee's cultural background can help them navigate in those locations.

Reputation-Since the diversity of the workforce is increasing, job seekers want to know that the businesses they are looking to work with can effectively handle issues of diversity. Employers who have a reputation for being fair to workers from all walks of life and having no tolerance for discrimination are far more appealing than employers who do not. It should be noted that those are also traits that other companies look for when the want to collaborate with another business, both locally and abroad.

Unfortunately, there can be some disadvantages for businesses when it comes to diversity:

Discrimination-Despite the business' best efforts, instances of discrimination can still occur with diversity. They are often based in prejudices, stereotyping, and misinformation and can have serious consequences for both those involved and the company itself.[8] It is the business' responsibility to establish what the policies are in regards to discrimination and to ensure that they follow any and all anti-discrimination laws.

Poor Interaction-It is not unheard of for workers of different backgrounds to clash culturally. A lack of understanding or misconceptions about a particular demographic can generate a ton of issues between the affected employees and their interactions. It damages communication and brings productivity and group cohesiveness down. In serious cases, it can create a hostile environment that damages the workplace culture and the business' organizational behaviour regardless of if it's isolated to a few people.

Authority and Training-While it's a good that business take the initiate in training their staff on diversity, it can be problematic if mishandled. There may be some resistance to diversity from staffers and they may see training as forcing them to accept unnecessary (to them) changes.[9] This may result in backlash and a breakdown in the relationship between staff and management. There's also no guarantee that those in places of authority will follow through on what they learned in training-strong-held beliefs and prejudices can be difficult to break through. As a result, diversity issues like discrimination can be left unresolved or worsened by someone with authority abusing their power.

2.17 Encouraging Culture and Diversity in the Workplace

Culture and diversity is not something that simple springs up overnight. Yes, you can have a new employee who has a different cultural background than the rest of the office, but as mentioned it's still a gradual development. Even then, there's no guarantee that it will have any impact on the business if that bit of diversity that the person brings isn't encouraged. As with other aspects of organizational behaviour, culture and diversity cannot play a role in a business if they're not actively participating.

Encouraging culture and diversity amongst the staff often falls to those in management, via their policies and leadership. If you want to encourage diversity in your business amongst your employees, then they need to know that in the first place as well as what, if any, restrictions or limitations are in place per company policies. Making that information available through an accessible source like the employee handbook or through the company's human resources department is a good idea. You also can do some of the following:

Practicing Inclusion-Inclusion involves looking at individual needs and trying to make sure that those needs are met, supported, and respected.[10] This often means that businesses need to make sure that they are offering the right resources for their staffers, taking into account their backgrounds and capabilities. It allows for employees to know that they are welcomed at work regardless of whatever differences they may have from their peers. Practicing inclusion tends to put everyone on a level playing field, which can prevent delays in production or inhibit group cohesion. Businesses that practice inclusion tend to need to look at what they currently offer for their employees and figure out what can be improved. This may mean that policies have to be updated or that new resources need to be made available. The business will should also consider revaluating themselves regularly to ensure that they are continuing to meet the needs of their employees and customers.

Education-People may be unfamiliar with the culture of their peers at work and some questions may be raised. As the diversity of a workplace increases, this may happen and it may become an issue if there are misunderstandings. Opening up the pathways for education about other cultures can be a great way to encourage cultural expression and diversity. Doing so can ease some of the tension for those trying to avoid cultural faux pas, satisfy some curiosity, and improve intrapersonal relations and teamwork. There is also the possibility that the business' clients will also have a diverse background as well, with the same concerns applying during interactions. This can help avoid any negative or harmful interactions that can reflect poorly on the business. There should also be some means of educating staff on what policies there are should a harmful or negative interaction relating to an aspect of someone's culture occur. Such information, for example, should be made available via the employee handbook.

Communication-Regardless of its purpose or what it is being applied to, communication is a necessary component for any kind of organization to function. In the matter of culture and diversity, it's key for any kind of knowledge and understanding to spread throughout the staff members. Diversity is a major component of today's society, so it's not uncommon for a business to have staff and customers that come from a variety of different backgrounds. People may be hesitant to express their culture even when they make adjustments for a work environment, or there may be concerns that there may be a clash of cultural ideals with co-workers of different backgrounds. To encourage culture and diversity in the workplace means that the staff needs to communicate with each other about what's going on. Create a dialogue that will encourage discussion and education between employees of different cultures. Be open with what the rules are in regards to cultural expression and what avenues can be taken if there are cases of clashing cultures or discrimination.

2.18 Terminology

1. Organisational behaviour: is the study of how people behave and interact within groups.

2.19 Activity

1. Discuss the following theories of organisational behaviour.

(a) French and Raven’s five bases of power.

(b) Hybrid organisation theory.

(c) Resource dependence theory.

2.20 Reflection

What do you think is the best way of managing teams in an organisation?

2.21 Summary

In this unit, you have learnt the following theories of organisational behaviour; French and Raven five bases of power, hybrid organisation theory and resource dependency theory. You have also learnt about the five functions of management such as; planning, organising, coordinating and controlling. In the next unit, you will learn about job analysis and job design.

UNIT 3: JOB ANALYSIS AND JOB DESIGN

3.1 Introduction

Job Analysis is a systematic exploration, study and recording the responsibilities, duties, skills, accountabilities, work environment and ability requirements of a specific job. It also involves determining the relative importance of the duties, responsibilities and physical and emotional skills for a given job. All these factors identify what a job demands and what an employee must possess to perform a job productively.

Job design follows job analysis i.e. it is the next step after job analysis. It aims at outlining and organising tasks, duties and responsibilities into a single unit of work for the achievement of certain objectives. It also outlines the methods and relationships that are essential for the success of a certain job. In simpler terms it refers to the what, how much, how many and the order of the tasks for a job/s.

3.2 Learning Outcomes

By the end of this unit, you are expected to;

- conduct analysis.
- analyse job analysis process.
- discuss the purpose of job analysis
- write a job description.
- discuss benefits of job design.
- analyse approaches to job design.

3.3 Time Frame

You need about six (2) hours per week to interact with this material.

3.4 Content

- What Does Job Analysis Involve?
- Importance of Job Analysis
- Purpose of Job Analysis
- Job Analysis Process
- Writing a Job Description
- Job Title
- Job Summary
- Responsibilities and Duties
- Qualifications and Skills

- Job Design
- Benefits of Job Design
- Approaches to Job Design
- Human Approach
- Engineering Approach
- The Job Characteristics Approach
- Feedback: Is feedback necessary for improving performance
- Alternative work patterns
- Organizational Factors
- Environmental Factors
- Behavioural Factors

3.5 What Does Job Analysis Involve?

The process of job analysis involves in-depth investigation in order to control the output, i.e., get the job performed successfully. The process helps in finding out what a particular department requires and what a prospective worker needs to deliver. It also helps in determining particulars about a job including job title, job location, job summary, duties involved, working conditions, possible hazards and machines, tools, equipment's and materials to be used by the existing or potential employee.

However, the process is not limited to determination of these factors only. It also extends to finding out the necessary human qualifications to perform the job. These include establishing the levels of education, experience, judgment, training, initiative, leadership skills, physical skills, communication skills, responsibility, accountability, emotional characteristics and unusual sensory demands. These factors change according to the type, seniority level, industry and risk involved in a particular job.

3.6 Importance of Job Analysis

The details collected by conducting job analysis play an important role in controlling the output of the particular job. Determining the success of job depends on the unbiased, proper and thorough job analysis. It also helps in recruiting the right people for a particular job. The main purpose of conducting this whole process is to create and establish a perfect fit between the job and the employee.

Job analysis also helps HR managers in deciding the compensation package and additional perks and incentives for a particular job position. It effectively contributes in assessing the training needs and performance of the existing employees. The process forms the basis to design and establish the strategies and policies to fulfil organizational goals and objectives.

However, analysis of a particular job does not guarantee that the managers or organization would get the desired output. Actually collecting and recording information for a specific job involves several complications. If the job information is not accurate and checked from time to time, an employee will not be able to perform his duty well. Until and unless he is not aware of what he is supposed to do or what is expected of him, chances are that the time and energy spent on a particular job analysis is a sheer wastage of human resources. Therefore, proper care should be taken while conducting job analysis.

A thorough and unbiased investigation or study of a specific job is good for both the managers and the employees. The managers get to know whom to hire and why. They can fill a place with the right person. On the other hand, existing or potential employee gets to know what and how he is supposed to perform the job and what is the desired output. Job analysis creates a right fit between the job and the employee.

As discussed already, job analysis involves collecting and recording job-related data such as knowledge and skills required to perform a job, duties and responsibilities involved, education qualifications and experience required and physical and emotional characteristics required to perform a job in a desired manner.

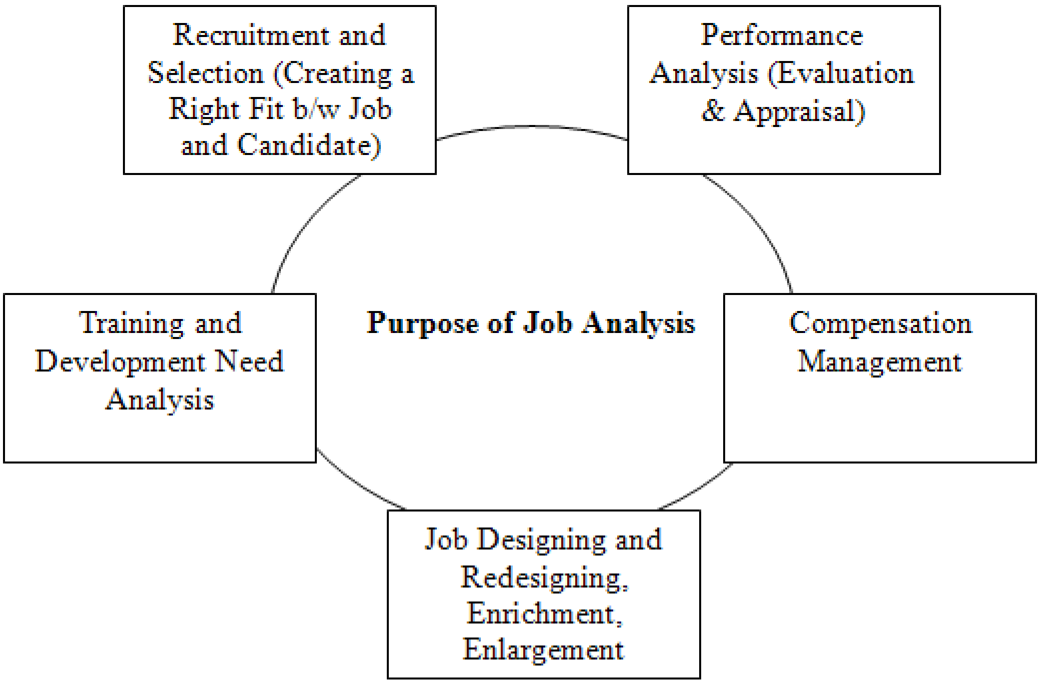
The main purposes of conducting a job analysis process is to use this particular information to create a right fit between job and employee, to assess the performance of an employee, to determine the worth of a particular task and to analyze training and development needs of an employee delivering that specific job.

Let's understand the concept with the help of an example. If the job of an executive sales manager is to be analyzed, the first and foremost thing would be to determine the worth of this job. The next step is to analyze whether the person is able to deliver what is expected of him. It also helps in knowing if he or she is perfect for this job. The process doesn't finish here. It also involves collection of other important facts and figures such as job location, department or division, compensation grade, job duties, routine tasks, computer, educational, communicational and physical skills, MIS activities, reporting structure, ability to adapt in a given environment, leadership skills, licenses and certifications, ability to grow and close sales, ability to handle clients, superiors and subordinates and of course, the presentation of an individual.

3.7 Purpose of Job Analysis

Job Analysis plays an important role in recruitment and selection, job evaluation, job designing, deciding compensation and benefits packages, performance appraisal, analyzing training and development needs, assessing the worth of a job and increasing personnel as well as organizational productivity.

Figure 1: **Job analysis** (Source, Britt, 2008, Organisation Psychology)



Recruitment and Selection: Job Analysis helps in determining what kind of person is required to perform a particular job. It points out the educational qualifications, level of experience and technical, physical, emotional and personal skills required to carry out a job in desired fashion. The objective is to fit a right person at a right place. Performance Analysis: Job analysis is done to check if goals and objectives of a particular job are met or not. It helps in deciding the performance standards, evaluation criteria and individual’s output. On this basis, the overall performance of an employee is measured and he or she is appraised accordingly.

Training and Development: Job Analysis can be used to assess the training and development needs of employees. The difference between the expected and actual output determines the level of training that need to be imparted to employees. It also helps in deciding the training content, tools and equipment’s to be used to conduct training and methods of training.

Compensation Management: Of course, job analysis plays a vital role in deciding the pay packages and extra perks and benefits and fixed and variable incentives of employees. After all, the pay package depends on the position, job title and duties and responsibilities involved in a job. The process guides HR managers in deciding the worth of an employee for a particular job opening.

Job Designing and Redesigning: The main purpose of job analysis is to streamline the human efforts and get the best possible output. It helps in designing, redesigning, enriching, evaluating and also cutting back and adding the extra responsibilities in a particular job. This is done to enhance the employee satisfaction while increasing the human output. Therefore, job analysis is one of the most important functions of an HR manager or department. This helps in fitting the right kind of talent at the right place and at the right time.

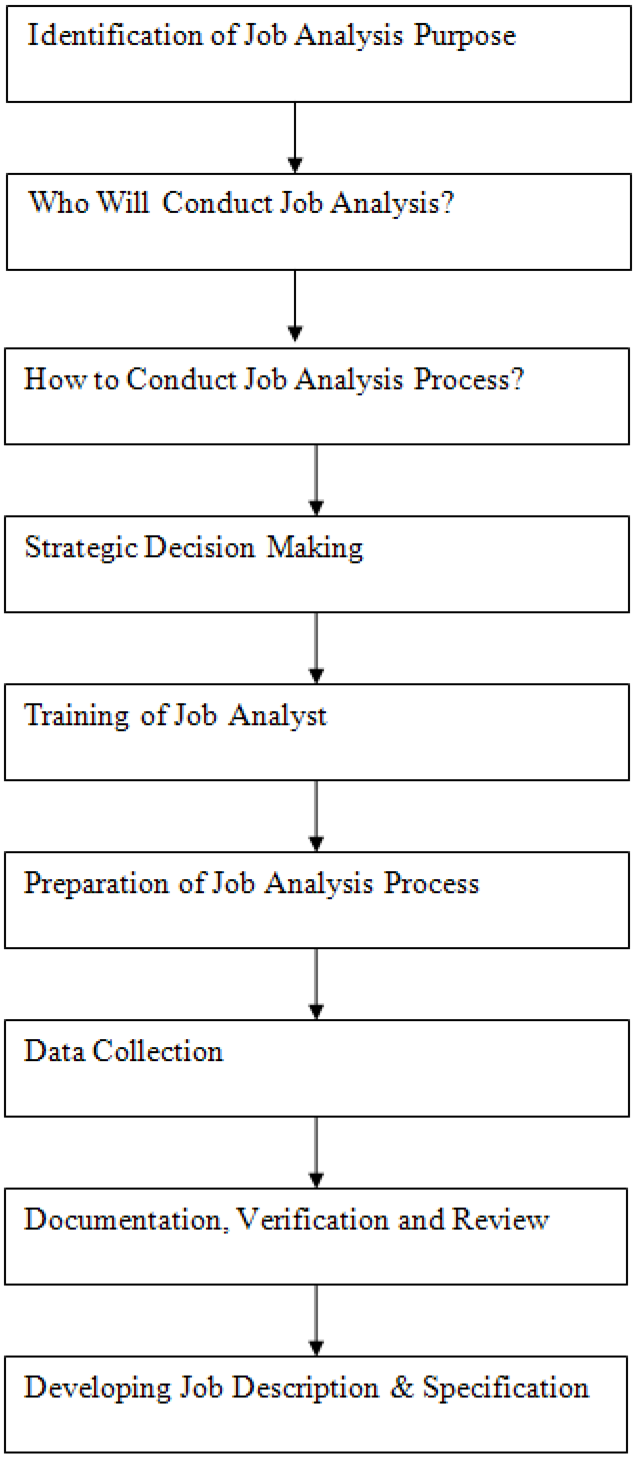
3.8 Job Analysis Process

Where to place the employees in order to best utilize their skills and talent? How to determine the need of new employees in the organization? How to eliminate unneeded jobs? How to set realistic performance measurement standards? How to identify the jobs and prepare a plan to fill them? Well, all this can be effectively done by a proper and thorough job analysis. Managers deal such kinds of challenges in day-to-day company operations where they need to fulfil effectively and efficiently fulfil the organization's requirements related to human resource recruitment, selection, performance, satisfaction and cutting down and adding extra responsibilities and duties. And there is no scope where they can avert the risk of being wrong.

An effective and right process of analyzing a particular job is a great relief for them. It helps them maintain the right quality of employees, measure their performance on realistic standards, assess their training and development needs and increase their productivity. Let's discuss the job analysis process and find out how it serves the purpose.

3.9 Job Analysis Process

Figure 2**: Job Analysis Process** (Source, Britt, 2008, Organisation Psychology)



Identification of Job Analysis Purpose: Well any process is futile until its purpose is not identified and defined. Therefore, the first step in the process is to determine its need and desired output. Spending human efforts, energy as well as money is useless until HR managers don't know why data is to be collected and what is to be done with it.

Who Will Conduct Job Analysis: The second most important step in the process of job analysis is to decide who will conduct it. Some companies prefer getting it done by their own HR department while some hire job analysis consultants. Job analysis consultants may prove to be extremely helpful as they offer unbiased advice, guidelines and methods. They don't have any personal likes and dislikes when it comes to analyze a job.

How to Conduct the Process: Deciding the way in which job analysis process needs to be conducted is surely the next step. A planned approach about how to carry the whole process is required in order to investigate a specific job.

Strategic Decision Making: Now is the time to make strategic decision. It's about deciding the extent of employee involvement in the process, the level of details to be collected and recorded, sources from where data is to be collected, data collection methods, the processing of information and segregation of collected data.

Training of Job Analyst: Next is to train the job analyst about how to conduct the process and use the selected methods for collection and recoding of job data.
Preparation of Job Analysis Process: Communicating it within the organization is the next step. HR managers need to communicate the whole thing properly so that employees offer their full support to the job analyst. The stage also involves preparation of documents, questionnaires, interviews and feedback forms.

Data Collection: Next is to collect job-related data including educational qualifications of employees, skills and abilities required to perform the job, working conditions, job activities, reporting hierarchy, required human traits, job activities, duties and responsibilities involved and employee behaviour.

Documentation, Verification and Review: Proper documentation is done to verify the authenticity of collected data and then review it. This is the final information that is used to describe a specific job.

Developing Job Description and Job Specification: Now is the time to segregate the collected data in to useful information. Job Description describes the roles, activities, duties and responsibilities of the job while job specification is a statement of educational qualification, experience, personal traits and skills required to perform the job.

Thus, the process of job analysis helps in identifying the worth of specific job, utilizing the human talent in the best possible manner, eliminating unneeded jobs and setting realistic performance measurement standards.

3.10 How to Write a Job Description?

Crafting a compelling job description is essential to helping you attract the most qualified candidates for your job. With more than 25 million jobs listed on Indeed, a great job description can help your jobs stand out from the rest. Your job descriptions are where you start marketing your company and your job to your future hire.

The key to writing effective job descriptions is to find the perfect balance between providing enough detail so candidates understand the role and your company while keeping your description concise. We've found that job descriptions between 700 and 2,000 characters get up to 30% more applications.

3.11 What Is a Job Description?

A job description summarizes the essential responsibilities, activities, qualifications and skills for a role. Also known as a JD, this document describes the type of work performed.

A job description should include important company details — company mission, culture and any benefits it provides to employees. It may also specify to whom the position reports and salary range.

An effective job description will provide enough detail for candidates to determine if they're qualified for the position.

3.12 Job Title

Make your job titles specific. Targeted job titles are more effective than generic ones, so be precise by including key phrases that accurately describe the role.

Avoid internal lingo that may confuse the job seeker. Stick to standard experience levels like "Senior" rather than "VI" or other terms people are less likely to look for.

3.13 Job Summary

Open with a strong, attention-grabbing summary. Your summary should provide an overview of your company and expectations for the position.

Hook your reader with details about what makes your company unique. Your job description is an introduction to your company and your employer brand. Include details about your company culture to sum up why a candidate would love to work for you.

Include an exact job location. Provide an exact job location to optimize your job posting so it appears higher in job search results.

3.14 Responsibilities and Duties

Outline the core responsibilities of the position. Make sure your list of responsibilities is detailed but concise. Also emphasize the duties that may be unique to your organization. For example, if you are hiring for an "Event Management" role and the position requires social media expertise to promote events, include this detail to ensure candidates understand the requirements and can determine if they're qualified.

Highlight the day-to-day activities of the position. This will help candidates understand the work environment and the activities they will be exposed to on a daily basis. This level of detail will help the candidate determine if the role and company are a right fit, helping you attract the best candidates for your position.

Specify how the position fits into the organization. Indicate who the job reports to and how the person will function within your organization, helping candidates see the bigger picture and understand how the role impacts the business.

3.15 Qualifications and Skills

Include a list of hard and soft skills. Of course, the job description should specify education, previous job experience, certifications and technical skills required for the role. You may also include soft skills, like communication and problem solving, as well as personality traits that you envision for a successful hire.

Keep your list concise. While you may be tempted to list out every requirement you envision for your ideal hire, including too many qualifications and skills could dissuade potential candidates.

3.16 Job Analysis & Design

3.16.1 Job Design - Meaning, Steps and its Benefits

Job design essentially involves integrating job responsibilities or content and certain qualifications that are required to perform the same. It outlines the job responsibilities very clearly and also helps in attracting the right candidates to the right job. Further it also makes the job look interesting and specialised.

There are various steps involved in job design that follow a logical sequence, those that were mentioned earlier on. The sequence is as follows:

- What tasks are required to e done or what tasks is part of the job?
- How are the tasks performed?
- What amount are tasks are required to be done?
- What is the sequence of performing these tasks?

All these questions are aimed at arriving upon a clear definition of a specific job and thereby make it less risky for the one performing the same. A well-defined job encourages feeling of achievement among the employees and a sense of high self-esteem.

The whole process of job design is aimed to address various problems within the organisational setup, those that pertain to one's description of a job and the associated relationships. More specifically the following areas are fine-tuned:

- Checking the work overload.
- Checking upon the work under load.
- Ensuring tasks are not repetitive in nature.
- Ensuring that employees don not remain isolated.
- Defining working hours clearly.
- Defining the work processes clearly.

The above mentioned are factors that if not taken care of result into building stress within the employees.

3.16.2 Benefits of Job Design

The following are the benefits of a good job design:

- Employee Input: A good job design enables a good job feedback. Employees have the option to vary tasks as per their personal and social needs, habits and circumstances in the workplace.
- Employee Training: Training is an integral part of job design. Contrary to the philosophy of "leave them alone' job design lays due emphasis on training people so that are well aware of what their job demands and how it is to be done.
- Work / Rest Schedules: Job design offers good work and rest schedule by clearly defining the number of hours an individual has to spend in his/her job.
- Adjustments: A good job designs allows for adjustments for physically demanding jobs by minimising the energy spent doing the job and by aligning the manpower requirements for the same.

  Job design is a continuous and ever evolving process that is aimed at helping employees make adjustments with the changes in the workplace. The end goal is reducing dissatisfaction, enhancing motivation and employee engagement at the workplace.

3.17 Approaches to Job Design

Job design is the next step after job analysis that aims at outlining, and organizing tasks and responsibilities associated with a certain job. It integrates job responsibilities and qualifications or skills that are required to perform the same. There are various methods or approaches to do this. The important ones are discussed below

3.18 Human Approach

The human approach of job design laid emphasis on designing a job around the people or employees and not around the organizational processes. In other words, it recognizes the need of designing jobs that are rewarding (financially and otherwise) and interesting at the same time.

According to this approach jobs should gratify an individual's need for recognition, respect, growth and responsibility. Job enrichment as popularized by Herzberg's research is one the ways in human approach of job design. Herzberg classified these factors into two categories - the hygiene factors and the motivators.

Motivators include factors like achievement, work nature, responsibility, learning and growth etc that can motivate an individual to perform better at the work place.

Hygiene factor on the other hand include things like working conditions, organizational policies, salary etc that may not motivate directly but the absence of which can lead to dissatisfaction at the work place.

3.19 Engineering Approach

The engineering approach was devised by FW Taylors et al. They introduced the idea of the task that gained prominence in due course of time. According to this approach the work or task of each employee is planned by the management a day in advance. The instructions for the same are sent to each employee describing the tasks to undertaken in detail. The details include things like what, how and when of the task along with the time deadlines.

The approach is based on the application of scientific principles to job design. Work, according to this approach should be scientifically analyzed and fragmented into logical tasks. Due emphasis is then laid on organizing the tasks so that a certain logical sequence is followed for efficient execution of the same. The approach also lays due emphasis on compensating employees appropriately and training them continuously for work efficiency.

3.20 The Job Characteristics Approach

The job characteristics approach was popularized by Hackman and Oldham. According to this approach there is a direct relationship between job satisfaction and rewards. They said that employees will be their productive best and committed when they are rewarded appropriately for their work. They laid down five core dimensions that can be used to describe any job - skill variety, task identity, task significance, autonomy and feedback.

Skill variety: The employees must be able to utilize all their skills and develop new skills while dealing with a job.

Task Identity: The extent to which an identifiable task or piece or work is required to be done for completion of the job.

Task Significance: How important is the job to the other people, what impact does it create on their lives?

Autonomy: Does the job offer freedom and independence to the individual performing the same.

3.21 Feedback: Is feedback necessary for improving performance.

These are different approaches but all of them point to more or less the same factors that need to be taken into consideration like interest, efficiency, productivity, motivation etc. All these are crucial to effective job design.

As we know, job design is a systematic organization of job-related tasks, responsibilities, functions and duties. It is a continuous process of integration of content related to job in order to achieve certain objectives. The process plays a vital role as it affects the productivity of employees and organizations. However, there are a number of existing issues emerged recently while designing the jobs in organizations. These are alternative work patterns that are equally effective in handling organization's functions.

3.22 Alternative work patterns

Telecommuting / Work from Home: Telecommuting or work from home is considered as the best alternative of working from the actual office. The concept of virtual office is gaining more and more popularity because of ease and convenience associated with it. By using computer networks, fax machines, telephones and internet connection, employees can communicate and perform the job from home. It eliminates the need of coming to office every day and offers employees the convenience to work at the comfort of their home.

Though there are lots of advantages associated with this working style but it suffers from many limitations. It allows employees to stay at home and manage their job tasks and functions without actually being present in the office but it doesn’t allow them to communicate with other employees and establishing relationships with them. They only deal with machines whole day, thus lose creativity. Moreover, it is a great hindrance in their way as it does not allow skill upgradation.

Job Sharing: It is the second most preferable alternative of traditional working styles where two or more individuals share the responsibilities of a full time job. They divide the tasks, responsibilities and compensation according to their mutual consent. This option is generally used by women who are on maternity leave or have family and kids to look after but want to continue their job. These days, organizations are open to this kind of working style where two or more individuals can share a job.

Flexi-Working Hours: These days, organizations allow their employees to work according to the timings that suit them best. There are 3-4 working schedules and individuals can choose any one of them depending upon their availability. Employees can work in early hours as well as night hours. This is good for those individuals who have colleges or some other engagements during the day or specific hours of the day. The best part is that unlike telecommuting, flexi-timings give them chance to communicate with other employees too.

Alternative Work-Patterns: Companies these days allow their employees to work on alternate months or seasons. Though the concept is not that common in India but can be seen in European and American world of work. They also have the option of working two to three full days and can relax after that.

According to the latest concept, employees can work for fixed number of hours and then can attend to their personal needs during the left days.

Technostress: Technostress is the latest technology to keep a check on employees’ performance even when they choose to work from home. Because of the introduction of new machines, there performance can be electronically monitored even when they are not aware of it.

Task Revision: Task revision is nothing but modification of existing work design by reducing or adding the new job duties and responsibilities to a specific job.

Organizational Factors

Organizational factors that affect job design can be work nature or characteristics, work flow, organizational practices and ergonomics.

Work Nature: There are various elements of a job and job design is required to classify various tasks into a job or a coherent set of jobs. The various tasks may be planning, executing, monitoring, controlling etc and all these are to be taken into consideration while designing a job.

Ergonomics: Ergonomics aims at designing jobs in such a way that the physical abilities and individual traits of employees are taken into consideration so as to ensure efficiency and productivity.

Workflow: Product and service type often determines the sequence of work flow. A balance is required between various product or service processes and a job design ensures this.

Culture: Organizational culture determines the way tasks are carried out at the work places. Practices are methods or standards laid out for carrying out a certain task. These practices often affect the job design especially when the practices are not aligned to the interests of the unions.

Environmental Factors

Environmental factors affect the job design to a considerable extent. These factors include both the internal as well as external factors. They include factors like employee skills and abilities, their availability, and their socio economic and cultural prospects.

Employee availability and abilities: Employee skills, abilities and time of availability play a crucial role while designing of the jobs. The above mentioned factors of employees who will actually perform the job are taken into consideration. Designing a job that is more demanding and above their skill set will lead to decreased productivity and employee satisfaction.

Socio economic and cultural expectations: Jobs are nowadays becoming more employee centred rather than process centred. They are therefore designed keeping the employees into consideration. In addition, the literacy level among the employees is also on the rise. They now demand jobs that are to their liking and competency and which they can perform the best.

Behavioural Factors

Behavioural factors or human factors are those that pertain to the human need and that need to be satisfied for ensuring productivity at workplace. They include the elements like autonomy, diversity, feedback etc. A brief explanation of some is given below:

Autonomy: Employees should work in an open environment rather than one that contains fear. It promotes creativity, independence and leads to increased efficiency.

Feedback: Feedback should be an integral part of work. Each employee should receive proper feedback about his work performance.

Diversity: Repetitive jobs often make work monotonous which leads to boredom. A job should carry sufficient diversity and variety so that it remains as interesting with every passing day. Job variety / diversity should be given due importance while designing a job.

Use of Skills and abilities: Jobs should be employee rather than process centred. Though due emphasis needs to be given to the latter but jobs should be designed in a manner such that an employee is able to make full use of his abilities and perform the job effectively.

Terminologies

1. Ergonomics: aims at designing jobs in such a way that the physical abilities and industrial traits of employees are taken into consideration so as to ensure efficiency and productivity.
2. Task revision: is the modification of existing work design by reducing or adding the new job duties and responsibilities to a specific job.

Activity

1. What is the difference between job analysis and job design?
2. Discuss the benefits of job analysis and job design.

Reflection

What is technostress?

Summary

In this unit, you have learnt about job analysis and job design. Under job analysis you have learnt the following; the importance of job analysis process, and how to write job description. Under job design, you have learnt the following; benefits of job design, approaches to job design. In the next unit, you will learn about job evaluation and compensation.

UNIT 4: JOB EVALUATION AND COMPENSATION

4.1 Introduction

Job evaluation can be defined as a systematic process designed to determine the relative worth of jobs within a single work organisation. It is the process whereby an organisation systematically establishes its compensation programme. In this process, jobs are compared in order to arrive at each job's appropriate worth. Job evaluation is related to job analysis. Job analysis is the process of describing the duties of a job, authority relationships, skills required, conditions of work, and additional relevant information. Job analysis involves creating job descriptions and specifications. Firstly, an analysis is made of the jobs in the organisation, with particular attention given to the tasks and skills involved in performing them.

4.2 Learning Outcomes

By the end of this unit, you are expected to;

- conduct job evaluation.
- discuss job evaluation process/steps.
- explain the importance of job evaluation.
- discuss employee compensation.
- analyze factors that can bring about job satisfaction.

2.3 Time frame

You need about six (2) hours per week to interact with this material.

2.4 Content

- Steps in Job Evaluation
- Steps in doing job evaluation
- Importance of Job Evaluation:
- Aims and Objectives of Job Evaluation
- Employee compensation
- Compensation and Benefits Overview
- Mandatory Employee Benefits
- Paid Time Off
- Health and Wellness Benefits
- Other Benefits Employers Can Offer
- Providing a Safe Working Environment

- Offering Competitive Pay
- Providing Insurance Benefits
- Having Wellness Programs
- Offering Employee Assistance Programs
- Giving Employees Paid Time Off
- Offering Fellowship Opportunities
- Offering Ongoing Professional Development
- Considering Other Employee Welfare Activities
- Job Satisfaction
- Importance of Job Satisfaction
- Job Satisfaction Factors
- Job Satisfaction Examples
- Measuring Job Satisfaction

This list of the specific duties of a particular job is called a job description. The personnel manager next lists' the qualifications for each of these duties — the education, abilities, and experience required of the person who fills the position. This list of qualifications is called the job specification. Often, a job description and a job specification appear together on a single form and are referred to jointly as a job description.

By job evaluation we mean using the information in job analysis to systematically determine the value of each job in relation to all jobs within the organisation. In short, job evaluation seeks to rank all the jobs in the organisation and place them in a hierarchy that will reflect the relative worth of each. Importantly, this is a ranking of jobs, not people. The ranking that results is used to determine the organisation's pay structure.

4.5 Steps in Job Evaluation:

The job evaluation process follows the following four steps – gathering the data; selecting compensable factors; evaluating a job; and assigning pay to the job.

4.6 These different but related steps may now be briefly reviewed:

4.6.1 Gathering job analysis data:

Firstly, information must be collected through a method of job analysis. Here validity should be a guiding principle which simply means that the job analyst must accurately capture all of the content. It is very important to capture both similarities and differences among jobs. Ambiguous, incomplete, or inaccurate job descriptions can result in some jobs being incorrectly evaluated.

4.6.2 Selecting compensable factors:

Compensable factors are the factors the organisation chooses to reward through differential pay. The most typical compensable factors are skill, knowledge, responsibility, and working conditions.

4.6.3 Evaluating job using certain methods:

There are four fundamental methods of job evaluation.

4.6.4 Assigning pay to the job:

The end product of a job evaluation exercise is a hierarchy of jobs in terms of their relative value to the organisation. Assigning pay to this hierarchy of jobs is referred to as pricing the pay structure. This practice requires a policy decision on how the organisation's pay levels relate to their competitors.

4.7 Importance of Job Evaluation:

Whenever two or more people perform different work for a third, the need exists for some kind of job evaluation.

The third person, the employer, must somehow arrive at a rate of pay for each job which will not only:

(1) Be competitive in attracting and holding employees but also

(2) Be seen by them as related to the relative difficulty of their jobs.

If the employer establishes pay rates which fall short of either or both of these pay goals, employee dissatisfaction with pay usually will result. Loss of good employees, inability to attract employees, low morale and low productivity are some of the business problems which often are associated with dissatisfaction about pay.

Of the two pay goals meetings market rates and achieving satisfactory internal pay relationships the latter has greater priority. First, the internal pay relationships are more visible to employees. If perceived by employees as being unfair, out of line, and arbitrary, pay rates within the company can be a continual source of discontent, for employees are reminded of the internal inequities every working day.

Secondly, an equitable internal pay hierarchy is a prerequisite to establishing sound and workable policies concerning pay progression for employees. Finally, a thought- out and agreed-upon set of internal relative values for jobs aids greatly in establishing an informed company posture relative to outside pay levels.

4.8 Aims and Objectives of Job Evaluation:

The overall aim of job evaluation is to assess and evaluate the nature of the work to be done in a particular job; the key tasks to be carried out, and the balance, difficulty, value, frequency and importance of these. Skills, qualities, capabilities and attributes are matched up, and a market value placed on them, with particular weightings as necessary or desirable.

Jobs are then placed in a ranking order matching them up against grades, job titles, salary scale (s).

The establishment of proper wage differentials for company jobs is necessary to bring forth the required caliber of labour and to encourage men to train for skilled jobs. Moreover, ratings (occupation differentials expressed as labour grades 'or numerical point values) are necessary for the establishment of logical and practical company wage rate and salary schedules.

In firms where such logical wage and salary differentials have not been established, compensation patterns are often irregular and chaotic since they will have evolved from traditional attitudes, arbitrary decisions, expediency, and favouritism.

In such cases, jobs that call for greater effort, skill, and responsibility may pay less than jobs requiring fewer of these attributes; and individuals in the same or similar occupations may receive widely varying compensation. Morale is consequently low and performance poor since employees keenly fell these inequities, and management cannot explain the incon-sistencies on a logical basis.

4.9 Employee compensation

One way small businesses recruit talented and motivated employees is to offer comprehensive compensation and benefits packages that provide employees with competitive pay for their work and additional perks for the workers and their families. While compensation includes any guaranteed and performance-based pay the company offers for daily work, benefits add extra value for employees in the form of monetary or nonmonetary perks says Missouri State University. Legally, small businesses have to provide employees with certain benefits that cover unemployment and disability from work-related incidents. However, offering a variety of optional benefits can also help attract and keep talented workers, keep employees committed to business goals, improve employee morale and make the company stand out from competitors.

Employee compensation is the money companies pay for employees' work – including any additional tips, bonuses and commissions – and benefits include extra perks such as health insurance, reimbursement for tuition, retirement plans and paid time off.

4.10 Compensation and Benefits Overview

An employee's compensation and benefits consist of both the money they earn for performing their regular work as well as additional monetary and nonmonetary benefits beyond their due earnings. The definition of compensation includes the employee's guaranteed salary or hourly pay, any incentive pay for overtime and holidays, bonuses earned and commissions and tips for sales and service. A worker's compensation also varies based on job title, level of education required, experience and level of responsibility. Benefits are what employees receive beyond their standard compensation. Examples include both tangible benefits such as coverage for various insurance and retirement plan options and intangible perks like flexible work options and wellness programs.

4.11 Mandatory Employee Benefits

Depending on their location and number of employees, small businesses must offer their employees specific benefits for disability insurance, workers' compensation and unpaid leave and job protection for family and medical issues according to the U.S. Small Business Association. Both employers and workers in states such as California, Hawaii and Rhode Island pay taxes toward disability insurance covering part of an employee's wages if they are physically unable to work. All businesses must offer each employee unemployment insurance and workers' compensation for work-related incidents regardless of their work hours, while small businesses with at least 50 employees have to give eligible workers an annual unpaid leave of 12 weeks to comply with the Family Medical Leave Act. Also, small business employers have to help contribute to employees' retirement by paying for half their Medicare and Social Security taxes.

Paid Time Off

One of the most common nonmandatory benefits that small businesses offer is paid time off for holidays, illness and vacations. This paid time off usually is based on the employee's work status, tenure and hours worked. Employers often also give employees access to retirement plans such as 401(k) plans and various Individual Retirement Account (IRA) options. Small businesses can choose a percentage to match employees' contributions to 401(k) plans up to an annual capped amount according to the U.S. Department of Labour. Furthermore, employees can receive some tax benefits for contributing to an IRA account through their employer.

Health and Wellness Benefits

While not required, small business employers often offer health insurance plans, and small businesses with at least 50 workers face a tax penalty for not doing so under the Affordable Care Act. Supplementary insurance plans for vision and dental insurance along with health-savings plans help employees reduce their costs for preventative care and treatments. Life insurance plans can provide some security to employees' families in the event of their death. Other wellness benefits employees may receive include gym memberships, company wellness programs and recreational activities to get workers active.

Other Benefits Employers Can Offer

Small businesses can include additional compensation and benefits to help employees develop their skills and feel empowered in their work. For example, employees may get access to training programs or mentorship to learn from more experienced professionals and prepare themselves for promotions. Companies can also offer flexible working options like telecommuting and flexible work schedules or even provide onsite childcare to assist workers with families. Lumen Learning says that other benefits can include providing free lunches, taking employees out for social events and providing workers an allowance to purchase equipment they want, such as a new computer or tablet.

Missouri State University: Monetary and Non-Monetary Benefits Helpful in Achieving Balance.

Ensuring the welfare of your employees offers benefits to both your business's bottom line and your workers' quality of life. Not only can employee welfare activities boost your workers' morale, productivity and job satisfaction, but offering them can even boost your company's profitability and reputation and can even make it easier to attract quality staff.

Some common staff welfare activities include keeping the work environment safe, offering desirable pay and benefits, fostering employees' wellness, offering educational benefits and providing assistance to workers' families.

Providing a Safe Working Environment

Giving your staff a safe and comfortable working environment is one of the most important employee welfare activities. When your employees are comfortable, they'll have better morale and be able to work more productively. In addition, depending on your company size and industry, regulations like the Occupational Safety and Health Act may apply, and neglecting worker safety can put your company at risk for lawsuits, reputational damage and costly fines.

In addition to taking actions such as keeping the workplace clean and maintaining the facilities, you should train your workers on safety, put up posters or other documents that explain known hazards and clarify policies for the safe handling of chemicals and equipment. At the same time, you should design your employees' work spaces so that they're comfortable and don't cause pain or strain. This might include purchasing ergonomic office equipment and adjusting it for your employees' health needs.

Offering Competitive Pay

One of the employee welfare activities in HRM, or human resources management, is setting a competitive pay structure that provides your employees with motivation to do quality work and gives them a good quality of life. While your company might legally only have to pay workers a state-determined minimum wage, offering a higher living wage will both benefit your company's profitability and improve the dedication and quality of your staff.

You can also offer monetary incentives to encourage your employees to work productively and to show them that you appreciate their effort. For example, you might offer an additional quarterly bonus depending on level of performance, or you may let employees have a commission on each sale or transaction they complete. You can also offer additional hourly pay during times of high demand, like the holidays. This can provide some extra money for their families and reduce the stress of busy work days.

Providing Insurance Benefits

Offering insurance benefits is a good employee welfare measure to give your employees security in case they have issues with health, a disability or an accident. In fact, if your small business has more than 50 full-time workers, the Affordable Care Act requires that you offer acceptable health insurance benefits or else pay a tax penalty. In addition to offering comprehensive health coverage, you can offer vision, dental, life, accident and disability insurance benefits to give your employees some peace of mind and help them avoid unexpected large expenses.

In addition to insurance plans, your small business can offer health flexible-spending accounts that offer tax benefits for employees. These plans allow workers to put aside a certain amount from each paycheck that they can use throughout the year to pay for expenses such as medications, doctor bills, contact lenses, glasses and dental treatments. The downside to these plans, though, is that any funds not spent by the end of the year will be lost and can't roll over.

Having Wellness Programs

Your business can also incorporate staff welfare activities that encourage employees to eat healthily and get proper exercise. If your location has enough room, you might have a workout room where employees can get some exercise before or after work or even during lunch. You could also pay for employees to have access to a local gym or at least help out with part of the costs. You could also hold special events where local health and nutrition professionals offer advice and counselling.

Offering Employee Assistance Programs

Other employee welfare activities involve helping your employees with issues they face outside of work, including family and legal issues. One example is a legal assistance program in the form of a pre-paid legal services plan. When needed, your employees would have access to a network of local attorneys whom they can call or meet in person to get advice on issues like criminal law and family issues.

You can also consider family-focused programs for adoption and child care. Your company might offer to refund part or all of the costs of adopting a child or allow for some time off during the process for employees who want to expand their families. Another option is having an in-house day care centre so that working parents worry less about finding care for their children. Such a benefit can be included as part of the employees' compensation package or be offered at a subsidized rate.

Giving Employees Paid Time Off

When your employees are overworked, it can lead to burnout that causes physical health issues, higher absenteeism and lower productivity and quality. Therefore, giving your employees paid time off for holidays, vacations, sickness and even personal days can improve their quality of life, offer a better life-work balance and give employees more opportunities to take care of their families. Paid time off can also improve your employees' general mental health and help ensure they don't lose passion in their interests and careers.

Offering Fellowship Opportunities

While socializing with colleagues may not be the main purpose of work, your employees still have social needs to meet so that they're happier and more productive. You can include employee welfare activities like holiday parties, weekend trips, lunch gatherings and team-building events to give employees some time to relax and enjoy one another's company and even connect with others in the community. Even adding a ping-pong table or video games in the office to use during employees' breaks and lunches can help boost morale.

Offering Ongoing Professional Development

Getting to know your employees and their goals is important for coming up with education-related staff welfare activities to help them progress in their careers. You can provide thorough ongoing training inside your company to help employees perform their current jobs. Another option is to pay for an industry trainer to offer seminars or subscribe to an online educational program so employees can learn required skills at their own pace and convenience.

You can consider higher-educational assistance that provides funds toward college tuition, books and supplies to earn a degree or certificate. Examples of activities might include creating scholarship programs, reimbursing your workers for a yearly limit of costs or giving a set amount of money for education as long as employees meet requirements.

Often, these programs come with terms such as maintaining a certain GPA, taking courses from a specific institution, having tenure and choosing a program related to the employees' current work.

Considering Other Employee Welfare Activities

While the employee welfare examples discussed are the most common, you have freedom as an employer to think outside the box when it comes to benefits that improve your workers' lives. Other staff welfare activities you might consider include:

- Offering pet insurance.
- Providing free meals and snacks.
- Offering laundry services.
- Giving employees and their families discounts on products and services.
- Providing free books and magazines.
- Offering flexible work hours.
- Helping employees pay off their student loans.
- Setting aside time for employees to volunteer in the community.
- Taking staff on all-inclusive trips.

4.12 Job Satisfaction

Job satisfaction is defined as the extent to which an employee feels self-motivated, content & satisfied with his/her job. Job satisfaction happens when an employee feels he or she is having job stability, career growth and a comfortable work life balance. This implies that the employee is having satisfaction at job as the work meets the expectations of the individual.

4.12 Importance of Job Satisfaction

A satisfied employee is always important for an organization as he/she aims to deliver the best of their capability. Every employee wants a strong career growth and **work life balance** at workplace. If an employee feels happy with their company & work, they look to give back to the company with all their efforts. Importance of job satisfaction can be seen from two perspectives i.e. from employee and employer perspective:

For Employees: Job satisfaction from an employee perspective is to earn a good **gross salary**, have **job stability**, have a steady career growth, get rewards & recognition and constantly have new opportunities.

For Employers: For an employer, job satisfaction for an employee is an important aspect to get the best out of them. A satisfied employee always contributes more to the company, helps control **attrition** & helps the company grow. Employers needs to ensure a good **job description** to attract employees and constantly give opportunities to individuals to learn and grow.

The positive effects of job satisfaction include:

1. More efficiency of employees of workplace if they are satisfied with their job.

2. Higher employee loyalty leading to more commitment.

3. Job satisfaction of employees eventually results in higher profits for companies.

4. High employee retention is possible if employees are happy.

4.13 Job Satisfaction Factors

Job satisfaction is related to the psychology of an employee. A happy & content employee at a job is always motivated to contribute more. On the other hand, a dissatisfied employee is lethargic, makes mistakes & becomes a burden to the company. The elements & factors which contribute to job satisfaction are:

4.13.1 Compensation & Working conditions: One of the biggest factors of job satisfaction are the compensation and benefits given to an employee. An employee with a good salary, incentives, bonuses, healthcare options etc is happier with their job as compared to someone who doesn’t have the same. A healthy workplace environment also adds value to an employee.

4.13.2 Work life balance: Every individual wants to have a good workplace which allow them time to spend with their family & friends. Job satisfaction for employees is often due a good work life balance policy, which ensures that an employee spends quality time with their family along with doing their work. This improves the employee's **quality of work life**.

4.13.3 Respect & Recognition: Any individual appreciates and feels motivated if they are respected at their workplace. Also, if they are awarded for their hard work, it further motivates employees. Hence recognition is one of the job satisfaction factors.

4.13.4 Job security: If an employee is assured that the company would retain them even if the market is turbulent, it gives them immense confidence. **Job security** is one of the main reasons for job satisfaction for employees.

4.13.5 Challenges: Monotonous work activities can lead to dissatisfied employees. Hence, things like **job rotation**, **job enrichment** etc can help in job satisfaction of employees as well.

4.13.6 Career Growth: Employees always keep their career growth part as a high priority in their life. Hence, if a company helps groom employees and gives them newer job roles, it enhances the job satisfaction as they know they would get a boost in their career.

Figure 3: **Job Satisfaction factors** (Source; Riggio, 2006, Industrial Psychology)

There are several theories given which help in evaluating & measuring job satisfaction of employees at workplace. Some of them are:

- **Hierarchy of Needs** by Maslow

These help in understanding the parameters or factors which influence job satisfaction of employees at workplace.

4.14 Job Satisfaction Examples

There can be several examples of job satisfaction as it is related to the psychology of an individual. A particular job can be satisfying for one employee based on the salary, location, workplace, responsibilities, job level etc and the same be lead to dissatisfaction to some another employee. Consider an employee who has joined an organization 1 year back and has been awarded for his good work with bonuses and incentives. Also, the company has chosen him for an exclusive training program which would help in boosting his career. Also, the employee is entitled for a sabbatical leave as well to pursue his own dream. Hence, all these factors and HR policies would lead to job satisfaction.

4.16 Measuring Job Satisfaction

It is critical for any company to measure job satisfaction as the efficiency, productivity and loyalty of an employee depends on it. Companies can conduct surveys with questionnaires asking the employees about their feedback and understand if they are satisfied or dissatisfied with their job. Companies can ask the following questions to measure job satisfaction and can give multiple options like Satisfied, somewhat satisfied, neutral, somewhat dissatisfied, dissatisfied:

1. Are you happy with your salary/incentives?

2. Is your contribution to the company recognized with awards?

3. Do you find your workplace conditions good, hygienic, competitive?

4. Do you have a good work life balance?

5. Are you happy with company policies for your career growth & training and development?

Apart from the above questions, specific open-ended questions about job satisfaction can also help in understanding employee pain-points and how the company can improve to ensure a happy employee.

4.17 Terminologies

1. Job satisfaction: is how happy and content the employee is at a job.
2. Job evaluation: is a systematic process designed to determine the relative worth of the job within a single work organisation.

4.18 Activity

1. Explain steps involved in job evaluation.
2. Analyse work related factors that can bring about job satisfaction.

4.19 Reflection

What factors do you think can affect job satisfaction?

4.20 Summary

In this unit, you have learnt about; steps to follow when you want to do job evaluation, employee compensation, safe working environments, factors that enhances job satisfaction and how to measure employee job satisfaction. In the next unit, you will learn about performance appraisal.

UNIT 5: PERFORMANCE APPRAISAL

5.1 Introduction

Performance Appraisal is the systematic evaluation of the performance of employees and to understand the abilities of a person for further growth and development. Performance appraisal is generally done in systematic ways which are as follows:

- retain the promotional The supervisors measure the pay of employees and compare it with targets and plans.
- The supervisor analyses the factors behind work performances of employees.
- The employers are in position to guide the employees for a better performance.
- Objectives of Performance Appraisal
- Performance Appraisal can be done with following objectives in mind:
- To maintain records in order to determine compensation packages, wage structure, salaries raises, etc.
- To identify the strengths and weaknesses of employees to place right men on right job.
- To maintain and assess the potential present in a person for further growth and development.
- To provide a feedback to employees regarding their performance and related status.
- To provide a feedback to employees regarding their performance and related status.
- It serves as a basis for influencing working habits of the employees.
- To review and other training programmes.

5.2 Learning Outcomes

By the end of this unit, you are expected to;

- discuss the importance of performance appraisal.
- analyse methods of performance appraisal.
- examine appraisal biases.

5.3 Time frame

- You need about six (2) hours per week to interact with this material.

5.4 Content

- Advantages of Performance Appraisal

- Ranking Method
- Advantages of Ranking Method
- Forced Distribution method
- Advantages of Forced Distribution
- Critical Incident techniques
- Advantages of Critical Incident techniques
- Checklists and Weighted Checklists
- Advantages of Checklists and Weighted Checklists
- Appraisal Biases

5.5 Advantages of Performance Appraisal

It is said that performance appraisal is an investment for the company which can be justified by following advantages:

Promotion: Performance Appraisal helps the supervisors to chalk out the promotion programmes for efficient employees. In this regards, inefficient workers can be dismissed or demoted in case.

Compensation: Performance Appraisal helps in chalking out compensation packages for employees. Merit rating is possible through performance appraisal. Performance Appraisal tries to give worth to a performance. Compensation packages which includes bonus, high salary rates, extra benefits, allowances and pre-requisites are dependent on performance appraisal. The criteria should be merit rather than seniority.

Employees Development: The systematic procedure of performance appraisal helps the supervisors to frame training policies and programmes. It helps to analyse strengths and weaknesses of employees so that new jobs can be designed for efficient employees. It also helps in framing future development programmes.

Selection Validation: Performance Appraisal helps the supervisors to understand the validity and importance of the selection procedure. The supervisors come to know the validity and thereby the strengths and weaknesses of selection procedure. Future changes in selection methods can be made in this regard.

Communication: For an organization, effective communication between employees and employers is very important. Through performance appraisal, communication can be sought for in the following ways:

- Through performance appraisal, the employers can understand and accept skills of subordinates.

- The subordinates can also understand and create a trust and confidence in superiors.
- It also helps in maintaining cordial and congenial labour management relationship.
- It develops the spirit of work and boosts the morale of employees.

All the above factors ensure effective communication.

Motivation: Performance appraisal serves as a motivation tool. Through evaluating performance of employees, a person's efficiency can be determined if the targets are achieved. This very well motivates a person for better job and helps him to improve his performance in the future.

We will be discussing the important performance appraisal tools and techniques in detail.

5.6 Ranking Method

The ranking system requires the rater to rank his subordinates on overall performance. This consists in simply putting a man in a rank order. Under this method, the ranking of an employee in a work group is done against that of another employee. The relative position of each employee is tested in terms of his numerical rank. It may also be done by ranking a person on his job performance against another member of the competitive group.

5.7 Advantages of Ranking Method

- Employees are ranked according to their performance levels.
- It is easier to rank the best and the worst employee.
- Limitations of Ranking Method
- The "whole man" is compared with another "whole man" in this method. In practice, it is very difficult to compare individuals possessing various individual traits.
- This method speaks only of the position where an employee stands in his group. It does not test anything about how much better or how much worse an employee is when compared to another employee.
- When a large number of employees are working, ranking of individuals become a difficult issue.
- There is no systematic procedure for ranking individuals in the organization. The ranking system does not eliminate the possibility of snap judgements.

5.8 Forced Distribution method

This is a ranking technique where raters are required to allocate a certain percentage of rates to certain categories (eg: superior, above average, average) or percentiles (eg: top 10 percent, bottom 20 percent etc). Both the number of categories and percentage of employees to be allotted to each category are a function of performance appraisal design and format. The workers of outstanding merit may be placed at top 10 percent of the scale, the rest may be placed as 20 % good, 40 % outstanding, 20 % fair and 10 % fair.

5.9 Advantages of Forced Distribution

- This method tends to eliminate raters bias
- By forcing the distribution according to pre-determined percentages, the problem of making use of different raters with different scales is avoided.
- Limitations of Forced Distribution
- The limitation of using this method in salary administration, however, is that it may lead low morale, low productivity and high absenteeism.

  Employees who feel that they are productive, but find themselves in lower grade(than expected) feel frustrated and exhibit over a period of time reluctance to work.

5.10 Critical Incident techniques

Under this method, the manager prepares lists of statements of very effective and ineffective behaviour of an employee. These critical incidents or events represent the outstanding or poor behaviour of employees or the job. The manager maintains logs of each employee, whereby he periodically records critical incidents of the workers behaviour. At the end of the rating period, these recorded critical incidents are used in the evaluation of the worker’s performance. Example of a good critical incident of a Customer Relations Officer is: March 12 - The Officer patiently attended to a customer’s complaint. He was very polite and prompt in attending the customer’s problem.

5.11 Advantages of Critical Incident techniques

- This method provides an objective basis for conducting a thorough discussion of an employee’s performance.
- This method avoids recency bias (most recent incidents are too much emphasized)
- Limitations of Critical Incident techniques

- Negative incidents may be more noticeable than positive incidents.
- The supervisors have a tendency to unload a series of complaints about the incidents during an annual performance review session.
- It results in very close supervision which may not be liked by an employee.
- The recording of incidents may be a chore for the manager concerned, who may be too busy or may forget to do it.

5.12 Checklists and Weighted Checklists

In this system, a large number of statements that describe a specific job are given. Each statement has a weight or scale value attached to it. While rating an employee the supervisor checks all those statements that most closely describe the behaviour of the individual under assessment. The rating sheet is then scored by averaging the weights of all the statements checked by the rater. A checklist is constructed for each job by having persons who are quite familiar with the jobs. These statements are then categorized by the judges and weights are assigned to the statements in accordance with the value attached by the judges.

5.13 Advantages of Checklists and Weighted Checklists

- Most frequently used method in evaluation of the employee's performance.
- Limitations of Checklists and Weighted Checklists
- This method is very expensive and time consuming
- Rater may be biased in distinguishing the positive and negative questions.
- It becomes difficult for the manager to assemble, analyze and weigh a number of statements about the employee's characteristics, contributions and behaviours.

5.14 Appraisal Biases

Managers commit mistakes while evaluating employees and their performance. Biases and judgment errors of various kinds may spoil the performance appraisal process. Bias here refers to inaccurate distortion of a measurement. These are:

First Impression (primacy effect): Raters form an overall impression about the ratee on the basis of some particluar characteristics of the ratee identified by them. The identified qualities and features may not provide adequate base for appraisal.

Halo Effect: The individual's performance is completely appraised on the basis of a perceived positive quality, feature or trait. In other words, this is the tendency to rate a man uniformly high or low in other traits if he is extra-ordinarily high or low in one particular trait. If a worker has few absences, his supervisor might give him a high rating in all other areas of work.

Horn Effect: The individual's performance is completely appraised on the basis of a negative quality or feature perceived. This results in an overall lower rating than may be warranted. "He is not formally dressed up in the office. He may be casual at work too!".

Excessive Stiffness or Lenience: Depending upon the raters own standards, values and physical and mental makeup at the time of appraisal, ratees may be rated very strictly or leniently. Some of the managers are likely to take the line of least resistance and rate people high, whereas others, by nature, believe in the tyranny of exact assessment, considering more particularly the drawbacks of the individual and thus making the assessment excessively severe. The leniency error can render a system ineffective. If everyone is to be rated high, the system has not done anything to differentiate among the employees.

Central Tendency: Appraisers rate all employees as average performers. That is, it is an attitude to rate people as neither high nor low and follow the middle path. For example, a professor, with a view to play it safe, might give a class grade near the equal to B, regardless of the differences in individual performances.

Personal Biases: The way a supervisor feels about each of the individuals working under him - whether he likes or dislikes them - as a tremendous effect on the rating of their performances. Personal Bias can stem from various sources as a result of information obtained from colleagues, considerations of faith and thinking, social and family background and so on.

Spill over Effect: The present performance is evaluated much on the basis of past performance. "The person who was a good performer in distant past is assured to be okay at present also".

Recency Effect: Rating is influenced by the most recent behaviour ignoring the commonly demonstrated behaviours during the entire appraisal period.

Therefore, while appraising performances, all the above biases should be avoided.

5.15 Terminologies

1. Performance Appraisal: is the systematic evaluation of performance of employees and to understand the ability of person for further growth.
2. Appraisal Biases: Biases are judgement errors of various kinds that may spoil performance appraisal process.

5.16 Activity

1. Discuss the importance of performance appraisal.

5.17 Reflection

What do you think human resource offices can do to reduce appraisal Biases?

5.18 Summary

In this unit, you have learnt the following on performance appraisal; functions of performance appraisal, performance appraisal tools, Appraisal biases. In the next unit, you will learn about human resource planning.

UNIT 6: HUMAN RESOURCE PLANNING (HRP)

6.1 Introduction

Human Resource is the most vital factor for the survival and prosperity of the organization. The human resource asset in a firm has the potential to appreciate the value of the firm. Though all the firms buy the same material and machines, the people in a firm make the difference in the final product. So the success of any organization mainly depends upon the quality of its human resource and their performance. Any forward looking management will be concerned with the problem of procuring or developing adequate talent for manning various positions in the organization. The success of a human resource planning process not only helps the organization itself, but also helps the society's prosperity. The losses a firm suffers from inadequate human resource planning and utilization, is a loss to the nation. When these individual losses are added up the total losses may be very significant to the economy of a nation.

6.2 Learning Outcomes

B y the end of this unit, you are expected to;

- discuss features of human resource management.
- analyze the significance of human resource planning.
- examine factors that affect human resource plan.
- discuss recruitment and selection process.
- discuss the importance of training and development in work places.

6.3 Time frame

You need about six (2) hours per week to interact with this material.

6.4 Content

- Definitions of Human Resource Planning by eminent authors
- Features of Human Resource Planning
- Significance of Human Resource Planning
- Purposes of Human Resource Planning
- Need for Human Resource Planning
- Objectives of Human Resource Planning
- Problems with Human Resource Planning

- Guidelines for making Human Resource Planning effective
- Factors affecting Human Resource Plans
- Recruitment and Selection Process in HRM
- Recruitment and Selection Process
- Factors Effecting Recruitment and Selection Process
- Steps Involved in Recruitment and Selection Process in HRM
- Sources used in the Screening Effort
- Screening Interviews
- Advantages of Successful Screening
- Characteristics of Well Designed Test
- Kinds of Pre-Employment Tests:
- Cognitive Aptitude tests
- Psycho – motor Abilities Test
- Job knowledge Tests
- Work Sample Tests
- Vocational Interest test
- Personality Tests
- Drug & Alcohol Tests
- Contents of the Interview
- Types of Interviews
- Methods of Interviewing

The Importance of Training and Development in the Workplace

Human resource may be regarded as the quantitative and qualitative measurement of labor force required in an organization and planning in relation to manpower may be regarded as establishing objectives to develop human resources in line with broad objectives of the organization. Thus, human resource planning may be expressed as a process by which the management ensures the right number of people and right kind of people, at the right place, at the right time doing the right things. It is a two-phased process by which management can project the future manpower requirements and develop manpower action plans to accommodate the implications of projections. Thus, we can say that human resource planning is the process of developing and determining objectives, policies and programmes that will develop, utilize and distribute manpower so as to achieve the goals of the organization.

Definitions of Human Resource Planning

Human Resource Planning is the planning of Human Resources. It is also called manpower planning/ personnel planning/ employment planning. It is only after Human Resource Planning that the Human Resource department can initiate the recruitment and selection process. Therefore Human Resource Planning is a sub-system of organisational planning.

6.5 Definitions of Human Resource Planning by eminent authors;

- "Human Resource Planning is a strategy for the acquisition, utilization, improvement and preservation of an organisation's human resource." – Y.C. Moushell
- "Manpower planning is the process by which a firm ensures that it has the right number of people and the right kind of people, at the right places, at the right time, doing things for which they are economically mast useful". – Edwin B. Geisler
- "Human Resource Planning is a process of forecasting an organisation's future demand for human resource and supply of right type of people in right numbers." – J.Chennly.K
- "Human Resource Planning is an integrated approach to perform the planning aspects of the personnel function. It ensures sufficient supply of adequately developed and motivated workforce to perform the required duties and tasks to meet organization's objectives by satisfying the individual needs and goals of organizational members." – Leon C. Megginson
- "A strategy for the acquisition, utilization, improvement, and preservation of human resources of an enterprise. It is a way of dealing with people in a dynamic situation." – Stainer
- "The process of determining manpower requirements and the means for meeting those requirements to carry out the integrated plan of the organization." – Bruce P. Coleman
- "Human Resource Planning as the process by which management determines how the organization should move from its current manpower position to its desired position. Through planning, management strives to have the right number and the right kind of people, at the right places, at the right time, doing right things resulting in maximum long-run benefits both for the organization and for the individual." – Vetter

6.6 Features of Human Resource Planning

1. It is future oriented: Human Resource Planning is forward-looking. It involves forecasting the manpower needs for a future period so that adequate and timely provisions may be made to meet the needs.
2. It is a continuous process: Human Resource Planning is a continuous process because the demand and supply of Human Resource keeps fluctuating throughout the year. Human Resource Planning has to be reviewed according to the needs of the organisation and changing environment.
3. Integral part of Corporate Planning: Manpower planning is an integral part of corporate planning because without a corporate plan there can be no manpower planning.
4. Optimum utilization of resources: The basic purpose of Human Resource Planning is to make optimum utilization of organisation's current and future human resources.

5. Both Qualitative and Quantitative aspect: Human Resource Planning considers both the qualitative and quantitative aspects of Human Resource Management, ‘Quantitative’ meaning the right number of people and ‘Qualitative’ implying the right quality of manpower required in the organisation.
6. Long term and Short term: Human Resource Planning is both Long-term and short-term in nature. Just like planning which is long-term and short-term depending on the need of the hour, Human Resource Planning keeps long-term goals and short-term goals in view while predicting and forecasting the demand and supply of Human Resource.

Involves study of manpower requirement: Human Resource Planning involves the study of manpower availability and the manpower requirement in the organisation.

6.7 Significance of Human Resource Planning

The failure in planning and in developing personnel will prove to be a limiting factor in attributing to the organizational objectives. If the number of persons in an organization is less than the number of persons required to carry out the organizational plans, there will be disruptions in the flow of work and the production will also be lowered. But if, on the other hand, some persons are surplus in an organization, they will have to be paid remuneration. The sound personnel policy requires that there should be adequate number of persons of the right type to attain its objectifies. For this the manpower planner should be concerned with the training and the scheduling of the planning of personnel and persuading the management to use the results of manpower planning studies in the conduct of the business. Every industrial or commercial organization has the need of proper system of manpower planning so as to bring efficiency and economy in the organization. Smaller concerns and those with simpler organizations also require human resource planning though at a small scale. Human resource planning can prove to be an important aid to frame the training and development programmes for the personnel because it takes into account the effects of anticipated changes in technology, markets and products on manpower requirements and educational and training programme requirements.

Human resource planning is relatively a difficult task for the personnel management. It is particularly so in business enterprises which are often subject to forces outside their control such as social, political and economical changes. Manpower is a key resource required for the achievement of business objectives. Materials, equipment’s, power and other resources can be effectively and efficiently used, only if there is manpower capable of processing them into required goods and services. It takes a long time to develop the manpower of right type to use these resources. Therefore, decisions concerning manpower development must be taken many years in advance. However, management may stick to short periods for rank and file employees, but it will have to concentrate upon the problems of replacing key professional and managerial personnel on a long term basis. In as-much-as many big organizations do prepare long-range forecasts in production, marketing and capital investment, it should not be surprising if it makes long term projections in regard to its personnel. However, human resource plans cannot be rigid or static, they can be modified or adjusted according to the change in the circumstances.

6.8 Purposes of Human Resource Planning

The primary function of Personnel planning is to analyze and evaluate the available human resources within the organization. It also determines how to obtain the kinds of needed personnel to staff various organisational positions starting from assembly line workers to chief executives. Smaller companies have assigned the function of HR planning to the human resource department or personnel department. Larger corporations have separate departments for this function. Personnel planning aims at minimization of waste in employing people, lessen uncertainty of current personnel levels and future needs, and eliminate mistakes in staffing pattern. The purpose of Human Resource Planning aims at maintaining the required level of skill by avoiding workforce skill shortages, stopping the profit-eroding effects of being overstaffed or understaffed, preparing succession plans and shaping the optimum future work force composition by hiring the right skill in appropriate numbers.

6.9 Need for Human Resource Planning

An organisation must plan out its human resource requirements well in advance so that it could complete effectively with its competitors in the market. A well thought-out-human resource plan provides adequate lead time for recruitment, selection and training of personnel. It becomes all the more crucial because the lead time for procuring personnel is a time consuming process and in certain cases one may not always get the requisite type of personnel needed for the jobs. Non-availability of suitable manpower may result in postponement or delays in executing new projects and expansion programmes which ultimately lead to lower efficiency and productivity further. To be specific, the following are the needs for human resource planning:

1. Shortage of Skills: These days we find shortage of skills in people. So it is necessary to plan for such skilled people much in advance than when we actually need them. Non-availability of skilled people when and where they are needed is an important factor which prompts sound Human Resource Planning.
2. Frequent Labor Turnover: Human Resource Planning is essential because of frequent labor turnover which is unavoidable by all means. Labor turnover arises because of discharges, marriages, promotion, transfer etc which causes a constant ebb and flow in the workforce in the organisation.
3. Changing needs of technology: Due to changes in technology and new techniques of production, existing employees need to be trained or new blood injected into an organisation.
4. Identify areas of surplus or shortage of personnel: Manpower planning is needed in order to identify areas with a surplus of personnel or areas in which there is a shortage of personnel. If there is a surplus, it can be re-deployed, or if there is a shortage new employees can be procured.
5. Changes in organisation design and structure: Due to changes in organisation structure and design we need to plan the required human resources right from the beginning.

6.10 Objectives of Human Resource Planning

The objective of human resource planning is to ensure the best fit between employees and jobs, while avoiding manpower shortages or surpluses. Human resource planning is a sub-system of the total organizational planning. It constitutes an integral part of corporate plan and serves the very purpose of organization in many ways. The primary purpose of human resource planning is to prepare for the future by reducing organizational uncertainty in relation to the acquisition, placement, and development of employees. Human resources planning is done to achieve the optimum use of human resources and to have the right types and correct number of employees to meet organizational goals.

6.11 The main objectives of Human Resource Planning are:

1. Achieve Goal: Human Resource Planning helps in achieving individual, Organizational & National goals. Since Human resource planning is linked with career planning, it can able to achieve individual goal while achieving organisational and national goal.
2. Estimates future organizational structure and Manpower Requirements: Human Resource Planning is related with number of Personnel required for the future, job-family, age distribution

of employees, qualification & desired experience, salary range etc and thereby determines future organisation structure.

3. Human Resource Audit: Human resource planning process is comprised of estimating the future needs and determining the present supply of Manpower Resources. Manpower supply analysis is done through skills inventory. This helps in preventing over staffing as well as under-staffing.
4. Job Analysis: The process of studying and collecting information relating to operations and responsibilities of a specific job is called Job analysis. Job analysis is comprised of job description and job specification. Job description describes the duties and responsibilities of a particular job in an organized factual way. Job specification specifies minimum acceptable human qualities necessary to perform a particular job properly.

6.12 Problems with Human Resource Planning

1. Resistance by Employers: Many employers resist Human Resource Planning as they think that it increases the cost of manpower for the management. Further, employers feel that Human Resource Planning is not necessary as candidates will be available as and when required in the country due to the growing unemployment situation.
2. Resistance by Employees: Employees resist Human Resource Planning as it increases the workload on the employees and prepares programmes for securing human resources mostly from outside.
3. Inadequacies in quality of information: Reliable information about the economy, other industries, labor markets, trends in human resources etc are not easily available. This leads to problems while planning for human resources in the organisation.
4. Uncertainties: Uncertainties are quite common in human resource practices in India due to absenteeism, seasonal unemployment, labor turnover etc. Further, the uncertainties in the industrial scenario like technological changes and marketing conditions also cause imperfection in Human Resource Planning. It is the uncertainties that make Human Resource Planning less reliable.
5. Time and expense: Human Resource Planning is a time-consuming and expensive exercise. A good deal of time and cost are involved in data collection and forecasting.

6.13 Guidelines for making Human Resource Planning effective

1. Adequate information system: The main problem faced in Human Resource Planning is the lack of information. So an adequate Human resource database should be maintained/developed for better coordinated and more accurate Human Resource Planning.
2. Participation: To be successful, Human Resource Planning requires active participation and coordinated efforts on the part of operating executives. Such participation will help to improve understanding of the process and thereby, reduce resistance from the top management.
3. Adequate organisation: Human Resource Planning should be properly organised; a separate section or committee may be constituted within the human resource department to provide adequate focus and to coordinate the planning efforts at various levels.
4. Human Resource Planning should be balanced with corporate planning: Human resource plans should be balanced with the corporate plans of the enterprise. The methods and techniques used should fit the objectives, strategies and environment of the particular organisation.
5. Appropriate time horizon: The period of manpower plans should be appropriate according to the needs and circumstances of the specific enterprise. The size and structure of the enterprise as well as the changing aspirations of the people should be taken into consideration.

6.14 Factors affecting Human Resource Plans

External factor:

They are the factors which affect the Human Resource Planning externally. They include: -

1. Government policies: Policies of the government like labour policy, industrial policy, policy towards reserving certain jobs for different communities and sons-of-the-soil etc affect Human Resource Planning.
2. Level of economic development: – Level of economic development determines the level of human resource development in the country and thereby the supply of human resources in the future in the country.
3. Information Technology: Information technology brought amazing shifts in the way business operates. These shifts include Business Process Reengineering (BPR), Enterprise Resource Planning (ERP) and Supply Chain Management (SCM). These changes brought unprecedented reduction in human resource and increase in software specialists. Example: Computer-aided

design (CAD) and computer-aided technology (CAT) also reduced the existing requirement of human resource.

4. Level of Technology: Technology is the application of knowledge to practical tasks which lead to new inventions and discoveries. The invention of the latest technology determines the kind of human resources required.
5. Business Environment: Business environment means the internal and external factors influencing the business. Business environmental factors influences the volume of mix of production and thereby the supply of human resources in the future in the country.
6. International factors: International factors like the demand and supply of Human resources in various countries also affects Human Resource Planning.

Internal factors:

1. Company Strategies: The organisation's policies and strategies relating to expansion, diversification etc. determines the human resource demand in terms of Quantity and Quality
2. Human Resource policies: Human Resource policies of the company regarding quality of human resources, compensation level, quality of working conditions etc. influence Human Resource Planning.
3. Job analysis: Job analysis means detailed study of the job including the skills needed for a particular job. Human Resource Planning is based on job analysis which determines the kind of employees to be procured.
4. Time Horizon: Company's planning differs according to the competitive environment i.e. companies with stable competitive environment can plan for the long run whereas firms without a stable environment can only plan for short term. Therefore, when there are many competitors entering business/ when there is rapid change in social and economic conditions of business/ if there is constant change in demand patterns/ when there exists poor management practice, then short term planning is adopted or vice-versa for long-term planning.
5. Type and Quality of Information: Any planning process needs qualitative and accurate information about the organisational structure, capital budget, functional area objectives, level of technology being used, job analysis, recruitment sources, retirement plans, compensation levels of employees etc. Therefore Human Resource Planning is determined on the basis of the type and quality of information.

6. Company's production and operational policy: Company's policies regarding how much to produce and how much to purchase from outside in order to manufacture the final product influences the number and kind of people required.
7. Trade Unions: If the unions declare that they will not work for more than 8 hours a day, it affects the Human Resource Planning. Therefore influence of trade unions regarding the number of working hours per week, recruitment sources etc. affect Human Resource Planning.
8. Organisational Growth Cycles: At starting stage the organisation is small and the need of employees is usually smaller, but when the organisation enters the growth phase more young people need to be hired. Similarly, in the declining/recession/downturn phase Human Resource Planning is done to re-trench the employees.

6.15 Recruitment and Selection Process in HRM

Recruitment and Selection process is defined as the process through which the best individuals are selected among a pool of applicants for particular positions of job. Mostly managers consider selection process as one of their critical decision functions in the organization. In selection process, the managers actually try to match knowledge, skills & abilities of the applicants with the requirements of the jobs. There is no single selection process that can be considered as standard one for all the organizations. Rather the steps & procedure of selection process varies from organization to organization.

6.16 Factors Effecting Recruitment and Selection Process

Recruitment and Selection Process is supported by a standard & permanent process of screening. However, in some cases the screening process cannot simplify the selection process because there are certain other factors that influence the selection process. These factors are the environmental factors & are as follow:

6.16.1 Legal Considerations

Human Resource Management is influenced by the court decisions, executive orders & legislation. The management of the organization should use the legally defensive selection tools in the selection process.

6.16.2 Speed of Decision Making

The recruitment and selection process is directly influenced by the available time to make the decision of selection. In general cases the selection process is followed by the specified policies & procedures to protect the organization from legal issues. But in certain situations there is much pressure on the organization that leads the management to follow the exceptional selection process.

6.16.3 Organizational Hierarchy

Recruitment and selection process varies according to the filling posts of different levels of hierarchy in the organizational structure.

6.16.4 Applicant Pool

The recruitment and selection process is also influenced by the number of applicants for a particular job. In case of many qualified applicants for a particular post, the selection process becomes selective. For this purpose, selection ratio is ascertained by comparing the number of selected applicants to the number of applicants in a pool.

6.16.5 Type of Organization

The type of the organization like government organization, private or non-profit organization etc, also affects the selection process for the hiring individuals.

6.16.6 Probationary Period

Certain organization adopts the procedure of probation period in the selection process to check the potential of the individual on the basis of his performance. This may take the form of either validity check on the selection process or as a substitute of some steps of the selection process.

6.16.7 Selection Criteria:

In most of the cases the applicants are selected on the basis of following factors or criterion.

- Education
- Competence
- Experience
- Skills & Abilities
- Personal Characteristics

In way the applicant that best fits the above criterion is selected rather than the one that has extraordinary skills or over as well as under qualified because in such case the later selected person would not properly adjust in the organization.

6.17 Steps Involved in Recruitment and Selection Process in HRM

In typical cases, the selection process starts with the preliminary interview after which the applications for the employment are filled by the candidates. The candidates pass through a number of selection tests, interviews of employment and background check & references. The candidates that are successful in all the previous steps get physical examination test by the company and if the results are satisfactory, they are selected. There are several internal & external forces that influence the selection process & therefore the managers must consider these factors before making a final decision of selection. Following are the standardized steps of the selection process but some organizations may alter some of these steps in their selection process.

1. **Initial Screening:**

Generally, the Selection and the Recruitment Process starts with the initial screening of applicants so that the unqualified ones are drop out at the initial stage. Initial screening is helpful to save the time, cost & effort of the selection committee in the following steps of the selection process. In this step certain general questions are asked from the applicants. There are chances that some applicants would be unqualified for the job but some of them would be qualified. So the main purpose of screening of applicants is to reduce the number of applicants available in the selection process.

6.18 Sources used in the Screening Effort

The main source of initial screening is the curriculum vitae of the applicant along with the job application. Following information is included in the above mentioned documents.

- Education & employment History
- Evaluation of character
- Evaluation of job performance

6.19 Screening Interviews

Screening interviews are employed to

- To verify the accuracy & validity of the information given in the curriculum vitae of the applicant.
- The duration of these interviews is quite short.

6.20 Advantages of Successful Screening

When the initial screening step become successful, the removing applicants don not proceed to the next step of the selection process because they do not meet the minimum requirements. Secondly the selection costs of the organization are much reduced through proper screening of the applicants.

6.20.1 Application Blank

The person's application for employment is formally recorded in the shape of application blank. In the next step of the selection process, an application form for the employment is completed by the prospective applicant. The information contained in the application blank differ from one organization to another organization and in job posts, it may vary even within the same organization. But generally the informational needs and the requirements of EEO are covered in the application blank. The historical data from the candidate can be quickly collected through the application blanks so that further verification about the accuracy of the data is carried out.

6.20.2 Pre-employment Test

The physical & mental abilities, knowledge, skills, personal characteristics & other aspects of behavior can be effectively measured through the pre-employment tests. For this purpose, there are hundreds of test that can measure the different aspects of human behavior. With the passage of time, the application of pre-employment test is growing at a fast rate in the selection process because they can explain the qualities & skills of applicant clearly. These tests are more used in the large & public sector organizations.

The advantage of application of tests in the selection process is that it can ensure the potential & qualified candidate selection from a pool of applicants for a job.

6.21 Characteristics of Well Designed Test

A well designed selection test has the following characteristics.

- Standardization
- Objectivity
- Norms
- Reliability
- Validity

6.22 Kinds of Pre-Employment Tests:

As individuals varies on the basis of cognitive abilities, job knowledge, vocational interests, psycho-motor abilities & personality etc. So, all these factors are measured through a set of different pre-employment tests which are as follow.

Cognitive Aptitude tests

In this test the ability to learn & perform a job by an individual is judged. The abilities related to job are as follow.

- Verbal
- Reasoning

- Numerical
- Perceptual Speed
- Spatial

Psycho – motor Abilities Test

In this test, the coordination, strength & dexterity of an individual is judged. Other abilities related to routine office jobs & production jobs can also be measured through these tests.

Job knowledge Tests

This test is used to measure the knowledge of the person about the duties of a particular job.

Work Sample Tests

A set of tasks that represent a job are identified in this test through which the productivity level, ability to face adverse conditions by the applicants are judged.

Vocational Interest test

This test identifies the occupations that are preferred by the candidate & that can provide him maximum satisfaction.

Personality Tests

These tests are not considered to be so reliable & valid as compared to other pre-employment tests because these tests require external psychologist who interprets the results of the tests subjectively.

Drug & Alcohol Tests

For the security, productivity & safety of the workplace drug testing programs are used as pre-employment tests.

4. **Job Interviews**

In the interview, the interviewer & applicant exchange information in order to achieve a goal through conversation. The employment interviews are conducted during the selection process through proper planning. The pleasant location of the interviewing place is selected and the interviewer has the good personality with empathy & ability to communicate & listen effectively. A job profile must be prepared on the basis of job description before conducting interview.

Contents of the Interview

Although the contents of the employment interview varies from one organization to another & also according to the nature of job but still following are the essential contents of the interview.

- Occupational Experience
- Academic Achievement
- Interpersonal Skills
- Personal Qualities
- Organizational Fit

6.23 Types of Interviews

The interviews are generally categorized into the following three types.

6.23.1 Unstructured Interview

In unstructured interviews open ended questions are asked from the applicant in order to perform probing. It is generally non-directive in nature and applicant is encouraged to give lengthy answers.

6.23.2 Structured Interview

In structured interview, a list of job related questions associated to particular job are asked from each applicant in a consistent manner. It is directive or patterned in nature and includes the following four kinds of questions.

- Situational Questions
- Job Knowledge Questions
- Job-sample simulation Questions
- Worker Requirement Questions

6.23.3 Mixed Interview

It is a special kind of structured interview in which specially designed questions are asked from the applicant to probe his past behavior in specific situations. It does not include the self-evaluative & hypothetical questions & inhibits to judge the personality of the applicant. The candidates are rated on the basis of their responses in the light of the bench-marked answer of successful employees.

6.24 Methods of Interviewing

Following are the main ways of conducting interviews.

01- One-on-One Interview

02- Group Interview

03- Board Interview

04- Stress Interview

5. **Back Ground Checks**

The accuracy of the application form of the candidate is verified through references & former employer. The educational, criminal record & legal status to work are verified. Personal references of applicant are contacted to confirm the validity & accuracy of the provided information. Effort is made to know the past behavior of the employees to that the future behavior can be predicted from it. Background checks assist the selection committee in dropping the applicants that have past insubordination issues, attendance problem, theft or special behavioral problems. The level of responsibility of the new job directs the intensity of the background investigation.

6. **Conditional Job Offer**

After going through all the previous steps of selection process, there comes the most important step of the selection process in which the decision of hiring is made. The applicant that best meets the requirements of the job is selected. At start conditional job letter is issued which must be followed by medical exam.

7. **Medical Exam**

When the conditional job letter is issued the next step of the selection process starts in which the physical/medical examination of the selected candidate is conducted. The medical exam of the candidate is essential to check either he takes the drugs or not. If he passes the exam, he would be finally selected for the job.

8. **Final Selection Decision**

6.25 The Importance of Training and Development in the Workplace

Training isn't just important to any company, it is vital.

Although there are many categories of training such as management training and or sales training, employees with Project Management skills are an important asset to any organisation.

But what does training and development, mean to your organisation?

Training presents a prime opportunity to expand the knowledge base of all employees, but many employers in the current climate find development opportunities expensive.

Employees attending training sessions also miss out on work time which may delay the completion of projects. However, despite these potential drawbacks, training and development provides both the individual and organisations as a whole with benefits that make the cost and time a worthwhile investment. The return on investment from training and development of employees is really a no brainer.

So what are the benefits?

Improved employee performance – the employee who receives the necessary training is more able to perform in their job. The training will give the employee a greater understanding of their responsibilities within their role, and in turn build their confidence. This confidence will enhance their overall performance and this can only benefit the company. Employees who are competent and on top of changing industry standards help your company hold a position as a leader and strong competitor within the industry.

Improved employee satisfaction and morale – the investment in training that a company makes shows employees that they are valued. The training creates a supportive workplace. Employees may gain access to training they wouldn't have otherwise known about or sought out themselves. Employees who feel appreciated and challenged through training opportunities may feel more satisfaction toward their jobs.

Addressing weaknesses – Most employees will have some weaknesses in their workplace skills. A training program allows you to strengthen those skills that each employee needs to improve. A development program brings all employees to a higher level so they all have similar skills and knowledge. This helps reduce any weak links within the company who rely heavily on others to complete basic work tasks. Providing the necessary training creates an overall knowledgeable staff with employees who can take over for one another as needed, work on teams or work independently without constant help and supervision from others.

Consistency – A robust training and development program ensures that employees have a consistent experience and background knowledge. The consistency is particularly relevant for the company's basic policies and procedures. All employees need to be aware of the expectations and procedures within the company. Increased efficiencies in processes results in financial gain for the company.

Increased productivity and adherence to quality standards – Productivity usually increases when a company implements training courses. Increased efficiency in processes will ensure project success which in turn will improve the company turnover and potential market share.

Increased innovation in new strategies and products – Ongoing training and upskilling of the workforce can encourage creativity. New ideas can be formed as a direct result of training and development.

Reduced employee turnover – staff are more likely to feel valued if they are invested in and therefore, less likely to change employers. Training and development is seen as an additional company benefit. Recruitment costs therefore go down due to staff retention.

Enhances company reputation and profile – Having a strong and successful training strategy helps to develop your employer brand and make your company a prime consideration for graduates and mid-career changes. Training also makes a company more attractive to potential new recruits who seek to improve their skills and the opportunities associated with those new skills.
Training can be of any kind relevant to the work or responsibilities of the individual, and can be delivered by any appropriate method.

For example, it could include:

- On-the-job learning
- Mentoring schemes
- In-house training
- Individual study

Blended learning is becoming more and more popular and as a company we have seen a definite increase in this method of training over the last year. Blended Learning is the effective combination of online learning and classroom learning. Many of 20|20's clients prefer their staff to learn on-site rather than attend off-site training programmes – especially in industries like oil and gas where it is often very impractical to attend off-site courses. On-site learning programmes like the blended learning approach, allow 20|20 to train more people working across a larger international footprint than just the UK. This makes it much more cost-effective and allows for greater process consistency.

The importance of training your employees – both new and experienced – really cannot be overemphasized.

6.26 Terminologies

1. Human resource planning: is a strategy for the acquisition, utilization, improvement and preservation of an organisation human resource.
2. Human resource audit: is estimating the future needs and determining the present supply of man power.

6.27 Activity

1. Discuss the recruitment and selection process.
2. Discuss the importance of training and development in work places.

6.28 Reflection

What do you think is the relevance of human resource audit in organisation?

6.29 Summary

In this unit, you have learnt about the following; features of human resource planning, Significance of human resource planning, purpose of human resource planning, need for human resource planning and problem with human resource planning. In the next unit, you will learn about labour relations and organisational structure.

UNIT 7: LABOUR RELATIONS AND ORGANISATIONAL STRUCTURE

7.1 Introduction

labour relations are those that are established between labour and capital in the productive process. In that relationship, the person who brings the work is called worker, insofar as that provides the capital is called the employer, employer or entrepreneur. The worker is always a physical person, while the employer can be both a natural person and a legal person. In modern societies the employment relationship is regulated by a contract of employment in which both parties are formally free. However an isolated worker is in a situation in fact of weakness against the employer that prevents you establish a free relationship, by what means that an employment relationship to be truly free should be collectively, between the workers organized trade unions and the employer.

The contract of employment are the rules governing the employment relationship. The contract of employment has a compulsory minimum content laid down in all the above, among them the labour law and labour law.

7.2 Learning Outcomes

By the end of this unit, you are expected to;

- discuss the concept of labour relations.
- analyse the concept of industrial relations.
- examine different organisational structures.
- discuss organisational communication.

7.3 Time frame

You need about six (6) hours per week to interact with this material.

7.4 Content

- Concept of labour relations
- Organisational Structures
- Organizational Structure Types
- Bureaucratic Structures
- Pre-bureaucratic structures
- Bureaucratic structures
- Post-Bureaucratic Structures
- Functional Structure
- Divisional Structure

- Matrix Structure
- Communication in Work Places
- How to improve organisation communicates

Individual labour relations are that establishes a worker isolated directly with your employer or its representative. Collective labour relations are that establishes a Union or group of unions with a company or employer organization, or a group of a few.

In the individual employment relationship, the worker is in a situation of dependency or subordination of the employer. This legal inequality hinders the possibility of a privity between the parties, since the will of the worker is affected. In addition, workers often find themselves in a situation of economic weakness against the employer. For this reason, Alain Suppiot has argued that the civil law fails when it tries to be applied to the individual employment relationship and that the only working world can be civilized if the worker organized trade unions and collectively negotiate with the employer.

7.5 Concept of labour relations

The expression labour relations is commonly used to refer to the practices and rules that structure relations between employees, the empresarios and the State in different fields: within a company, a branch of activity, a particular territory or the economy in general. These relaciones can be individual or collective, so the actors can be directly involved either can be related through their representantes (such as groups, trade unions of employees, the business organizaciones or even the institutions of the State). In addition, these relationships can be informal and formal (agreements, collective agreements, reglamentos, laws, etc.).
This broad definition of industrial relations allows you to delimit a scientific research campo within which specialists can opt for certain research topics, such as the study of the sindical movement, business associations, labour disputes, collective bargaining, and others.
Labour relations have been developed together with the process of industrializacion in Western countries since the second half of the century xvm. The expression labour relations has as antecedent the expression anglosajona Industrial Relations, that appears towards the end of the 19th century, as we have already indicated above. This term appears for the first time in 1885 and is enshrined as an expression by 1924, with the creation of a Department of industrial relations in the British Ministry of labour. Twelve years more tarde, also in the United States, was created a Committee on industrial relations commissioned by President William Howard Taft to analyze the causes of a conflict arising from a fatal accident, as well

as to propose means to remedy the situation.
In other words, the collective action organized, public recognition of unions and the creation of bodies of mediation in the conflict have been fundamental to the development of this discipline. In England and United States, the development of trade unions and the social upheaval generated at the beginning of the 20th century led to a political and academic interest in research, often sponsored by employers, Governments and institutes specialized in issues studies labour. Therefore, the labor relaciones become not only an object of study, but also a University disciplina recognized, what contributes to the generation of specialized publications and the establishment of professional associations, such as the IRRA - Industrial Relations Research Association, founded in 1948-(Lallement, 1996).

3 Meaning of labour relations

Referred to as labour relations to the link established between two or more persons in the workplace or work. Labour relations are those that are generated between one who offered their labour force (either physical or mental) and one that offers capital or the media production the first person to perform the task (an example of this would be an Office employee and owner or boss that gives the work space plus all the necessary resources to carry out the task).
One of the most distinctive features of labour relations is that they tend to be unbalanced in the sense that there always are someone who has the power to start them or finish them at their convenience, and that person is that hires the employee or that it gives you the means of production so that it can work. In many cases, labour relations become problematic when the employer uses that power to your favour overreact to practical conduct of labour abuse.
Labour relations have various elements that organize them universally. One of the most important elements of any employment relationship on the one hand, is the salary or payment that the person will receive for their work. The amount of the salary may be universally imposed (e.g., for a specific activity know that the agreed minimum must be so much money) or may vary depending on specific circumstances (if the worker is autonomous, if the work is temporary, if it is for hours, if they are paid hours' overtime, etc.). In general, the State is responsible for establishing policies that respect the rights of workers both in the public sphere and the private and even though it knows that the public sphere is more stable in this regard, private can also be controlled by the State.
Another important issue in the field of labour relations is the contract although it exists universally nor historically because long time labour relations were established (and still

establishing) based on the word of the people involved. The contract is the document which contains the conditions of work, the type of task to develop, the type of payment and other aggregate arrangements that can be made (for example, setting the salary for periods of inflation or increase of tasks). The contract is the most important legal part of labour relations and must be respected by both parties.

4. What is labour relations

Labour relations can be defined as: "the way in which decisions are made to distribute the fruits of production between producers and those who provide the means to cause the same..." Vega Ruiz (1994).

"... analyzed approaches revolve around of the explanation of the power and decision-making... by the importance conferred all the approaches to the conflict and to the consensus... This does more than recognize that labour relations are relations of force, where what matters is to determine who makes the decisions and that way... "." Cedrola.

Its object of analysis lies in "the study of the rules governing labour relations, together with the means by which are made, changed, interpreted and administered..., in turn, the study of unions, companies and public organizations linked with labour relations. These sectors represent the interests of classes and certain groups of a concrete society. The relations of power between them will be affected by the economic and political structure of the society where they operate, overall to be considered in the analysis of the parties... framework "." Lucena."... the set of social and economic, that are born on the occasion of the production of economic goods and relationships that are both individual and collective." Such set of social and economic relationships, presents one important enough in every society, to be of academic concern." G. Dion (1994) "". Gérard Dion (2004) "an interdisciplinary field that encompasses the study of all facets of the man at work, including the study of individuals, groups of workers who may or may not be organized, the behaviour of the employer or trade union organizations, public policy or legal framework that dictates the conditions of employment, the economy of labour problems and even the comparative analysis of the different systems of industrial relations in different countries in" different periods of time." Thomas Kochan (1980).

5. Definition of industrial relations

Labour relations are links that are established in the field of labour. They usually refer to relations between labour and capital in the framework of the production process.

In modern societies, labour relations are regulated by a contract of employment, which stipulates the rights and obligations of both parties. For example, the employment contract States a worker access to compensation if he is fired without just cause.
On the other hand, must be taken into account that labour relations can be individual or collective. Individual labour relations are an isolated worker sets with your employer or your direct representative. On the other hand, collective labour relations are that establishes a trade union representing the workers with a company or employer's organization.
Collective relations arise to minimize the situation of dependence and subordination between the worker and the employer. The Union has more power to impose its conditions and achieve a fair and equitable employment relationship.

Relations between employers and worker’s organizations, among if or with the State as an intermediary, are known as social dialogue. These relations are based on the principle of tripartism, which means that the most important issues related to employment should be resolved between the three main parties involved: the State, capital and labour.
As in all types of interpersonal relationships, there are various points of conflict that hamper the functioning of companies. Without a doubt, pay represents one of the most delicate to deal between an employer and its employees. It is important that the compensation is fair compensation for the work done, and this is something that normally happens.
On the one hand, many workers hide behind the lack of job opportunities to not require that their rights be complied for fear of being fired. On the other hand, many employers take advantage of this situation to exploit their employees. While, at first glance, this box heads seem unjust and reckless beings, to get a change it is necessary to modify the behavior of the people who accepted a lower salary to which you deserve.
The right to holidays and free days by own affairs is often the center of many discussions in the companies, and its breach causes a deep discontent and a lack of attachment to the work, resulting in a silent war that, as in any war, does not benefit anyone. If in the absence of respect is answered in the same way, the image of a company fogging of situations such as the reluctance when it comes to the public, theft of materials by employees and poorly finished tasks.
In recent years, some companies have adopted a model of work known as "horizontal hierarchy". Basically, it consists in giving employees the feeling of not being below their heads, which is what happens in traditional organizations. He is not a question of altering the

organizational structure, nor give the same amount to all members, but take advantage of tools such as the dialogue to improve the overall experience and, therefore, the performance of the company. Other common resources are to enable each view to your liking, locate all offices at the same level and use translucent walls to eliminate the idea that employers are beings higher and inaccessible. International labour relations, on the other hand, arise in 1919, when the International Labour Organization (ILO) is formed. Its function is to channel the relations between States, the organizations of workers and employers

7.6 Organisational Structures

Any operating organization should have its own structure in order to operate efficiently. For an organization, the organizational structure is a hierarchy of people and its functions.

The organizational structure of an organization tells you the character of an organization and the values it believes in. Therefore, when you do business with an organization or getting into a new job in an organization, it is always a great idea to get to know and understand their organizational structure. Depending on the organizational values and the nature of the business, organizations tend to adopt one of the following structures for management purposes. Although the organization follows a particular structure, there can be departments and teams following some other organizational structure in exceptional cases. Sometimes, some organizations may follow a combination of the following organizational structures as well.

7.7 Organizational Structure Types

Following are the types of organizational structures that can be observed in the modern business organizations.

7.7.1 Bureaucratic Structures

Bureaucratic structures maintain strict hierarchies when it comes to people management. There are three types of bureaucratic structures:

7.7.2 Pre-bureaucratic structures

This type of organizations lacks the standards. Usually this type of structure can be observed in small scale, start-up companies. Usually the structure is centralized and there is only one key decision maker.

The communication is done in one-on-one conversations. This type of structures is quite helpful for small organizations due to the fact that the founder has the full control over all the decisions and operations.

7.7.3 Bureaucratic structures

These structures have a certain degree of standardization. When the organizations grow complex and large, bureaucratic structures are required for management. These structures are quite suitable for tall organizations.

7.7.4 Post-Bureaucratic Structures

The organizations that follow post-bureaucratic structures still inherit the strict hierarchies, but open to more modern ideas and methodologies. They follow techniques such as total quality management (TQM), culture management, etc.

7.7.5 Functional Structure

The organization is divided into segments based on the functions when managing. This allows the organization to enhance the efficiencies of these functional groups. As an example, take a software company. Software engineers will only staff the entire software development department. This way, management of this functional group becomes easy and effective.

Functional structures appear to be successful in large organization that produces high volumes of products at low costs. The low cost can be achieved by such companies due to the efficiencies within functional groups. In addition to such advantages, there can be disadvantage from an organizational perspective if the communication between the functional groups is not effective. In this case, organization may find it difficult to achieve some organizational objectives at the end.

7.7.6 Divisional Structure

These types of organizations divide the functional areas of the organization to divisions. Each division is equipped with its own resources in order to function independently. There can be many bases to define divisions. Divisions can be defined based on the geographical basis, products/services basis, or any other measurement.

As an example, take a company such as General Electrics. It can have microwave division, turbine division, etc., and these divisions have their own marketing teams, finance teams, etc.

In that sense, each division can be considered as a micro-company with the main organization.

7.7.7 Matrix Structure

When it comes to matrix structure, the organization places the employees based on the function and the product. The matrix structure gives the best of the both worlds of functional and divisional structures. In this type of an organization, the company uses teams to complete tasks. The teams are formed based on the functions they belong to (ex: software engineers) and product they are involved in (ex: Project A). This way, there are many teams in this organization such as software engineers of project A, software engineers of project B, QA engineers of project A, etc.

7.8 Conclusion

Every organization needs a structure in order to operate systematically. The organizational structures can be used by any organization if the structure fits into the nature and the maturity of the organization. In most cases, organizations evolve through structures when they progress through and enhance their processes and manpower. One company may start as a pre-bureaucratic company and may evolve up to a matrix organization.

7.9 Communication in Work Places

Good communication is an essential tool in achieving productivity and maintaining strong working relationships at all levels of an organisation. Employers who invest time and energy into delivering clear lines of communication will rapidly build trust among employees, leading to increases in productivity, output and morale in general. Meanwhile, employees who communicate effectively with colleagues, managers and customers are always valuable assets to an organisation and it is a skill which can often set people apart from their competition when applying for jobs.

Poor communication in the workplace will inevitably lead to unmotivated staff that may begin to question their own confidence in their abilities and inevitably in the organisation.

The importance of strong communication runs deep within a business. Here are five key reasons you should be paying attention:

- Team building – Building effective teams is really all about how those team members communicate and collaborate together. By implementing effective strategies, such as those listed below, to boost communication you will go a long way toward building effective teams. This, in turn, will improve morale and employee satisfaction.
- Gives everyone a voice – As mentioned above, employee satisfaction can rely a lot on their having a voice and being listened to, whether it be in regards to an idea they have had or about a complaint they need to make. Well established lines of communication should afford everyone, no matter their level, the ability to freely communicate with their peers, colleagues and superiors.
- Innovation – Where employees are enabled to openly communicate ideas without fear of ridicule or retribution they are far more likely to bring their idea to the table. Innovation relies heavily on this and an organisation which encourages communication is far more likely to be an innovative one.
- Growth – Communication can be viewed both internally and externally. By being joined up internally and having strong lines of communication you are ensuring that the message you are delivering externally is consistent. Any growth project relies on strong communication and on all stakeholders, whether internal or external, being on the same wavelength.
- Strong management – When managers are strong communicators, they are better able to manage their teams. The delegation of tasks, conflict management, motivation and relationship building (all key responsibilities of any manager) are all much easier when you are a strong communicator. Strong communication is not just the ability to speak to people but to empower them to speak to each other – facilitating strong communication channels is key.

7.10 How can you improve how your organisation communicates?

We understand the value of good communication. Below, we've outlined some of the key areas where organisations can improve and enhance communication between their teams.

- Define goals and expectations – Managers need to deliver clear, achievable goals to both teams and individuals, outlining exactly what is required on any given project, and ensuring that all staff are aware of the objectives of the project, the department and the organisation as a whole.

- Clearly deliver your message – Ensure your message is clear and accessible to your intended audience. To do this it is essential that you speak plainly and politely – getting your message across clearly without causing confusion or offence.
- Choose your medium carefully – Once you've created your message you need to ensure it's delivered in the best possible format. While face-to-face communication is by far the best way to build trust with employees, it is not always an option. Take time to decide whether information delivered in a printed copy would work better than an email or if a general memo will suffice.
- Keep everyone involved – Ensure that lines of communication are kept open at all times. Actively seek and encourage progress reports and project updates. This is particularly important when dealing with remote staff.
- Listen and show empathy – Communication is a two-way process and no company or individual will survive long if it doesn't listen and encourage dialogue with the other party. Listening shows respect and allows you to learn about any outstanding issues you may need to address as an employer.

7.11 Terminology

1. labour relation: are relations that are generated between one who offers their labour force and one that offers capital, (worker Employee relationship).

7.12 Activity

1. What is the difference between labour relations and industrial relations?
2. Discuss various organisational structures.

7.13 Reflection

What factors do you think can affect labour relations in work places?

7.14 Summary

In this unit, labour relations and organisational structures. The organisational structure types you have learnt are: bureancratic and post beauracratic structure, you have also learnt about ways of improving organisational communication such as; team building, giving workers a voice and innovation among others. In the next unit, you will learn about theories of motivation.

UNIT 8: THEORIES OF MOTIVATION

8.1 Introduction

Motivation has been generally defined as an internal process that activates guides and maintains behaviuor over time (Durojaiye, 1990). With respect to academic environments, the general goal behind motivation strategies is to increase student academic performance by increasing their motivation to learn. While many studies conducted in the area of motivation have indicated that motivation alone is not sufficient to increase academic performance, motivation has been consistently a necessary component in any formula for achievement (Aderman & Maehr, 1994). Both behaviourist and cognitive psychologists agree that motivation is essential for learning. Yet how to motivate learners in the classroom continues to be one of the puzzling problems confronting the teacher.

8.2 Learning Outcomes

By the end of this unit, you are expected to;

- discuss types of motivation.
- discuss various theories of motivation and show how they relate to employee motivation.

8.3 Time frame

You need about six (6) hours per week to interact with this material.

8.4 Content

- Intrinsic Motivation
- Extrinsic Motivation
- Expectancy Theory of Motivation - Victor Vroom
- MF = Expectancy X Instrumentality X $\sum$ (Valence(s))
- Expectancy (E)
- The Instrumentality (I)
- Valance (V)
- Arousal Theory of Motivation: What it is & How to Use it to Your Advantage
- How the Arousal Theory of Motivation Works?
- The Yerkes-Dodson Law & the Optimal Arousal Theory
- How to Achieve Optimal Arousal & Motivation
- Arousal Motivation’s Effects On Task Performance
- Assumptions of the Arousal Theory of Motivation
- Benefits & Drawbacks of the Arousal Theory
- Frequently Asked Questions (FAQ)
- What Is an Example of Arousal Theory?
- What Is Arousal in Psychology

- The Drive-Reduction Theory of Motivation
- Homeostasis Defined
- Assumptions of The Drive-Reduction Theory of Motivation
- Habits and Behaviour
- The Incentive Theory of Motivation
- Are Actions B a Desire for Rewards
- Development of Incentive Theory to Explain Human Behaviour
- How Does Incentive Theory Work
- Observations About Incentive Theory
- Why Some Incentives Are More Motivating Than Others
- Herzberg Two Factor Theory of Motivation
- Critique of the Herzberg Two Factor Theory
- Herzberg Two Factor Theory summary
- Theoretical Definition(s) of Goal-Setting

Motivation is very important for effective learning to take place because research has shown that there is a decline in pupil motivation during adolescence period (Alderman & Maehr, 1994). This research shows that for the adolescences to learn, the teacher has to do something to arouse their interest in academic activities. Motivation is divided in to two types, there is, intrinsic and extrinsic motivation.

8.5 Intrinsic Motivation

Intrinsic motivation according to Tuckman & Monetti (2011) refers to motivation that is driven by an interest or enjoyment in the task itself and exists within the individual rather than lying on any external pressure. Research conducted by Slavin (2009) indicates that intrinsic motivation declines from elementary school through secondary school. Lynch & Cicchetti (1997) proposed that the possible explanation for this decline in motivation is due to lack of regular contacts with the teachers. These research findings make it inevitable for teachers to find ways and means of making their pupils to learn.

In order to enhance intrinsic motivation among learners, a teacher must provide a supportive teaching style that allows students autonomy. Autonomy can foster increased interest, enjoyment, engagement for performance (Alderman & Maehrm, 1994). Supportive teacher behaviours include, listening, giving hints, encouragement and showing sympathy for students can greatly improve intrinsic motivation. It is clear that students have increased motivation when they feel some sense of autonomy in the learning process. Research has shown that pupil motivation declines when pupils have no voice in the class structure (Louw & Edwards, 1997). A teacher can intrinsically motivate his / her pupils to perform when the level of difficult is slightly above their current ability. If the task given to pupils is too easy, it prompts boredom, may demotivate learners and may also communicate a message of low expectation or a sense that teachers believe that pupils are not capable of better work. On the other hand, a task that is too difficult may be seen as unattainable and may undermine self-efficacy and create anxiety in learners (Santrock, 2004).

Intrinsic motivation can further be promoted by a teacher if he/she creates learning activities that are based on topics relevant to the pupil's lives (Slavin, 2009). Other strategies a teacher may use to promote intrinsic motivation are, asking pupils to set personally meaningful goals that are attainable. In the process of trying to achieve these goals, a teacher must continue giving feedback on tasks given. A teacher must also make clear the cause-effect- relationship between what pupils are doing and things that happen in real life. If the above strategies are put in place, there is a possibility that a teacher can promote intrinsic motivation in his / her pupils and improved academic performance will be the end result.

8.6 Extrinsic Motivation

Extrinsic motivation on the other hand is where a pupil engages in a behaviour believed to be instrumental to some consequence (Tuckman & Monnetti, 2011). In other words, extrinsic motivation comes into play when a student is compelled to do something or act in a certain way because of factors external to him/ her. These factors may include rewards such as money, grades or punishment. A pupil who is extrinsically motivated is doing something not because of love or enjoyment of doing that activity but because of the rewards that will accompany the activity (Woolfolk, 2008).

Teachers must be extremely careful in the way they administer extrinsic motivation because, extrinsic motivation is not sustainable. For instance, as soon as the teacher withdraws the punishment or reward, the motivation can disappear. In some situations, when you motivate your students extrinsically, you get diminishing returns that is if the punishment or the reward that are sustaining a certain behaviour stay at the same level, motivation slowly drops. To get same motivation next time may require a bigger reward (Woolfolk, 2008).

Extrinsic motivation must be used to the minimum and in justifiable situations because it hates or hinders intrinsic motivation, punishing or rewarding a pupil for doing something removes innate desire to do it (Slavin, 2009). This view is in agreement with the social psychologist's research which indicated that extrinsic reward lead to over justification and subsequent reduction in intrinsic motivation (Santrock, 2008).

The most straight forward conclusion of research from the past two decades is that teachers must promote intrinsic motivation because it is sustainable, while the promotion of extrinsic motivation is likely to have the precisely the opposite impact that we want to have on pupils achievement.

8.7 Expectancy Theory of Motivation - Victor Vroom

Name(s): Expectancy Theory of Motivation also known as Valence-Instrumentality-Expectancy Theory
Author: Victor H. Vroom developed the theory from his study on the motivation behind decision-making.
Classification: Cognitive or Need-to-Know Motivation Theories
Year: 1964, Porter and Lawler provided an extension to the model in 1968

Pro's

- Commonly accepted theory for explaining an individual's decision-making process.
- Current research generally supports the decision making concepts proposed by the Expectancy Theory of Motivation.

Con's

- Doesn't take the emotional state of the individual into consideration.
- The individual's personality, abilities, skills, knowledge, as well as past experiences are factors affecting the outcome of the model.
- The expectancy theory of motivation is a "perception" based model.
- The manager needs to guess the motivational force (the value) of a reward for an employee.
- Can be difficult to implement in the group environment.

Overview

Tips for implementing the Expectancy Theory of Motivation at work and in your life!

The expectancy theory of motivation provides an explanation as to why an individual chooses to act out a specific behaviour as opposed to another. This cognitive process evaluates the motivational force (MF) of the different behavioural options based on the individual's own perception of the probability of attaining his desired outcome. Thus, the motivational force can be summarized by the following equation:

8.8 MF = Expectancy X Instrumentality X $\sum$ (Valence(s))

8.8.1 Expectancy (E)

Expectancy refers to the "effort-performance" relation. Thus, the perception of the individual is that the effort that he or she will put forward will actually result in the attainment of the "performance". This cognitive evaluation is heavily weighted by an individual's past experiences, personality, self-confidence and emotional state.

8.8.2 The Instrumentality (I)

Instrumentality refers to the "performance-reward" relation. The individual evaluates the likelihood or probability that achieving the performance level will actually result in the attainment of the reward.

8.8.3 Valance (V)

Valance is the value that the individual associates with the outcome (reward). A positive valance indicates that the individual has a preference for getting the reward as opposed to, vice-versa, a negative valance that is indicative that the individual, based on his perception evaluated that the reward doesn't fill a need or personal goal, thus he or she doesn't place any value towards its attainment.

As the Motivational Force (MF) is the multiplication of the expectancy by the instrumentality it is then by the valence that any of the perception having a value of zero or the individual's feeling that "it's not going to happen", will result in a motivational force of zero.

Discussion

The expectancy theory of motivation seeks its roots from the University of Michigan where in 1957; Basil Georgopoulos, Gerald Mahoney, and Nyle Jones worked on a research program in organizational behavior. Their study focused on the conscious and rational aspects of employee motivation and the factors associated with levels of high or low productivity.

Their study evaluated the following three variables:

1. Individual needs as reflected in the goals sought. Examples of these goals would be making more money or getting along well in the work group.
2. Individual perceptions of the relative usefulness of productivity behaviour (high or low) as a means of attaining desired goals (in theoretical terms, the instrumentality of various productivity levels or the extent to which they are seen as providing a path to a goal).
3. The amount of freedom from restraining factors the individual has in following the desired path. Examples of constraining factors might be supervisory and work group pressures or limitations of ability and knowledge.

The hypothesis is:

"If a worker sees high productivity as a path leading to the attainment of one or more of his personal goals, he will tend to be a high producer. Conversely, if he sees low productivity as a path to the achievement of his goals he will tend to be a low producer."

In 1964 Even though no formal theory of motivation emerged from this initiative, Vroom based the expectancy theory of motivation largely on the findings of earlier research. If fact, Vroom expanded the ideology to include the individual capacity to not only have a preference towards a certain goal, but to cognitively evaluate and rank them in order of preference. Thus, a particular reward can fulfil multiple outcomes, consequently adding to the sum of the valences.

Therefore, even though individual’s express high effort and high performance doesn't mean business success as people could be directing their efforts towards a doomed organizational goal. In addition, and contrary to popular belief, the expectancy theory of motivation provides an individual decision model.

Critique

The expectancy theory of motivation has been the target of many critics, Graen (1969), Lawler (1971), Lawler and Porter (1967 & 1968), since it was originally presented by Vroom in 1964. These critics are far more an extension to the original concepts as opposed to a deviation from them. Actually Mr. Vroom admitted himself that the expectancy theory of motivation should be updated with new research findings.

One of the major criticisms of the expectancy theory of motivation decision model was its simplicity. In the sense that it doesn't explain the different levels of efforts acted out by an individual. There is also the assumption that a reward will entice an employee to expand greater efforts in order to obtain the reward, but neglect the fact that the reward in question could have a negative effect for the individual. For example, a pay increase might push him or her into a higher tax bracket.

The effectiveness of the expectancy theory of motivation decision model from a managerial perspective relies on the manager to make assumptions on the motivational force of the reward for the employee (s). Thus, the uses of the "rewards" need to obey to "The Law of Effect" where:

1. Positively rewarded behaviors will have a tendency to augment in frequency.
2. Negatively or neutrally rewarded behaviours will have a tendency to diminish in frequency.
3. The type of reinforcement and its timing will impact the frequency of the behavior.

Future of theory

The expectancy theory of motivation has prevailed as an acceptably rational explanation for an individual decision-making model. It's without question that the theory which is a predictive value may enable managers to increase the likelihood of an individual acting out the desired behaviour. However, the implementation of the theory in an organizational context isn't an easy task! Many sub-cognitive processes are involved in the overall decision that finding the balance between the individual's "reward" and the cost to be borne by the organization becomes a tedious task. In addition, each trial changes the equation, in the sense that the individual will use that new experience to alter his or her perception of the future probability of attaining the desired outcome.

The evolution of cognitive neuroscience techniques, brain scans being among the major ones, could expand the understanding of the cognitive processes involved in our decision-making process. More specifically they perhaps could shed some light on the "evaluative" as well as the "progressive" nature of motivational forces that drive our behaviours.

8.9 Arousal Theory of Motivation: What it is & How to Use it to Your Advantage

Motivation is tied to specific levels of "arousal", which in psychology represents mentally alertness and attentiveness. People have different levels of optimal arousal that help them maintain motivation. However, studies show that "moderate levels of arousal" result in maximum motivation and ultimate success.

8.9.1 How the Arousal Theory of Motivation Works?

Each and every person has a specific level of mental alertness – known as arousal – that results in optimal levels of motivation. When your arousal level drops below your optimal threshold, you become demotivated until you spike your arousal. Conversely, if your arousal level becomes too high, you also become demotivated until you do something that drops your alertness back to your desired level.

Arousal can be stimulated by any number of things, but it always results in motivation (or lack thereof). For example, if you become demotivated at work, you might try to spike your mental alertness by taking on more complex tasks, which in turn might motivate you to work harder and get that promotion you deserve. Using another example, you might become socially demotivated and decide to go to a bar or a club with friends, spiking your arousal back to optimal levels.

On the other hand, if your arousal levels get too high, you can also become demotivated. For example, if you're working too hard on the job and taking on work that's too complex, you might become stressed and burn out. To combat this, you might take a long weekend to recharge, giving you time to lower your arousal back to optimal levels. If you've been too social, you might spend a weekend watching Netflix rather than going out with friends, which might increase your motivation to go out the next time a social opportunity arises.

Overall, this motivational theory states that we are motivated to pursue actions that give us balance and stop us from becoming overstimulated. Rather than trying to maximize your mental alertness in the hopes that it will help you remain motivated and achieve your goals, seek balance that gives you periods of rest, followed by sprints towards your ultimate desires. You want to be a high performer, yes, but even high performers need to take it easy every now and again.

8.9.2 The Yerkes-Dodson Law & the Optimal Arousal Theory

The Yerkes-Dodson law is related to the arousal theory of motivation, which says that increased levels of mental alertness will improve motivation and performance, *but only to a certain point.* When that threshold is breached, arousal has an adverse effect in that it decreases your motivation the more mental attentiveness you have. This means that you have a specific level of optimal arousal unique to yourself, and it's up to you to seek experiences that optimize your motivation and performance.

A great example of this is test taking. When prepping for an exam, you have an optimal level of arousal that will lead to increased motivation, and therefore, performance. For example, increased arousal (or mental alertness) can help you study and keeps you attentive to the task at hand. Conversely, too much arousal can lead to stress and a lack of sleep, which will cause you to have poor test results.

While we might not all be taking tests at this point in our lives, the principle remains – optimal arousal is all about *balance*. Failure to find that balance results in over- or under-stimulation, causing you to become demotivated, hurting your performance. Further, the Yerkes-Dodson law states that a moderate level of arousal is typically optimal for most people.

8.9.3 How to Achieve Optimal Arousal & Motivation

The key to achieving your optimal level of arousal, which results in your maximum level of motivation, is to first identify your threshold. Are you a thrill seeker? Do you feel the most alive when you're taking risks and/or being a social butterfly? If so, you might have a high threshold of arousal. Conversely, if you're more of a homebody who enjoys relaxing experiences, you might have a lower level of arousal.

Once you've identified your personal level or arousal, the next step to achieve your maximum motivation is to seek experiences that keep you at your optimal arousal. For example, if you have a high threshold, you might start a company or work on three large projects at once, but then follow it up with a long vacation or break to keep you charged and energetic. If you have a low threshold, you might seek a more traditional job with stability and pick up a fun side hobby to stimulate yourself.

Again, the key is *balance*. Work hard and take on complex tasks, but don't forget to take it easy from time-to-time. While it seems counterintuitive, periods of hard work followed by periods of rest and recovery actually lead to higher levels of motivation.

8.10 Arousal Motivation's Effects On Task Performance

Arousal can affect performance in many ways. However, the two most prominent are the fact that moderate arousal is best for difficult tasks while high or low arousal might be good for simple tasks, and that arousal can affect your performance both positively and negatively when in the presence of others.

First, research supports the idea that people perform difficult tasks best at moderate levels of arousal, while it's possible to perform easy tasks effectively over a wider spectrum of arousal, both low as well as high. For example, when taking a test, you can answer easy questions correctly even if you're very tired or anxious, whereas the right tension of relaxation and alertness – or moderate arousal – will help you best stay engaged and answer the tough questions without getting too stressed about it.

Second, the presence of others seems to affect task performance, known as social facilitation. Social facilitation states that people can perform tasks their confident in better if people are watching, and yet perform tasks they're unfamiliar or unconfident in worse if people are watching.

For example, world-renown athletes confident in their abilities often perform better when everyone's watching and the pressure's on. Conversely, someone lacking confidence in their intelligence might be unable to solve a complex puzzle if people are watching, but have an easier time if there's no pressure and it can be approached like a fun game with no one around to judge.

8.11 Assumptions of the Arousal Theory of Motivation

The following are key assumptions made by the arousal theory of motivation:

- **People are motivated by arousal –** You are motivated by experiences and actions that lead to mental stimulation.
- **People have an optimal arousal level –** Each and every individual has a unique level of arousal that leads to maximum personal motivation.
- **People seek experiences that lead to optimal arousal –** You make most of your decisions, either consciously or unconsciously, based on your optimal level of arousal.
- **Optimal arousal is typically moderate –** While it may seem like the higher the arousal the higher the motivation, medium levels of arousal typically lead to motivation maximization.
- **Over- and under-arousal both lead to demotivation –** It's not just under-arousal that will demotivate you. In fact, over-arousal will lead to the same demotivation.

8.12 Benefits & Drawbacks of the Arousal Theory

The major benefit of the arousal theory of motivation is that you can control your motivation simply through the experiences you seek. This is incredibly empowering. What's more, you can also motivate others if you identify their optimal level of alertness. Further, the arousal theory preaches balance, which is a great way to both remain motivated as well as taking time to smell the flowers and enjoy the simple things in life.

Conversely, the major drawback of the theory is that motivation is only tied to your arousal, and nothing else. This may or may not be true, but we've all faced situations where we're tired, stressed, and/or demotivated, and yet still we pushed through and maintained high levels of arousal to achieve a task, even if it has an adverse motivational effect. So, when implementing this theory, consider other factors of motivation when you're planning to achieve your goals.

8.14 Frequently Asked Questions (FAQ)

8.14.1 What Is an Example of Arousal Theory?

A great example of arousal theory is test taking. Naturally, you would think that higher levels of arousal – or mental stimulation – would lead to higher motivation and better performance. However, this is not the case, because too much arousal can lead to stress and a lack of performance. Therefore, you need to find the optimal balance and act accordingly.

8.14.2 What Is Arousal in Psychology?

Arousal in psychology means “mental alertness” or “mental attentiveness”. It is your level of engagement in the task or experience at hand, which directly increases or decreases your motivation, and therefore, your performance.

8.15 The Drive-Reduction Theory of Motivation

There are several approaches to explain motivation in psychology. One of these approaches is the drive reduction approach of motivation.

The Drive-Reduction Theory was developed by behaviorist Clark Hull as a way of accounting for learning, motivation and behavior. Based on ideas proposed by other great theorists such as Pavlov, Watson, Darwin and Thorndike, and expanded by collaborator and neo-behaviorist Kenneth Spence, this theory is largely based on the concept of

8.16 Homeostasis Defined

Homeostasis is defined by Webster as the maintenance of relatively stable internal physiological conditions (as body temperature or the pH of blood) in higher animals under fluctuating environmental conditions. In psychological parlance, homeostasis is the process of preserving an individual’s steady and secure mental and emotional state under different psychological pressures.

Homeostasis also refers to a balance or equilibrium that results in the relaxation of an individual. Simply put, it is a state wherein all of an organism’s needs are met. If, for example, a person has woken up from a nap, has gone to the bathroom, and has eaten a meal, he reaches a certain point where he is relaxed and is in a state where he does not feel the urge to fulfill other basic needs.

However, if a person wakes up at 5am, works out, and has not eaten any food, he would probably feel the need to fulfill certain physical needs, such as that of food. Due to the necessity to fulfill one's physiological needs, the person acts upon this need in a bid to achieve homeostasis once again.

8.17 Assumptions of The Drive-Reduction Theory of Motivation

The Drive-Reduction Theory talks about an organism's reaction in an event where his physical needs are challenged and unstable. Because of the disturbance in the organism's level of homeostasis, there is a development of a drive to fulfill that specific need to bring the individual out of its discomfort.

The two operative terms that are hereby emphasized are '**drive**' and '**reduction**.' According to Hull, 'drive' refers to "a state of tension or arousal caused by biological or physiological needs." These needs may range from primary drives such as hunger, thirst and the need for warmth, to secondary drives such as social approval and money. Regardless of the type of drive, all drives are assumed to bring about an undesirable condition that necessitates reduction.

When someone is hungry, he feels a certain discomfort accompanied by a growing need to fulfill his hunger. This is where the "drive-reduction" comes in. When an individual is put in a state of physical discomfort, whether it is hunger, thirst or the need for shelter, the individual feels the drive to reduce the discomfort that he is currently experiencing. This particular reaction is innate in human because of our instinct to survive.

Moreover, as time passes, the drive is often intensified because the level of discomfort similarly intensifies. In order to reduce the discomfort (such as hunger) that the person is currently feeling, he may go to the store, buy food, cook and then eat. After the individual's needs are fulfilled, he then reaches homeostasis once again and the drive to fulfill his needs is reduced.

Habits and Behavior

Hull and Spence believed that the notion of drive-reduction is a main contributor to learning and behavior. As the cycle continues and repeats itself, we learn to adjust to the discomfort that we feel. In order to reduce the level of discomfort we experience, we perform an action (behavior) that will allow us to gain a reward, which in this case, is the reduction of its discomfort.

If a dog is given food every single time he does a particular trick such as jumping, he develops a habit that can affect the way it gets food. When the dog realizes and learns that jumping is followed by food, there is a big possibility that when it feels hungry, it will perform the jumping trick as a way to ask for food.

An incentive or reward plays a huge role when creating a habit or behavior. Studies show that the quicker a reward is given to an individual after it performs an action, the more effective the level of conditioning becomes. In order for someone to develop an effective habit, the elements involved in the whole process must be clear.

When a dog is given food immediately after performing the jumping trick, there is a greater probability that the dog will directly relate the trick to the food. When the food is given an hour, five minutes, or even one minute after the dog performs the trick, there is less chance that it will associate the food with the trick. However, if the reward is instantly given after an action is performed, and is repeatedly done in a consistent manner, this will result in the development of a habit or behavior.

While well-received in the 1940s and 1950s, the Drive-Reduction Theory to explain motivation in psychology is not quite as popular in current times. For example, It receives critiques against generalizability and its inability to account for behaviors that do not reduce drives but are engaged in by individuals nonetheless.

The Incentive Theory of Motivation

What forces are behind our actions? Do you get up and head to the gym each day because you know it's good for you, or is it because of some type of external reward? There are many different reasons why we do things. Sometimes we are motivated to act because of internal desires and wishes, but at other times, our behaviors are driven by a desire for external rewards.

According to one theory of human motivation, our actions are often inspired by a desire to gain outside reinforcement. The incentive theory is one of the major theories of motivation and suggests that behavior is motivated by a desire for reinforcement or incentives.

Development of Incentive Theory to Explain Human Behavior

Incentive theory began to emerge during the 1940s and 1950s, building on the earlier drive theories established by psychologists such as Clark Hull.

How exactly does this theory account for human behaviors? Rather than focus on more intrinsic forces behind motivation, the incentive theory proposes that people are pulled toward behaviors that lead to rewards and pushed away from actions that might lead to negative consequences. Two people may act in different ways in the same situation based entirely on the types of incentives that are available to them at that time.

You can probably think of many different situations where your behavior was directly influenced by the promise of a reward or punishment. Perhaps you studied for an exam in order to get a good grade, ran a marathon in order to receive recognition, or took a new position at work in order to get a raise. All of these actions were influenced by an incentive to gain something in return for your efforts.

8.20 How Does Incentive Theory Work?

In contrast with other theories that suggest we are pushed into action by internal drives (such as the drive-reduction theory of motivation, arousal theory, and instinct theory), incentive theory instead suggests that we are pulled into action by outside incentives.

You can liken incentive theory to operant conditioning. Just as in operant conditioning, where behaviors are performed in order to either gain reinforcement or avoid punishment, incentive theory states that your actions are directed toward gaining rewards.

What type of rewards? Think about what type of things motivate you to study hard and do well in school. Good grades are one type of incentive. Gaining esteem and accolades from your teachers and parents might be another. Money is also an excellent example of an external reward that motivates behavior. In many cases, these external rewards can motivate you to do things that you might otherwise avoid such as chores, work, and other tasks you might find unpleasant.

Observations About Incentive Theory:

- Incentives can be used to get people to engage in certain behaviors, but they can also be used to get people to *stop* performing certain actions.
- Incentives only become powerful if the individual places importance on the reward.
- Rewards have to be obtainable in order to be motivating. For example, a student will not be motivated to earn a top grade on an exam if the assignment is so difficult that it is not realistically achievable.

Why Some Incentives Are More Motivating Than Others

Obviously, not all incentives are created equal and the rewards that you find motivating might not be enough to inspire another person to take action. Physiological, social, and cognitive factors can all play a role in what incentives you find motivating.

For example, you are more likely to be motivated by food when you are actually hungry versus when you are full. A teenage boy might be motivated to clean his room by the promise of a coveted video game while another person would find such a game completely unappealing.

"The value of an incentive can change over time and in different situations," notes author Stephen L. Franzoi in his text *Psychology: A Discovery Experience*. "For example, gaining praise from your parents may have positive incentive value for you in some situations, but not in others. When you are home, your parents' praise may be a positive incentive. However, when your friends visit, you may go out of your way to avoid receiving parental praise, because your friends may tease you."

8.21 Herzberg Two Factor Theory of Motivation

unit explains the Herzberg Two Factor Theory of Motivation in a practical way. After reading it, you understand the core of this effectiveness theory about motivating your employees.

What is the Herzberg Two Factor Theory of Motivation?

This theory, also called the Motivation-Hygiene Theory or the dual-factor theory, was penned by Frederick Herzberg in 1959. This American psychologist, who was very interested in people's motivation and job satisfaction, came up with the theory. He conducted his research by asking a group of people about their good and bad experiences at work. He was surprised that the group answered questions about their good experiences very differently from the ones about their bad experiences.

Based on this, he developed the theory that people's job satisfaction depends on two kinds of factors. Factors for satisfaction (motivators / satisfiers) and factors for dissatisfaction (hygiene factors / dissatisfiers).

Performance, recognition, job status, responsibility and opportunities for growth all fall under motivators/ satisfiers.

Hygiene factors/dissatisfiers are about salary, secondary working conditions, the relationship with colleagues, physical work place and the relationship between supervisor and employee.

In his theory, Herzberg claims these factors function on the same plane. In other words, satisfaction and dissatisfaction aren't polar opposites. Taking away an employee's dissatisfaction – for example by offering a higher salary – doesn't necessarily mean the employee will then be satisfied. The employee is just no longer dissatisfied.

4 different combinations can exist at work:

1: High hygiene and high motivation

This is the ideal situation. Employees are very motivated and barely have any complaints.

2: High hygiene and low motivation

Employees have few complaints, but they're not really motivated, they see their work simply as a pay check.

3: Low hygiene and high motivation

Employees are motivated, their job is challenging, but they have complaints about salary or work conditions.

4: Low hygiene and low motivation

This is the worst possible situation, employees are not motivated and have a lot of complaints.

Adjusting the hygiene factors, also called the KITA (Kick in the Ass) factors by Herzberg, often have a short-term effect that doesn't last very long. Changing the motivation factors on the other hand often has a more lasting, long-term effect on employee performance.

How to apply the Herzberg Two Factor Theory?

Organisations and their managers want teams with the best possible performance. But how do you motivate that team? There's not much point in motivating employees if the hygiene factors aren't taken care off. Motivating people really works when the things that bother them – the things they complain about -disappear.

Take away the dissatisfaction

To do this, it's important to figure out all the important factors first. What are the complaints about, what's going on, how do the employees interact with each other?
Generally speaking, the following aspects are important:

- and development Work on the bureaucracy within the organisation
- Make sure there's supportive and effective supervision
- Create a work environment where all employees are respected
- Pay an honest salary
- Make sure all employees do worthwhile work to build up the status of their functions
- Give job guarantees
- When the dissatisfaction is taken away, the organisation can focus on motivating its employees effectively.
- Create conditions for satisfaction
- For motivation within the organisation, think about:
- Creating conditions for good performance
- Appreciating your employees' contributions
- Tailoring the work to your employees' talents and abilities
- Giving each team as much responsibility as possible
- Offering opportunities for growth within the organisation
- Offering training opportunities

8.22 Critique of the Herzberg Two Factor Theory

The Two Factor Theory is widely used, but there are a few points issues with it. One issue is the fact that humans tend to look at the aspects of their work that they like and project them onto themselves when things are going well. When times are bad, external factors seem to play a larger part.

Another point of criticism is that the Two Factor Theory assumes that job satisfaction equals higher productivity. There are plenty of reasons to disagree, like external factors that might influence productivity. Herzberg didn’t take this into account while researching and coming up with his theory.

8.23 Herzberg Two Factor Theory summary

The Herzberg Two Factor Theory is a theory about motivation of employees. This theory assumes on the one hand, that employees can be dissatisfied with their jobs. This often has something to do with so-called hygiene factors, such as salary and work conditions. On the other hand, employees’ satisfaction has to do with so-called motivation factors. These factors have to do with development opportunities, responsibility and appreciation.

Herzberg claims these factors exist side by side. Taking away the dissatisfaction factors doesn’t necessarily mean employees will be satisfied. To motivate a team using motivation factors, the hygiene factors need to be taken care of first.

8.24 Theoretical Definition(s) of Goal-Setting

To provide context, here are a few definitions of goal-setting defined by experts in the field:

Broadly defined, goal-setting is the process of establishing clear and usable targets, or objectives, for learning.

(Moeller, Theiler, & Wu, 2012)

Goal-setting theory is summarized regarding the effectiveness of specific, difficult goals; the relationship of goals to affect; the mediators of goal effects; the relation of goals to self-efficacy; the moderators of goal effects; and the generality of goal effects across people, tasks, countries, time spans, experimental designs, goal sources (i.e., self-set, set jointly with others, or assigned), and dependent variables.

(Locke & Latham, 2006)

Edwin Locke’s goal-setting theory argues that for goal-setting to be successful with desired outcomes, they must contain the following specific points (Lunenberg & Samaras, 2011):

Clarity: goals need to be specific;

- Challenging: goals must be difficult yet attainable;
- Goals must be accepted;
- Feedback must be provided on goal attainment;
- Goals are more effective when they are used to evaluate the performance;
- Deadlines improve the effectiveness of goals;
- A learning goal orientation leads to higher performance than a performance goal orientation;
- Group goal-setting is as important as individual goal-setting.

To make the memorization of these points easier, the acronym SMART may help you recall what the most important attributes of effective goal-setting are:

- Specific;
- Measurable;
- Achievable;
- Realistic;
- Time-based.

How do these work out in practice? In short, the answer relates to specificity, which we will address next.

Examples of the Goal-Setting Theory of Motivation in Practice

Put aside the irresistible need to make your goal as vague and romantic as possible and stick with the raw stuff. What action items do you need to do, to achieve this goal?

The anagram “SMART” is here to assist you in this process.

Getting SMART

The first point of the anagram says that goals should be ‘specific.’ All you need to do is make sure you are clear about what your goal is concretely going to deal with.

For example, instead of saying, “I must become more social” (if say, you are a lonesome cat lady who receives visits once a month), first define what you mean by being social, what your expectations are of social life and the ways in which you feel a greater social presence in your life would enhance it. Then, sketch out a plan to put into action immediately, tackling instances of daily life you can work on (in the workplace, in already existing relationships, during daily encounters) and the extra incentives you can take to get out of your way to meet new people and enjoy new experiences and activities.

Write down what you are aiming to achieve and what you can do that may positively impact your socializing efforts (e.g. becoming more hospitable, relaxed, caring, kind, compassionate, empathetic). Alternatively, specificity can also refer to setting specific dates, times, locations at which you will commit to spending time dedicating yourself to your goal.

Next, we need to consider what measurable goals mean.

'Measurable' is that you should be able to measure in one way or another whether you have completed your goal or not, or still in the process of doing so. How your goal should be measured is up to you? Still, you should have a clear idea and expectation as to how your goal, once completed, would look like. If your goal was to become more social, that could mean to build strong friendships with two new people and to commit to attending one social event every week for an entire year. Keeping track through 'measurement' helps to give you a sense of where you currently find yourself in relation to your goal and where you are heading next.

Goals ought to be 'acceptable' to you. That means that you must not only identify with them but also, feel like they are in line with your value system and that they won't lead you to transgress your sense of integrity in any way. If the goal is to be more social, the 'acceptability' part comes into play at the level of what you feel an adequate friendship would look like. Whether its sharing fun activities, emotional and intimate conversations, cooking or playing sports together, it's important to be self-aware, to know what you are after and how your beliefs and feelings are entangled with the goal you are about to set for yourself. Your goal must be realistic. In other words, you have to work with what you have while pushing yourself slightly beyond in order to change your current reality. Going back to the instance of the lonesome cat lady (nothing wrong about that), a realistic goal would be to make efforts to develop at least two new friendships over the next six months, and not, say, to become a popular member of the community, as achieving this may take considerably more time. We have just briefly mentioned the time framework, but nonetheless, it's totally worth re-emphasizing as much as necessary. The timeframe is all about setting a fixed deadline by which you should have completed your goal.

Regardless of what you have decided to do, make sure you interconnect your goal with your calendar, and that you make the necessary adjustments in your daily life so that working on your goal happens smoothly and gradually.

8.25 Terminologies

1. Expectancy; refers to the effort performance – performance relations.
2. Instrumentality: refers performance rewards relations.

8.26 Activity

1. Discuss the following theories of motivation:
   (a) Expectancy theory
   (b) Arousal theory of motivation
   (c) The drive reduction theory.
   (d) The incentive theory of motivation
   (e) Herzberg two factor theory of motivation.

8.27 Reflection

What factors do you think can affect the performance of Employees?

8.28 Summary

In this unit, you have learnt about the following theories of motivation! Herzberg's two factor theory, expectance theory, the incentive theory, the drive theory and arousal theory.

UNIT 9: WORK GROUPS AND TEAMS IN ORGANISATIONS AND CONFLICT AND NEGOTIATIONS S AT WORK PLACES

9.1 Introduction

Work groups and work teams represents basic structures of traditional and modern organizations, and during the time they have been intensively researched. However, managers often do not always consider the fundamental differences between groups and teams, which will lead to unrealistic goals and results below expectations. Thus, in the present paper we propose a review of the main researching approaches on groups and teams (psychosocial, socio-technical, and behavioural approach), in the third part of the paper being detailed the fundamental differences between groups and teams in the light of these approaches.

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teams (psychosocial, socio-technical, and behavioural approach), in the third part of the paper being detailed the fundamental differences between groups and teams in the light of these approaches.

9.2 Learning Outcomes

By the end of the unit, you are expected to;

- discuss the concept of work groups.
- analyse approaches regarding group and teams.
- examine the differences between the work teams and work groups.
- discuss conflict management skills at work places.
- analyse negotiating skills.

9.3 Time frame

You need about six (2) hours per week to interact with this material.

9.4 Content

- Concept of work group

- Approaches Regarding Groups and Teams
- Psychosocial approach
- Organizational Work Groups and Work Teams – Approaches And
- Socio-technical approach
- Behavioural approach
- Differences Between Work Groups and Work Teams
- Conflict and negotiations s at work places
- Negotiations Impact Relationships
- Negotiating Tips - Seven Basic Steps Before You Negotiate
- The seven basic steps leading up to any negotiation include
- Negotiating Tips to Uncover Hidden Agendas
- Negotiating Requires Knowing Your Bottom Line
- What is Conflict Resolution
- Evaluation by a Third-Party
- Peer Referendum
- Trader or Negotiator
- Three Negotiating Strategies
- Negotiating with a Stranger

9.5 Concept of work group

The concept of work group emerged during the famous research conducted by Elton Mayo and his team at the Western Electric factories from Hawthorne in the 1920's and early 1930's. Trying to find answers to a series of founded contradictory facts (increase work productivity even in precarious conditions of work), Mayo concluded that people in industrial environments develop groups, most often as a means of defense against formal constraints, but also to satisfy a range of social and human needs.

In Mayo's conception, work groups, whether they were formal or informal, were natural groups opposed through their genesis, structure, functionality and purpose to other groups which, although they were called of work, had distinct features (at that time, any group of people who have to solve a task, even if the group was artificial and the task was experimental, designed in the laboratory, it was nominated through the term work group).

9.6 Approaches Regarding Groups and Teams

9.7 Psychosocial approach

From a psychological perspective, the group represents a number of people who (1) interact with one another, (2) are psychologically aware of the existence of other group members and

(3) perceives themselves as representing a group (Schein, 1965 as cited in Zlate, 2008, p. 398).Roger Mucchielli, doctor and psychologist, in his study Le travail en équipe (Working in team) shows within the first pages that work team is a typical primary group dominated by the spirit of unity, cohesion,

human relations, personal commitment, members adherence to group with which they actually identify, the convergence of efforts for tasks execution which will constitute a joint work (Mucchielli 1975 as cited in Zlate, 2008, p. 399). To tinge the delimitation of generic group from team, the author classifies groups according to the phases / stages in group development as follows: nominal or pseudogroups constituted by a mix of people united

by an external authority; fusional groups based on interpersonal trust; conflictual groups in which tension is their rule of life; unitary groups in which every member contributes to solve problems or carry out the tasks, and membership in them become personal commitment and the dominant feeling is represented by co-responsibility in work. According to Mucchielli work team would be ranked among unitary groups, and it is equally focused on

both the task and itself (Mucchielli 1975 as cited in Zlate, 2008, p. 400). For most of the authors, especially sociologists, work group represents a collection of two or more people

who interact with each other sharing some tasks related to a common goal, the interaction and interrelation distinguishing a group from a simple collection of people (Zlate, 2008).

8.8 Organizational Work Groups and Work Teams – Approaches And Differences

In a more detailed analysis and considering that the initial stage in any team formation is the group, we admit that, from a psychological perspective, any association of persons, in order to be or to become a small group, have to satisfy five conditions (Zlate, 2008):

1) to have a certain number of members;

2) between them to be established a minimal interaction, the relationship between them to be direct, therefore a face to face interaction;

3) the interaction of members to be centred on the completion of common activities or goals;

4) to exist a minimal articulation between statuses and roles of members, therefore a psychosocial structure;

5) to have a specific composition, derived from the characteristics of the members.

According to Zlate, the five features are definitive for small group, the absence of either of them leading to group disintegration, to the presence of only some collective situations, to a random association of people or statistical categories, etc. but not of groups (Zlate, 2008).

Socio-technical approach

Initially developed in the United Kingdom by Eric Trist and his colleagues more than half of century ago, socio-technical systems theory argues that organizations closely combine people and technology into complex forms in order to produce results. Technical subsystem consists of equipment and operating methods used to transform raw materials into products and services. Social subsystem includes employment structures which connects people to technology and between them (Attaran & Nguyen, 2000). Socio-technical systems theory explains that autonomy lead to increased performance under certain conditions. For example, Trist and Bamforth argue that designing team-based task has a positive effect on the

results when common optimization of technical and social systems is properly configured (Trist & Bamforth, 1951 as cited in Yang & Guy, 2011, pp. 531-541). One reason for this is that the technical system and social system influence each other, and one of them may present constraints for the other. In other terms, for optimum performance human relations (that is, the social system), and methods for carrying out the tasks (that is, the technical system) must be properly combined. Socio-technical systems theory represents a top-down approach, providing a working system in which the product is well defined and efficiently provided, and the primary way for implementing the socio-technical approach was by using the cross design teams (Attaran & Nguyen, 2000). In a broader view, socio-technical systems redesign work processes. It is not an approach like problem

solving in order to improve the organization, but its purpose is to operate in a manner opposed to crisis, in which the system automatically removes the source of many problems (Attaran & Nguyen, 2000).

Behavioral approach

The characteristics of small groups are definitive, in general, for the members' behavior within organization, in particular, for the behavior of group members, and especially for the behavior of team members, being the subject of organizational behavior discipline. This domain, as a part of organizational theory, pursues the entirety of behavioral issues in organizational environment through systematic studies of individuals, groups and organizational processes (Bucur, 1999).

According to Gary Johns, "organizational behavior refers to attitudes and behaviors of individuals and groups within organizations" (Johns, 1998, p. 6), being rather a meta-departmental discipline useful to all members of organizations in order to improve their own relationships within and outside the organization, in the organizational environment (Preda, 2006). Along with the development of this approach, having sociology and

psychology as foundation, organizational investigations center turns to peoples' attitudes, perceptions, skills and ideals, they becoming important to the organization as members of one or more groups of one kind or another, able to work in teams for achieving the organizational goals. Studying groups is important for managers whereas the common factor of all organizations is represented by people, and the most common technique for doing the work is to gather people in work groups, which led to the emergence of teams and their performance research (Kermally, 2009). Thus, the use of work team concept is due to Leavitt, who advanced the idea that work team is the basic unit of organization. For that matter, Leavitt

spoke about the team-organization (or organization like a team) (Leavitt, 1975 as cited in Zlate, 2008, p. 398),not far from the Lapassade's opinion, according to which organization is "a group of groups" (Lapassade, 1967 as cited in Zlate, 2008, pp. 395).

In essence, a team consists of a number of two or more persons who have complementary skills which they use for carrying out the common task that have been assigned for them or they voluntarily have assumed it and for this task accomplishment they are jointly responsible (Preda, 2006).

9.9 Differences Between Work Groups and Work Teams

The concept of work group is often used by psychologists, having its origin in social psychology research on structure, processes and group dynamics, while the work team is more common in business field. Thus, if for sociologists and psychologists the two terms are substitutable and can be used interchangeably, in terms of modern management work team is seen as integral unit of the organization functioning and the interest for it has increased with over time: many organizations turn to the organization of work in teams, yet they are seen as solutions to organizational problems, including those related to productivity

(Zoltan, Bordeianu & Vancea, 2013). Most of the team definitions consider work team as a special type of group. For some theorists, the distinction between groups and teams is diffuse; teams are simply groups (Parks & Sanna, 1999) and even more,

"an effective team can be described as any group of people which has to significantly interrelate in order to meet

the common objectives" (Thomas, Jaques, Adams, & Kihneman-Wooten, 2008, pp. 105-113). Other theorists focus on how the teams' behavior differs from that of other types of groups. Thus, teams were defined as structured groups of people working on the basis of well-defined common goals that require coordinatedinteractions in order to perform certain tasks (Forsyth, 2010). This definition highlights one of the key features of

team, that is, its members work together on a common project for the achievement of which they are all accountable. A common distinction refers to applicability. Usually, teams are engaged in sporting or lucrative activities. They have to apply certain functions, and roles of team members are related to these functions. Also, teams are generally constituted in parts of larger organizations and their members have the knowledge, skills and

specialized abilities related to the tasks they have to perform. This distinction also appears in research on groups and teams. Research on groups are made, usually in laboratories, in predetermined conditions, while the studies on teams are conducted "on the field" and focuses on how work teams are actually used or how they function at

workplace (Levi, 2001). Other definitions place emphasis on relations and complementary: "Usually teams refer to a small group in which the members have a common goal, interdependent roles and complementary skills" (Gondal & Khan, pp. 138-146); "A team is a set of interpersonal relationships structured so as to achieve the set of objectives"

(Johnson & Johnson, 1991 as cited in Sudhakar, Farooq, & Patnaik, 2011, pp. 187-205); "A team is defined by its unity of purpose, its identity as social structure and shared responsibility of its members for the team results"

9.10 Conflict and negotiations s at work places

We spend almost every minute of every day and night negotiating with others simply to survive. So it makes sense that we can improve our personal and professional lives by learning better techniques of negotiating

From birth we face a steady stream of challenges, struggles, and opportunities throughout life Conflict arises as we struggle to satisfy our personal interests and wants and needs in social circles, at school, at work, and with our mates and loved ones. This effort is typically in conflict with the needs and wants of others.

Conflict occurs naturally between parents and children, with medical and legal professionals, government officials, employees, retail clerks and others. The need to negotiate in our day-to-day situations or encounters permeates our very existence. Learning how to better handle such conflict is an important way to improve our personal situation. It leads to enabling us to enjoy life a lot more.

Handling conflict, that is negotiating is actually not an arduous process; but all too often that is exactly how we perceive it. Most people consider conflict bad. The truth is, since we can't avoid it, conflict shouldn't be feared or avoided...but embraced. Living in fear is not living; it is missing out on living our lives fully.

Many people consider negotiating to be a business or political activity. Just as many people view a negotiator as a manipulator or predator. Few realize that negotiating is not the last resort to resolve a bad situation. It is what causes the situation!

So why are we afraid whenever we have to sit down and work something out with another person? There are four reasons actually and they all start with fear: Fear of the unknown. Fear of rejection. Fear of losing. Fear of offending.

Knowing how to negotiate is less about understanding the nuances of the process than it is about understanding people, appreciating their wants, identifying their needs and learning about their history and what makes them who they are.

9.11 Negotiations Impact Relationships

You live, work, and play with others. To move through life, you must get along with other people in family, social, and professional settings. You must also get along with total strangers who happen to cross your path.

Winners feel good naturally. It is the way we are programmed. The feelings of losers, however, should also be considered. The fact that the other person lost, especially if the negotiation was a personal or social or even in some business scenarios, tends to breed feelings of resentment and ill will. In a on-going relationship you may win the battle only to damage the relationship.

At the end of negotiation find ways to make the other person feel good about something. In a business setting, compliment the other person's performance, professionalism, or knowledge. Indicate your appreciation that the other person was personally involved in working things out. Ease back from the transaction discussion to a more personal level of conversation.

With a spouse or other family member reaffirm how much you care about the person, that you love him or her, and that you are glad things were resolved because your relationship is so much more important than the problem that caused the fight.

Even when dealing with your banker, a store manager or another casual acquaintance, a proper closure can be the basis of avoiding future conflicts. Indicate that you appreciate how the other person was able to be flexible and help solve the situation. Indicate that he or she has won some loyalty on your part. Try to give the other person a reason to be pleased with more than just the terms of the agreement.

Conflicts are usually short-lived and resolution offers the opportunity to move forward together. Over your life, it is the relationships that will prove valuable, not the little victories along the way. As you interact with other people you naturally balance a myriad of things to maintain the level of a relationship that you want. This does not imply that the other person has the same level of interest in the relationship. When you are negotiating it is important to appreciate how much the other person values the relationship and make sure that you are not threatening the relationship when simply trying to avoid taking out the garbage in the middle of a football game.

Be a good winner by reaching out to the other person to stem any residual ill will. The effort will pay dividends.

9.12 Negotiating Tips - Seven Basic Steps Before You Negotiate

Negotiation is far more than simply sitting at the table and exchanging proposals. It is the process of working through various phases while you learn enough about the other person or team to be able to engage the other person in a dialogue that makes the other person want or need to work with you. Remember, negotiating is about your getting the other person to do something that you want done. The other person has to eventually be motivated to act. Negotiation is the process of establishing that motivation.

9.13 The seven basic steps leading up to any negotiation include:

1. Identification of the problem. It is essential to establish what the issue is before you try to resolve it. Often arguments occur because you and the other person are discussing different issues or the crossover relationship is not apparent to one of you.
2. Researching the issues. Knowing what the issue is allows you to do the basic research into why you are in disagreement and how important the issue is to you.
3. Selecting the participants. Both you and the other person are entitled to add or object to a potential participant in any negotiation. How the two sides populate their teams usually will have an impact on the outcome. Among other things you should try to keep people out of the negotiation who tend to inflame the situation.
4. Researching the participants. Once you and the other person have established the people to be involved in the discussion/negotiation you need to assess who The other person has on his or her team, why they were added and what position they are likely to advocate. The other person's selection of co-negotiators will indicate the areas he feels are important to his position or the areas he feels he lacks expertise.
5. Preparing for the negotiation. Before you actually start any negotiation take a few moments or a few weeks, depending on the importance and complexity of the negotiation, to prepare for the negotiation session.

a. Separate facts from assumptions. Understand what you know about the situation and what you assume to be true.

b. Validate your facts. Sometimes facts change. Make sure your information is current. If you can't do this, consider the unverified facts to be assumptions.

c. Validate your assumptions. Assumptions should be validated by third party confirmation or simply asking the other person if they are valid.

d. Test your assumptions. Assumptions that can't be validated need to be tested or discarded. Erroneous assumptions can impair an otherwise sound negotiating strategy. Don't set yourself up for failure relying on an invalidated assumption because you like it or it helps your case.

e. Adjust your strategies. Using the newly acquired information, make sure your initial strategies, objectives and goals are still appropriate. The new information can often change strategies and on occasion can obviate the disagreement altogether.

6. Meeting the Participants. When the participants first get together to start the negotiation there is usually a short period of time when people meet each other and get settled. This is an excellent period during which you should take the measure of everyone about to take a seat at the table. Observe who are comfortable and who appear uneasy. Participate in casual conversations to determine the interests and backgrounds of the other person's co-negotiators. Make sure your advocates are comfortable and ready.
7. Establishing the parameters of the situation. Once seated at the table it is helpful to make sure everyone is aware of the issues to be discussed and uncover any new issue that needs to be addressed. If new information is provided or the issues changed feel free to take a break to reflect or regroup with your team if necessary.

You are now ready to enter into the negotiation. This is most typically done by asking or soliciting an initial offer. The early stage of any negotiation should be used to establish the parameters of the situation. That is, the bid/ask disparity between you and the other person.

Each step deserves to be mentally considered before it is undertaken. A negotiator should prepare, plan, and execute on the sub-task or individual step level to maximize the potential from the process. The skill is in the preparation and the art is in the execution. Obviously more complex negotiations will have added steps and a more detailed approach but even simple negotiations can be better resolved if these steps are fleetingly considered before you enter the fray with the other person.

9.14 Negotiating Tips to Uncover Hidden Agendas

Hidden agendas are the personal are the private goals and objectives that impact how we publicly negotiate. Everyone has these agendas. Very likely your hidden agenda will be far different than the other person's or even those of co-negotiators.

Hidden agendas are the meat and potatoes of good leaders/managers. Good leaders have a sense of mission, a purpose that garners the respect of others. Negotiators who can demonstrate these same leadership traits will garner the same respect. Just as leaders can impact the outcome of meetings so too can effective negotiator-leaders impact the outcome of a negotiation.

Every participant in a negotiation has a personal agenda. Those agendas are hidden unless they are shared with the group and most people don't openly share personal agendas. If they did, there would be little mystery or drama in life or our personal interaction.

So how do you uncover another's hidden agenda? By being a good detective:

1. Ask questions. Soliciting the other person's needs and wants is essential in setting the parameters of the negotiation.

2. Think like a reporter: Ask follow-up questions designed to cross-check or validate previous answers.

3. Feel free to question responses. It is important to understand what you are being told.

4. Gather and digest the responses to develop a basic understanding and appreciation of the other person's perspective, basic needs and stated wants regarding the situation.

5. Observe the non-verbal reactions that may indicate responses that are less than forthright.

Negotiation is far more than simply sitting at the table and exchanging proposals. It is the process of learning enough about the other person to be able to engage the person in a dialogue that makes that person want or need to work with you.

Remember, negotiating is persuading someone else to do what you want them to do.

Negotiating Requires Knowing Your Bottom Line

A key strategy in any negotiation is establishing your 'bottom line.' Knowing your "bottom line" is one of the most important aspects of being a good negotiator. The bottom line is the minimum or maximum acceptable threshold that you will accept concerning a given situation. It is the point at which you should decide not to continue to try to hold things together and simply walk away from the opportunity.

Constantly revising is part of a negotiator's strategy because negotiating requires knowing your bottom line or the limits you are willing to go to win an argument or closing a sale or purchase. Your "bottom line" depends on each negotiating event and can change as your situation changes. Typically, in the business environment the negotiating parameters are mandated by company objectives, limitations and policy. Working within these guidelines allows company negotiators to negotiate with confidence that they will be able to deliver on the promises they make during a negotiation. Knowing these corporate bottom line parameters also signals when the negotiator should leave the discussion to seek more guidance or look for another opportunity for the company. Thus knowing the company parameters empowers the company negotiator.

We are used to setting minimum or maximum parameters in the business or professional environment. In personal situations negotiating requires knowing your bottom line or the limits you are willing to go to win an argument. There is no reason the same discipline cannot and should not apply to interpersonal/family situations.

When you are negotiating personal matters ranging from credit card debt to what to do about an errant son or daughter you should try to set the point at which you are no longer willing to negotiate. This is especially important on the personal side as conceding too much only teaches your spouse or child that you will continue to do so and that he or she should continue to press their argument until you cave. This conceding on your part rewards bad behaviour rather than deters it.

If you continually do this when disciplining a child, you will raise a spoiled child who, later in life, may well have difficulties relating to his or her spouse when the 'adult child' doesn't get his or her way. As parents it is our responsibility to teach our children how to negotiate in a productive fashion so they can get along after they leave the nest.
It is even more important when dealing with an overbearing spouse. Your concessions will not only make the other person expect to prevail, it will cause you to lose respect for yourself and become even more dependent on what could become a damaging relationship.

Not to be labour the point but I need to point out here that I am not advocating never conceding. Just the opposite as we all need to be willing to 'give and take' to make any relationship work. What I am saying is that it is helpful to know in advance at what point we will no longer be willing to offer further concessions. To make this point graphically, a woman must draw the line at being physically abused. To let this type of behaviour occur without recourse is simply asking for a bad outcome.

Negotiating requires knowing your bottom line or the limits you are willing to go to win an argument or closing a sale or purchase. When you approach your predetermined bottom line, the point where it's appropriate to be willing to bluff before walking away, you have two choices; bluffing or walking away. Depending on the potential impact on the relationship and how much you value the relationship, bluffing should only be considered as a last resort tactic. It should be reserved until all you have at risk is failure itself and you are fully prepared to walk away from the relationship as well as the situation because if you are caught in a bluff your credibility, integrity or sincerity will be damaged.

What is Conflict Resolution

Conflict between people, any two people or larger groups of people is a fact of life. We are different people. We have differing wants and needs. This means our goals and objectives are in conflict most of the time; even when we are on the same team. Conflict is normal and healthy as long as it can be resolved preserving the relationship of the people involved.

Conflict exists within families, among peers, friends and neighbours. It exists at work, church, school and simply along the street among strangers. Conflict resolution is the process by which we handle the conflict in our lives.

There are many ways we try to resolve conflict. By surrendering, running away, fighting, litigation of filing a complaint with the human resource department. Alternative Dispute Resolution (ADR), AKA conflict resolution, is more civilized than violence and typically cheaper and quicker than litigation.

Common forms of conflict resolution include negotiation, a discussion among two or more people with the goal of reaching an agreement, mediation, a voluntary and confidential process in which a neutral third-party facilitator helps people discuss difficult issues and negotiate an agreement, and arbitration, a process in which a neutral third-party acts as a judge of the dispute and decides the outcome for the parties.

But conflict resolution need not be so formal. Essential we each resolve conflict throughout every day of our lives. We don't consider our parents, siblings, bosses, employees, teachers and students to be warring factions but the conflicts with these people in our lives can be far more complex that some territorial skirmish between nation states.

When resolving our personal conflicts becomes more than we can handle there are some approaches than offer help. This assistance can be provided by your church, school, employer or even another family member. But if you want something a little more formal, consider:

Evaluation by a Third-Party

This involves enlisting a unbiased attorney, arbitrator or other professional to review the situation and try to facilitate a resolution by explaining the cost of litigation and likely outcome if the case. The parties then can assess if it is worth litigating or would they be better off just settling and moving on.

Peer Referendum

This approach uses a common and respected friend, associate or family member to both of the parties is asked to help resolve the dispute. By having another person hear the complaints of both sides and offer a fresh objective the angst of one-on-one fighting can be mitigated and solutions struck.

It is important to remember that conflict is a normal and necessary part of any healthy relationship. Life would be far too boring if no one disagreed with you or objected to something you were doing. And how would we ever learn anything new if we were never challenged by our teachers, parents or employers?

How we deal with conflict in large part determines the quality of our lives. When mismanaged relationships can be tested and even harmed. By developing effective conflict resolution techniques and skills your personal and professional lives should prosper.

Trader or Negotiator

What are you, a trader or a negotiator? Is there a difference?

Trading is the exchanging of comparably valued items, not negotiating. To trade is the exchange of commodities, assets or services on a par value. Negotiating contemplates the exchange of disproportionately valued commodities. Traders focus on the intrinsic cost basis. Negotiators look to minimize cost or maximize their return. There are times when it may be better to trade then negotiate. Consider these examples. Power or control over a situation often makes a transaction a simple trade. The person with the power establishes the rules and the rate of return. Those who find the terms acceptable participate. If not, they will seek another venue.

Limited availability of a commodity also creates a demand driven market. Sellers who hold such a commodity have the power to demand a high rate of return. Buyers who must have the commodity, oil comes to mind, have little choice but to pay the high rate while they develop alternative sources. Hospitals and doctors enjoy another hedge against having to negotiate with you. Because you have insurance, you are not paying the bill (other than a small co-payment). That means you have little control over what is paid for the service rendered. More important, the provider has little incentive to negotiate with you or remain competitive. And the insurance company has little incentive to negotiate a unique rate for you as they spread their risk over all the people they are covering.

Simple trading is also appropriate in many situations where time and convenience are more important than price. At the grocery, for example, you simply exchange money for a loaf of bread. There is no negotiation because you are too busy to try and the amount you might save is negligible. But no one says you could not negotiate with the manager if you wanted to do so. In fact, if you are contemplating a very large purchase for a party or office event there is absolutely no reason not to contact the manager, explain the situation, and inquire about wholesale pricing or other possible discounts he or she might offer to avoid risking that you might go to a competitor.

To answer the question, are you a trader or negotiator, the answer is 'both' depending on the situation, your time, and the balance of power.

9.15 Three Negotiating Strategies

Negotiating is the process of enticing someone else to do what you want them to do for you. That can be selling something for less, providing service you need, or paying more for something you have. Obviously there are endless applications of negotiating but you get the drift. When you interact with other people you are always negotiating in some way. Whether it is passing in the hall or closing a large real estate deal, you must reach an agreement. Getting to a consensus is the process of negotiating. Forcing your way on others may be effective while you have the power to do so but will quickly wear thin at work, at home or with friends. If negotiating is so prevalent in our lives it makes sense to consider these three negotiating strategies:

1. Get to know the other person. How, you might ask, do you get to know a person you meet in the hall? One of you needs to step aside to pass. By observing the other person, you can assess your need to be considerate of an older person, the fact that the other person is preoccupied and does not see you, or a threatening glare. In any negotiation the other person will reveal valuable information through nonverbal signals and innocent conversation. Being observant enables you to learn very quickly a number of things about the other person. Such strategic observation will help you decide what to do.

2. Understand what it is the other person wants. Everyone has wants and needs. You may know yours but have you taken the time to understand the needs of the other person. How can you hope to negotiate anything unless you know what the other person wants? Ask. Most people will share what they want. It is up to you to ascertain what they really need. That is what you will have to pay.

3. Determine how important the issue is. There are four primary currencies in a negotiation. The commodity itself, compensation, time and the relationship of the parties involved. It is a balancing act to be efficient in how you expend these currencies throughout your day. Make sure the commodity you are negotiating for is worth your time, potential damage to your relationship with the other person, and what you will likely have to pay. Don't waste your time trying to win negotiations that take too much from your aggregate pool of these four currencies.

Negotiating is not rocket science but it does deserve your attention. Our lives are filled with interactions with others and how we handle pour negotiations impact not only the quality of our lives but that of those around us; especially those closest to us. These three negotiating strategies will help you extend due consideration to the feelings and needs of others. Bullying others into doing your bidding or always using power negotiating tactics threatens your relationships and limits what you accomplish in your life.

9.16 Negotiating with a Stranger

To many negotiating is an awesome task shrouded in manipulation and connivance and plied by attorneys and politicians. The fact that often we have to negotiate it is with a stranger makes it that much more difficult. Trying to confront a car sales person, a banker or credit manager, a vender at the farmer's market, or any other person we run into on the street that has something we want can be very intimidating. No wonder so many shy away from negotiate with a stranger. It is often easier to accept the terms being offered. This is no way to build confidence in standing up for your best interests. It is no way to live.

Get real! The birds do it. The bees do it. We all do it. Negotiate, that is! If we all do it why not consider these 5 Tips on negotiating with a stranger to improve how we interact with others? These tips on negotiating are designed to help you better understand the art of negotiations and improve your relationships with those you have to deal with every day.

Tip 1 When negotiating with a stranger approach the situation as you would any casual conversation. Take some time to get to know the person a bit. Try to identify some common interests you might have. The objective is to stand out in his or her mind from all the other strangers that pass by each day. By making this stranger feel a little more comfortable with you, you are subtly encouraging the person to deal with you as a person and not just as a source of another sale.

Tip 2 When negotiating with a stranger your primary objective is to be heard and understood. Learn to communicate effectively with strangers and you will improve your negotiating results. Communicating is more about being heard than speaking. If the other person cannot understand you all the talking you do won't change that. To be effective when negotiating requires that you have a clear message and the ability to deliver it in a fashion that a stranger can understand.

Tip3 When negotiating with a stranger consider why the other person is resisting your proposal so much. Could it be that you are asking too much of them or offering to little in return? Negotiation is all about wants and needs. An effective negotiator will take the time necessary to separate the two. Wants are those nice-to-have extras that can be bartered for other concessions. Needs are those things that one must get to go through with any agreement. Try to view the issues from the other person's perspective to better understand the reason for their reluctance and then craft a new proposal that addresses their needs a bit better.

Tip 4 When negotiating with a stranger consider how you are handling the situation. Are you bullying the other person? Are you threatening them in some manner? Consider how you are approaching the negotiation in terms of words and mannerisms to make sure you aren't changing a negotiation into a fight. When people are backed into a corner they may agree to get out of it but it is likely they will break their agreement later if they have an opportunity.

Tip 5 When negotiating with a stranger make sure you know what your goal is. Make sure that the prize you are seeking is what you really want. Sometimes we simply become too embroiled in an argument or negotiation to see that we are investing far too much time chasing something of marginal value.

Negotiating with a stranger should be easier than with someone you know because you don't have to worry about the collateral damage to the relationship. You should feel free to press hard for what you want and challenge the other person. Doing so without becoming abusive should enable you to not only garner the fruits of your labour but also build relationships that may be beneficial in the future. These successes will instil confidence in your negotiating skills making future negotiations easier.

Who Negotiates

We all negotiate. We are often afraid whenever we have to sit down and work something out with another person because of our fears: Fear of the unknown. Fear of rejection. Fear of losing. Fear of offending. From birth we face a steady stream of challenges, struggles, and opportunities throughout life.

Conflict arises as we struggle to satisfy our personal interests and wants and needs in social circles, at school, at work, and with our mates and loved ones. Who negotiates? We each do to get what we need or want. This self-serving effort is often in conflict with the needs and wants of others. The need to negotiate in our day-to-day situations or encounters permeates our very existence. Learning how to better handle such conflict is an important way to improve our personal situation. It leads to enabling us to enjoy life a lot more.

Knowing how to negotiate is less about understanding the nuances of the process than it is about understanding who negotiates, mere people do. Accordingly, we should appreciate that everyone has their own wants and needs. If we simply listen and try to identify their needs, we may find building relationships to be easier and more rewarding than if we only think of our own needs and wants.

Life is a continuum of challenges, opportunities and decisions. Each experience in life, no matter how rudimentary, requires some form of negotiation and provides experience from which we can learn. In fact, if we only learn how to recognize the cues and how to act on them, we all have the opportunity to become experienced negotiators better able to handle life's challenges.

How to Negotiate A Salary

Salary discussions are more often feared than not. The problem with many salary negotiations is that the employee is often placed at odds with his employer. If the employee presses too hard, he or she may worry that they will lose favour and maybe even harm their career potential. If they don't press hard enough and fail to get a reasonable increase they may feel that they are being taken advantage of and loss their positive attitude.

What many employees fail to realize is that most employers wrestle with how to attract and keep good people. Naturally they want to contained employee costs but good employees are hard to find and harder to replace. There is a very real cost of losing a good employee.

So both the employee and employer have a common goal. That is, how to keep a good employee motivated while keeping costs reasonable for the company. The core issue is not over the amount of the salary but the value received for the salary paid. This is often missed in salary negotiations.

To maximize your earning potential, consider these tips on how to negotiate a salary:

Establish Your Value

In order to warrant consideration for a significant raise you need to establish why you deserve to be treated differently from your peers. Value to a company comes from the work you are doing, the cost of training your replacement, and the potential value you have to offer to the company. Start your conversation with your boss off on the right foot by clearly establishing that you hope to build your career with the company. That means you are willing to invest years of your career life with the company if they are willing to similarly invest in you. By establish the fact that you think you have far more to offer than what your current job entails you are establishing the potential value you have as a loyal and happy employee.

Throw a Curve

Your boss will be expecting you to ask for a dollar-based raise. Instead ask him how else you might be used in the company or department that would be good for your career and the company. Indicate that you have more potential than the current position requires and want to contribute more. This will often throw your boss off as he or she now has to think outside the anticipated and prepared topics.

You can further this strategy by bringing a self-evaluation to the meeting and discussing your strengths and weaknesses openly. Highlighting those qualities that warrant the company investing in you with some career planning changes the discussion from what to pay you to how to utilize your potential. By discussing your potential and the self-evaluation you are providing the reasons for your boss to handle you differently from others in your pay grade.

Offer Some Alternatives

Salary is important but it is only thing the company can do for you. Many times a company simply can't meet your salary demands immediately. But there are other benefits that may be more valuable to you than a simple pay increase. Getting placed in a fast-track program to advance has strong future value. Assistance in getting an advanced degree also enhances your future earning potential. Even moving into a high pay-grade position but at the same pay rate while you get established in the new position enhances your future salary potential.

Don't forget about upgrades in medical coverage, dental coverage, 401k matching contributions, stock options, a company car, laptop or notebook, tuition assistance, day care assistance and company cellular phones may add tangible value to you. These perks may allow the company to add to your compensation without exceeding their mandated pay range for the position you hold and many of these perks are not taxed further enhancing their value to you.

Don't Limit Your Options

Your job will consume at least 30% of your waking hours. You need to like the job, your peers, your boss and feel that you are being paid for the service you are providing. To make sure you are making the right career decisions you should always be open to opportunities outside the company. If other companies or departments want you, your boss will value you more. Don't be afraid to look around.

Life is short. Make sure your work contributes to a full life and does not detract. When you are meeting with your boss take the opportunity to discuss potential growth and what he or she sees in their crystal ball for you over the long term. This not only focuses your boss on the value you have to offer but on what they see for the company of which they are a part. By opening this perspective, you are becoming part of the team rather than just another employee trying to get more for doing the same old thing.

What is Negotiating

Negotiating is the process by which two or more people get along in a social, competitive environment. Competitive in that two people typically have differing wants and needs and must figure out how to work together to get along. Negotiating is an integral part to any relationship. It may be personal, social, professional or simply a chance meeting on the street.

Unlike bartering, arbitrating or mediation negotiation is the collective process that impacts us in every aspect of our lives. It is not limited to the business or legal aspects of our lives. Negotiation is the base process of people interacting with one another. Bartering, arbitrating and mediation are civilized attempts to refine the negotiating process into a disciplined process.

To answer the question what is negotiating we need to understand better what it is get along with our fellow negotiators; other human beings that happen to cross our paths for one reason or another.

It is very human to want something someone else has. How we get it, or attempt to do so, is how we implement our style of negotiating. We can be subtle, caring about the other person's interest, wants and needs, or we can be self-centred, focused solely on our needs and abusive in the process.

What is negotiating? When two people meet and begin to get to know each other, they start establishing how they will negotiate in the future. In essence, they are establishing how they will negotiate important things by laying down simply rules of etiquette. They learn each other's mannerisms, inflections, how they speak, what they are like. All these personal characteristics begin to build a mental profile that will help them understand each other in future conversations. Negotiating is built on the premise that two people can communicate effectively to work out a disagreement or problem. To communicate effectively we need to understand the nuances of nonverbal communications. Learn to Communicate

What is negotiating? Negotiating is the exchange of unlike currencies in a fashion that motivates both parties to honour the agreement. In this case currency can include tangible and intangible commodities. The age old exchange is sex for money. In the 21st Century it could easily be sex for power (or association with power). The currency of a negotiation may be wealth, recognition, sex, a diaper change or simply peace from a crying child or whining peer. We are trying to improve or avoid some aspect of our lives. It is a composite of needs or wants that drive any negotiation. Especially when someone else has what we want! The Currency of Negotiations

What is negotiating? The goal of negotiating is to improve your position as the result of the process. It is not simply getting to 'yes', 'no' or any solution. The solution is the product of an effective negotiation; not the goal. Being Right Isn’t Winning

The basic answer to what is negotiating is that it is effective communications between two or more people that result in all involved feeling that they have improved their situation to the extent that they will honour the agreement in the future. This does not mean that both have to win or feel like winners. It can also mean that the person who fell short of attaining his wants at least satisfied his base needs from the interaction. Sometimes losing less is better than losing everything.

9.17 Terminology

1. peer referendum: is where a respected friend of both parties involved in a conflict is asked to resolve the dispute.

9.18 Activity

1. what is the difference between work groups and work teams?
2. discuss conflict management skills you can in work places.

9.19 Reflection

What do you think is the difference between work groups and work teams.

9.20 Summary

In this unit, you have learnt about the concepts of work groups and work teams. You have learnt approaches to group and teams such as the psychological approach, the socio-technical approach, the behavioural approach we have also learnt the difference between work grops and work teams. In the next unit, you will learn about leadership styles frameworks and organisational change.

UNIT 10: LEADERSHIP STYLES AND FRAMEWORKS AND ORGANISATIONAL CHANGE

10.1 Introduction

A leadership style refers to a leader's characteristic behaviors when directing, motivating, guiding, and managing groups of people. Great leaders can inspire political movements and social change. They can also motivate others to perform, create, and innovate.

As you start to consider some of the people who you think of as great leaders, you can immediately see that there are often vast differences in how each person leads. Fortunately, researchers have developed different theories and frameworks that allow us to better identify and understand these different leadership styles.

10.2 Learning Outcomes

By the end of this unit, you are expected to;

- discuss Lewin's leadership styles.
- analyze Hersey and Blanchard leadership styles.
- discuss organizational change and development.
- discuss effective communication in organizational change.

10.3 Time frame

You need about six (2) hours per week to interact with this material

10.4 Content

- Lewin's Leadership Styles
- Observations About Lewin's Leadership Styles
- Additional Leadership Styles and Models
- The delegating style is low in both direction and support.6
- Organizational Change & Development
- Change and Its Management
- Changing: The change is implemented
- Difference Between OD and Change Management
- The Link Between OD and Change Management
- Three Phases of Organizational Change

- Effective Communication in Organizational Change
- Lewin's Change Theory
- Stage One: Unfreeze
- Stage Two: Change
- Stage Three: Refreeze
- David Garvin's Model for Change
- Stage One: Prepare the Organization for Change
- Four-Stage Theory of Organizational Change
- Democratization of Organizational Change

Here are just a few of the most prominent leadership frameworks and styles that have been identified.

10.5 Lewin's Leadership Styles

In 1939, a group of researchers led by psychologist Kurt Lewin set out to identify different styles of leadership.1 While further research has identified more distinct types of leadership, this early study was very influential and established three major leadership styles that have provided a springboard for more defined leadership theories.

In Lewin's study, schoolchildren were assigned to one of three groups with an authoritarian, democratic, or laissez-faire leader. The children were then led in an arts and crafts project while researchers observed the behavior of children in response to the different styles of leadership. The researchers found that democratic leadership tended to be the most effective at inspiring followers to perform well.

Let's take a closer look at the three styles Lewin identified:

10.5.1 Authoritarian Leadership (Autocratic)

Authoritarian leaders, also known as autocratic leaders, provide clear expectations for what needs to be done when it should be done, and how it should be done. This style of leadership is strongly focused on both command by the leader and control of the followers. There is also a clear division between the leader and the members. Authoritarian leaders make decisions independently with little or no input from the rest of the group.

Researchers found that decision-making was less creative under authoritarian leadership. Lewin also concluded that it is harder to move from an authoritarian style to a democratic style than vice versa. Abuse of this method is usually viewed as controlling, bossy, and dictatorial.

Authoritarian leadership is best applied to situations where there is little time for group decision-making or where the leader is the most knowledgeable member of the group. The autocratic approach can be a good one when the situation calls for rapid decisions and decisive actions. However, it tends to create dysfunctional and even hostile environments, often pitting followers against the domineering leader.

Autocratic Leadership Characteristics, Strengths, and Weaknesses

10.5.2 Participative Leadership (Democratic)

Lewin's study found that participative leadership, also known as democratic leadership, is typically the most effective leadership style. Democratic leaders offer guidance to group members, but they also participate in the group and allow input from other group members. In Lewin's study, children in this group were less productive than the members of the authoritarian group, but their contributions were of a higher quality.

Participative leaders encourage group members to participate but retain the final say in the decision-making process. Group members feel engaged in the process and are more motivated and creative. Democratic leaders tend to make followers feel like they are an important part of the team, which helps foster commitment to the goals of the group.

Democratic Leadership Strengths and Weaknesses

10.5.3 Delegative Leadership (Laissez-Faire)

Researchers found that children under delegative leadership, also known as laissez-faire leadership, were the least productive of all three groups.The children in this group also made more demands on the leader, showed little cooperation, and were unable to work independently.

Delegative leaders offer little or no guidance to group members and leave the decision-making up to group members. While this style can be useful in situations involving highly qualified experts, it often leads to poorly defined roles and a lack of motivation.

Lewin noted that laissez-faire leadership tended to result in groups that lacked direction where members blamed each other for mistakes, refused to accept personal responsibility, and produced a lack of progress and work.

10.6 Observations About Lewin's Leadership Styles

In their book, "The Bass Handbook of Leadership: Theory, Research, and Managerial Applications," Bass and Bass note that authoritarian leadership is often presented solely in negative, often even disapproving, terms. Authoritarian leaders are often described as controlling and close-minded, yet this overlooks the potential positives of stressing rules, expecting obedience, and taking responsibility.

While authoritarian leadership certainly is not the best choice for each and every situation, it can be effective and beneficial in cases where followers need a great deal of direction and where rules and standards must be followed to the letter. Another often overlooked benefit of the authoritarian style is the ability to maintain a sense of order.

Bass and Bass note that democratic leadership tends to be centered on the followers and is an effective approach when trying to maintain relationships with others. People who work under such leaders tend to get along well, support one another, and consult other members of the group when making decisions.

10.7 Additional Leadership Styles and Models

In addition to the three styles identified by Lewin and his colleagues, researchers have described numerous other characteristic patterns of leadership. Here are just a few of the best-known:

10.7.1 The Transformational Leadership Style

Transformational leadership is often identified as the single most effective style. This style was first described during the late 1970s and later expanded upon by researcher Bernard M. Bass. Some of the key characteristics of his style of leadership are the ability to motivate and inspire followers and to direct positive changes in groups.

Transformational leaders tend to be emotionally intelligent, energetic, and passionate. They are not only committed to helping the organization achieve its goals, but also to helping group members fulfill their potential.

Research has revealed that this style of leadership resulted in higher performance and more improved group satisfaction than other leadership styles. One study also found that transformational leadership led to improved well-being among group members.

10.7.2 The Transactional Leadership Style

The transactional leadership style views the leader-follower relationship as a transaction. By accepting a position as a member of the group, the individual has agreed to obey the leader. In most situations, this involves the employer-employee relationship, and the transaction focuses on the follower completing required tasks in exchange for monetary compensation.

One of the main advantages of this leadership style is that it creates clearly defined roles. People know what they are required to do and what they will be receiving in exchange for completing these tasks. It also allows leaders to offer a great deal of supervision and direction if it's needed. Group members may also be motivated to perform well to receive rewards. One of the biggest downsides is that the transactional style tends to stifle creativity and out-of-the-box thinking.

How a Transactional Leadership Style Works

10.7.3 Situational Leadership Styles

Situational theories of leadership stress the significant influence of the environment and the situation on leadership. Two of these theories include:

- **Hersey and Blanchard's leadership styles:** Hersey and Blanchard's model is one of the best-known situational theories. First published in 1969, this model describes four primary styles of leadership, including:

1. The **telling style** is characterized by telling people what to do.
2. The **selling style** involves leaders convincing followers to buy into their ideas and messages.5

3. The **participating style** is marked by allowing group members to take a more active role in the decision-making process.
4. The **delegating style** involves taking a hands-off approach to leadership and allowing group members to make the majority of decisions.5

- **Blanchard's SLII leadership styles:** Later, Blanchard expanded upon the original Hersey and Blanchard model to emphasize how the developmental and skill level of learners influences the style that should be used by leaders. Blanchard also described four different learning styles, including:

1. The **directing style** involves giving orders and expecting obedience but offers little in the way of guidance and assistance.
2. The **coaching style** means giving lots of orders, but leaders also give lots of support.6
3. The **supporting style** is an approach that offers plenty of help, but very little direction.

   The **delegating style** is low in both direction and support.6

10.9 Organizational Change & Development

When it comes to organizational change and development, there always seems to be a blurry line in what separates them. There appears to be no set rules or single, authoritative definitions for either term. There is, however, a general consensus among experts, and as imprecise as it may be for a one-sentence answer, you could say that change is short term and development is long term.

A good way to understand the difference between change and development is to consider how these words apply to an individual. If you decide to get up an hour earlier each morning to get a better start on the day, that's a personal change. If you decide to pursue an MBA to further your career, that's personal development. With organizations, of course, it's a bit more complicated.

10.9 Change and Its Management

It's difficult to discuss any beneficial organizational change without examining it in the context of change management. After all, change can be managed well or poorly, but unmanaged change quickly leads to chaos and an organization's downfall.

Change management usually involves a three-step process based on Kurt Lewin's model of unfreezing, changing and refreezing.

Unfreezing: The desired change is identified, and the organization is prepared for what is about to come.

10.10 Changing: The change is implemented.

Refreezing: The staff is monitored to ensure the change has been incorporated into the organization.

A common example of a managed change is the implementation of a new software system. First, the staff is told of the new system and is trained to use it. Second, the system is installed and implemented. Third, management monitors the staff to ensure they are using the new system efficiently.

10.11 Difference Between OD and Change Management

Organizational change and change management usually focus on specific situations to take the organization – or in some cases, a single department – from point A to point B as cleanly and efficiently as possible. Once the change is over, the project is marked as complete, and nothing more needs to be done until the next need for change is identified.

Organizational development, on the other hand, takes a longer and more holistic approach to change. It looks at the entire organization as a complex network of systems while at the same time it is concerned with the professional development of individual employees. Organizational development can include strategic planning, leadership development, professional development, coaching and even work-life balance.

10.12 The Link Between OD and Change Management

Organizations are not limited to using only organizational development or change management to the exclusion of the other. In fact, successful companies generally use both, integrating change management as one component of its organizational development strategy.

Used together, organizational development and change management can help the people in a company as well as the company as a whole be better prepared to adopt changes as they are needed while moving forward toward better prosperity as a whole.

An Example of OD and CM Working Together

Suppose, for example, you have decided that you want to rely less on a hierarchical approach to your small company's organization. You interview your employees to determine their career goals and where they would like to see the company be in the next five years.

Some employees begin taking management courses, while others learn software development. A year later, you detect a shift in the market, with a growing number of customers using the latest mobile technology, and you decide that a change in your sales approach is in order.

With your employees' development already begun, your company is now in a prime position to make changes to its existing sales model. You have people trained in choosing the right software or developing it in house, and you have candidates with the management training to manage the change.

10.13 What Are the Three Phases of Organizational Change?

The long-term success of an organization depends on its ability to adapt to change. Change may be prompted by the workforce, the economy or new technology. Instead of injecting training or education into one aspect of the company, organizational development takes a holistic approach to managing change. Plans are specific to the organization, built on research and contain measurements to evaluate effectiveness.

Although several of the theories that support organizational development emerged during the early part of the 20th century, organizational development was not recognized as its own industry until the 1950s. During this time, practitioners had different definitions of organizational development, and work was typically performed by outside consultants. Richard Beckhard is given credit for coining the term in his 1969 book, "Organizational Development: Strategies and Models." Beckhard was an adjunct professor at MIT's Sloan School of Business and author of seven other books and many organizational change and development articles.

Organizational development is built on behavioral science and is a purposeful and planned intervention administered organization-wide, according to Beckhard. Its goal is to match the systems and processes of an organization with the needs and abilities of its people. Once those factors are in line, an organization's overall well-being, effectiveness and efficiency will improve. For an organizational development plan to be effective, top management has to model desired behavior and employees must support the need for change. One factor that separates organizational development from related fields is the change agent, which is the person or groups of people leading the change process.

Organizational development has two implementations stages: action research and intervention. During action research, the change agents use several methods to gather information about an organization's challenges. Types of research in organizational development include surveys, focus groups interviews and observation. The type of intervention plan depends on the research results and the nature of the problem. Although there are many different organizational development intervention plans, they all include activities to bring about change. Types of activities include exercises in interpersonal, group and inter-group communication.

If implemented successfully, organizational development interventions can help an organization adapt to the changing needs of a new workforce, keep it competitive in the face of shifting global dynamics and help it successfully transition to new leadership. Other benefits of organizational development include increased collaboration, improved decision-making processes and preservation of company culture.

Organizational development is a long-term process which requires buy-in from all levels of employees and patience from the client. Those looking to organizational development for a quick fix to recharge an apathetic workforce will be disappointed. The decision to hire outside consultants or rely on in-house personal for change agents is also complicated. While outside consultants may be more free from bias given their lack of personal history with the company, they may also lack the ability to quickly grasp nuances that point to the root of an organization's problem

How to Determine the Impact of Employee Development on the Success of ...

Employee development is a human resource function in which employees are encouraged to increase their basic skills and obtain additional career development training. This development is often used to increase job satisfaction and retention. Employee development is commonly offered as an employee benefit and is generally used to recruit and retain highly skilled workers. While all of these aspects of employee development are vital to the human resource strategy, it is essential to consider each as a tool for overall organizational development.

In a rapidly changing world, employees and organizations alike must take steps to remain competitive. Employees must develop marketable skills to give themselves an edge in the job market, while organizations must develop employees to compete with other organizations within the same industry. Employee development is a fundamental duty of the effective manager. Managers and supervisors must encourage employees to pursue both personal career development goals and those learning goals identified by organizational leaders.

While employee development is an essential element of the human resource strategy, it is important for a company's development programs to be in alignment with the organization's overall strategy. Organizational strategy generally originates at the executive level as an abstract strategy for aligning the day-to-day activities of the organization with the company's mission statement. Executives set specific and measurable goals which must be met by managers and supervisors at the functional level. It is vital for HR leaders to link human resource strategy to the overall organizational strategy to ensure employee development also promotes organizational development.

performance review image by Christopher Hall from Fotolia.com

Before organizational leaders can set development goals, they must first assess the organization's core competencies to determine which skills are most important to the development of the organization as a whole. They must also determine where skills are lacking. For example, if the organization appears to be lacking strong leadership, then one goal might be to implement leadership development training. If managers identify issues with team dynamics, they may choose to implement team building programs to encourage employees to work together more effectively.

Effective employee development strategies generate a positive return on investment, which is a common bottom-line goal of any organizational development strategy. The retention of highly skilled employees saves the organization a great deal of money which would otherwise be lost to high turnover. Highly developed employees also contribute to the overall effectiveness of the organization to compete with others within its industry. Additionally, organizations are better able to implement organizational developments when workers maintain the skills necessary to implement change.

In this fluid world, all organizations are affected by change. The extent to which an organization manages change often dictates whether that organization will thrive, or even survive. While deemed the "new normal" due to today's global economy and technological advances, according to the 2008 IBM Global Making Change Work Study, organizational change has always been a constant, and models of organizational change have existed for decades. One of the cornerstone models for understanding organizational change is social scientist Kurt Lewin's three-stage model developed in 1951: Unfreeze-Change-Refreeze.

Unfreeze

Unfreeze represents the stage before the change occurs -- the point at which the status quo ends. Organizations determine the need for change and develop messaging that details why current ways will no longer work. Old customs and norms are replaced. As this happens, employees experience uncertainty about how changes will impact them. This uncertainty may lead to a fear of change that may, in turn, spur dissent.

During the Change stage, organizations incorporate new behaviors, and employee uncertainty eases. Communication and training are essential to help employees understand their roles in making change happen. As organizations foster this understanding, people start to buy in to the new ways that will support the organization's new vision. Employees are most likely to accept change if they understand how the changes will benefit them. However, some people -- particularly those who benefit from the status quo -- may be adversely impacted by change, and it will take time for others to recognize the benefits.

Refreeze

Refreezing takes place after the change. This is the point when organizations establish the change as the standard. Those affected embrace the new ways of working. Moreover, reinforcement and measurement of behavior changes take place. Incentive systems are put into place to achieve desired behaviors. Performance appraisals, promotions and bonuses are based on desired performance and resulting outcomes. Organizations develop objective measures to gauge their efforts and form strategies for sustaining change into the future.

Lewin's model is largely viewed as a top-down model, driven by management. Critics contend that the model ignores situations that may require bottom-up change that originates from non-management employees, as explained by Michael W. Durant in his article "Managing Organizational Change." These critics maintain that successfully leading change requires a strategy that goes beyond a linear, mechanistic set of events that are rigidly controlled. Yet it is this mechanistic approach that organizations typically embrace. Since the majority of organizational change projects ultimately fail, organizations may consider adopting change models that better facilitate two-way communication between organizational managers and employees, thus empowering employees to become active players in the change process.

10.14 Effective Communication in Organizational Change

Dealing with inevitable change in an organization typically involves transitioning to a new way of working. Sometimes this occurs during a business transformation that realigns people, processes and technology seamlessly to new strategic objectives. Other times, changes can be intimidating and stressful, frequently because of the uncertainty often associated with new situations. Whether managing large-scale change or simple alterations to policies and procedures, if you prepare adequately and communicate effectively, you can help yourself and others accept change with minimal disruption.

Ensure you have executive sponsorship for the proposed change. Identify potential threats and examine opportunities. Start talking with people at every level of your organization to build a convincing case for making the change. Involve customers, if the change affects them.

Identify leaders in the organization to help orchestrate the changes. Create a team representing different levels and departments to discuss ideas about how to manage the change effectively.

Establish a vision. Create a short presentation describing the future. List reasons why the change benefits the organization.

Communicate with your organization. Schedule meetings, send email and distribute newsletters describing the change and associated details. Align all change management activities with the company's strategic goals. Give people a chance to express their concerns. Be prepared to deal with anxiety.

Remove obstacles and barriers to change. Identify people who resist change and determine what can be done to help them. Acknowledging that change is a difficult and complex process allows people to deal with change in their own way.

Identify a few short-term projects to demonstrate that the change benefits the company. Do not begin with an expensive, risky project, since initial failure can be demoralizing. Reward team members who successfully make the adjustments and find new ways to get the job done.

Analyze successful projects to determine what should be repeated and what needs improvement. Ask for candid feedback from employees at all levels. Highlight successful projects in newsletters and other company communication. For example, interview employees and publish the conversation on your company Intranet site to inspire other staff members. Use audio and video to enhance the impact of your message and motivate the rest of the company.

Document all changes made throughout the organization and any lessons learned in the process. Thus, the next time change inevitably occurs, your documentation will hold the key for addressing problems and improving the process.

10.15 What Are the Three Phases of Organizational Change?

There have been several theories of organizational change introduced in the last 50 years, but until around the year 2000, most can trace their origins back to Kurt Lewin's change theory from the 1940s. These theories break down the process of organizational change into three or four stages. Today, stage change theory is also combined with Rogers's Diffusion of Innovation theory, which categorizes people based on their affinity to accept change or resist it.

Many of these theories from the twentieth century either directly or indirectly asserted that changes in an organization are made from the top down. In the past 20 years, however, innovators and change leaders are not necessarily CEOs and upper management. They can be found at any level in an organization today, and once motivated, they can help effect change throughout an organization.

10.16 Lewin's Change Theory

Social scientist Kurt Lewin developed a well-known model for organizational change in the 1940s. The model is similar to changing a block of ice from one shape to another. It involves three steps: unfreeze, change and refreeze.

10.16.1 Stage One: Unfreeze

Organizations, like individuals, are often resistant to change. Consequently, it's important to prepare everyone involved to realize that change is necessary and is on the way. To warm them up to the idea of change, it's important to explain why the status quo is failing the organization or why it will fail in the near future. This involves challenging the organization's beliefs and behaviors and will ideally make the people involved re-examine what they are doing in a new light.

For example, if sales are declining or if customer complaints are increasing, it is necessary to point this out and to show the numbers and then show where it will lead them in the near future. Once the team has been given the facts, they will be unsettled and more open to the necessity of making changes. By doing this, you have essentially created a controlled crisis or even a hypothetical crisis that can more easily be managed now than if you had waited until the forecasted crisis unfolds for real.

10.16.2 Stage Two: Change

Once people understand that change is approaching one way or another, they are more motivated to seek out and adopt the changes that will benefit them. It's better, for example, to change your approach to sales or customer service than to see a company go out of business. Not everyone will want to accept the changes that have been proposed. Getting people on board takes time, good communication and management.

10.16.3 Stage Three: Refreeze

Once an organization has embraced change and the new policies, attitudes and behavior have begun to take hold, it is ready to refreeze. You will know that the changes have been set and are solid when new policies are being utilized consistently, employees have adopted to new job descriptions and the new behaviors and attitudes have become the new status quo.

While some companies may more readily adapt to change than others, a refreeze stage is still important for all organizations. Without it, people can become trapped in a constant state of change, uncertain about what should be done and how. Just as importantly, it's impossible to be certain whether or not new changes may be required if the last set of changes hasn't been given a chance to be thoroughly utilized.

10.17 David Garvin's Model for Change

Professor David Garvin of the Harvard Business School uses a three-stage model for organizational change. It's similar to Lewin's model, but it more accurately suits today's workplace compared to Lewin's model, which is nearly 80 years old.

10.17.1 Stage One: Prepare the Organization for Change

This is similar to Lewin's unfreezing stage. However, Garvin recommends five specific steps that managers should take to prepare the organization:

Begin by creating dissatisfaction with the status quo.
Give the organization a sense of direction.
Begin building a coalition to lead change in the organization.
Create a new vision and a plan to lead the organization there.
Convey this vision of the future in a way that is believable and compelling.

Stage Two: Alter How the Organization Does Business

The second stage involves changing employee behaviours as well as making changes to the company's business structures, systems, strategies and processes. The people in the organization should be encouraged to suggest changes in their own processes that would increase productivity. Garvin recommends that you:

- Define acceptable and unacceptable behaviours.
- Change key structures in the company and incentive systems.
- Communicate your vision to employees and management.
- Model the behaviour you expect to see in others.
- Stage Three: Ensuring Changes Stick
- The equivalent to Lewin's refreezing stage, this is the stage in which managers need to ensure that the changes have been successfully adopted by the company's culture. You will have to monitor the company's new structures, controls, systems and incentives to make sure that employees don't revert to their old behaviours and attitudes. Furthermore, Garvin recommends that you review and monitor progress so that you can:
- Ensure changes are fully embedded into a new company culture.
- Prevent backsliding into the old ways of doing business.
- Fully institutionalize the new ways of doing business.
- Rogers's Diffusion of Innovation Theory
- The Diffusion of Innovation theory was developed in 1962 by E.M. Rogers. The theory was designed to explain how an idea or a product can gain momentum and then spread or diffuse over time through an organization or other social system. Before adopting a new idea or behavior, people must first perceive it as new or innovative. As more and more people also adopt the idea or behavior, it becomes diffused.

  Adoption and diffusion take time because not everyone will adopt an innovative idea or a new behavior simultaneously. The key to Rogers's Diffusion of Innovation theory is to recognize the type of people who are more likely to adopt the new idea earlier than others and to understand personal characteristics that may hinder diffusion. A person's likelihood of adopting a new idea within an organization or other social structure can be classified in one of five categories.

- Innovators

These are individuals who like to be first when trying something new. They are generally adventurous and are willing to take risks. They will often try out new ideas or behaviours on their own. They don't require much persuasion if any at all to adopt changes in an organization.

These are the leaders in an organization, although they are not always in management positions. After the innovators, once they see there is a need for change, they will quickly adopt those changes as well. To encourage them, you can give them how-to manuals and information sheets on how to implement the desired change, and they will take it from there. They don't need much information to get started.

These people are not the leaders, but they will adopt new ideas and behaviours faster than average. They will first need to have some proof that the new ideas will work before they will adopt them. Give them success stories or case studies of an innovation's success to get them on board.

These people are usually sceptical of change and are reluctant to try new things until they see that others have already started. The more information you can share that illustrates how a lot of people are already using the new ideas, the more likely these people are to adopt them.

These are conservative people who embrace tradition and are skeptical of change. Getting them to change is often difficult. Lots of information on why the change is necessary and beneficial can help, as can peer pressure. In some cases, you may have to use the threat of disciplinary action to get them to change.

Four Steps in Personal Adoption of Change

According to the Diffusion of Innovation theory, all people go through the same stages when adopting an innovation regardless of how quickly or slowly they proceed.

- Awareness of the need for change.
- The decision to change or reject change.

- Initial use of the innovation.
- Continued use of the innovation.
- Five Factors Influencing Adoption of Change
- There are also five factors that influence whether or not someone will adopt an innovation regardless of the person's adopter category.
- Relative advantage: Whether or not an innovation appears to be better than what it is replacing.
- Compatibility: Whether or not the innovation is consistent with the person's values, experiences and needs.
- Complexity: How easy or difficult it is to understand and use the innovation.
- Triability: How easy or difficult it is to test the innovation before a commitment needs to be made.
- Observability: Whether or not the innovation provides tangible results.

10.18 Four-Stage Theory of Organizational Change

Another more modern theory of organizational change is called stage theory. It is also similar to Lewin's theory, but it involves four steps rather than three. It also incorporates Rogers's diffusion of innovations within each stage.

Awareness of a problem and its possible solutions.

A decision to adopt an innovation to solve the problem.

Implementing the innovation while modifying organizational structures as required to accommodate the innovation.

Institutionalization, or integrating the innovation into the organization's daily activities.

Within each of these stages, different leaders or change agents within the organization would be responsible for bringing the organization on board with the innovation. This would vary depending on the types of innovation being introduced and how receptive the people within the organization are to these specific innovations. Introducing a new computer system, for example, would require different leaders and a different approach than, say, introducing staff layoffs or cuts in salaries.

10.19 Democratization of Organizational Change

In the last 20 years, organizations have been evolving toward more employee empowerment and less requirements for middle management. This is largely due to advances in technology with collaborative software and more one-to-one communication with customers through email, instant messaging and social media. It is also due to a growing number of employees having multifaceted skills and interests that go beyond their current daily duties.

> Front-line employees can usually see customer reactions to failed company policies, flawed products and poor service before anyone else in an organization. If asked, they are often likely to have ideas on how to implement changes throughout the organization to solve these problems. As organizations change and develop, new theories on organizational change management are now being developed. Rather than imposing change from the top management levels down, researchers are now encouraging organizations to elicit innovative ideas from all employees.
> By shifting away from models that ask employees to implement changes defined by management, innovative ideas with employee input are today more likely to be successful in their adoption and diffusion. The organization is also more likely to uncover the innovators and early adopter leaders that may not have been utilized in top-down models of organizational change.

10.20 Terminologies

1. leadership style: refers to a leader's characteristic behaviours when directing, motivating, guiding and managing groups of people.
2. Delegative leader: are those leaders that offer little or no guidance to group members and have the decision making up to the group members.

10.21 Activity

1. discuss Lewin's leadership styles

10.22 Reflection

What do you think are the advantages of participative leadership?

10.23 Summary

In this unit, you have learnt about Lewin's and Blancherd leadership style. You have also learnt about how to manage change in organisation. In the next and last unit of this module, you will learn about occupational health.

UNIT 11: HUMAN FACTOR IN OCCUPATIONAL HEALTH

11.1 Introduction

Occupational Stress; is a term commonly used in the professional business industry, occupational stress refers to the ongoing or progressing stress an employee experiences due to the responsibilities, conditions, environment, or other pressures of the workplace. There are several types of occupational stress, depending on the individual employee, their job role, the company culture, and more.

11.2 Learning Outcomes

By the end of this unit, you are expected to;

- discuss causes of occupational stress.
- analyze three stages of stress response.
- examine ways of coping with occupational stress.
- discuss benefits of employee counselling.
- analyze sexual and non-sexual.

11.3 Time frame

You need about six (2) hours per week to interact with this material

11.4 Content

- Major causes of occupational stress
- The occupational stress scale
- Occupational health stress at work
- Coping with occupational stress
- How to reduce Accidents in work places?
- Examples of Sexual and Non-Sexual Harassment in work places
- Sexual vs. Non-Sexual Harassment
- Examples of Sexual Harassment in the Workplace
- Examples of Non-Sexual Harassment in the Workplace
- Handling Workplace Harassment?
- It's Important to Know the Rules
- Employee Counselling Services

11.5 Major causes of occupational stress

While the sources of occupational stress can vary from person to person, it’s important to know that employees of all organizations—regardless of how big or how small they may be—can be affected by occupational stress. Some major examples of occupational stressors include:

- Strict policies and protocols implemented by the organization
- Restricted possibilities for professional and personal self-growth
- Conflicts among individuals in a department or between organizational groups
- Workforce micromanagement and mismanagement
- Lack of support from human resource departments
- Personal, situational, or professional issues
- Bullying, belittling, and discriminating
- Poor time management
- Little to no occupational guidance or direction
- Being overworked
- Performance expectations that far surpass an employee's training and abilities
- Regular threats of termination
- Loss of wages, pay cuts, and benefits

No matter what the cause may be, the effects of occupational stress can be monumentally damaging to the overall well-being and productivity of the employee. Not only can occupational stress cause accelerated aging and other personal issues, but it can also greatly hamper an employee's motivation, inspiration, and dedication to their work.

11.6 The occupational stress scale

Bristol Stress and Health at Work conducted a thorough study that helped determine the scale and severity of occupational stress across a broad and random population of employees. This study also highlighted what occupational stress is and how it affects individuals more than general life stress, and how occupational stress affected performance and efficiency. In addition to finding that 20% of participants suffer from high or extremely high levels of occupational stress due to stressful working conditions, the study also emphasized that this excessive stress had a negative effect on physical and mental health, as well as physiology and mental performance.

As exemplified by this occupational stress scale, workplace conditions can have a great impact on the overall well-being and productivity of employees. HR departments can develop their own occupational stress scale to survey the effects of these pressures in their own organizations. By determining if, when, and how employees are being affected by workplace stressors, HR departments can take the necessary steps and changes to improve occupational stress management tactics, workplace conditions, and employee wellbeing.

11.7 Occupational health stress at work

When it comes to understanding what work-related stress is, it’s critical to first be able to identify the signs of stress in the workplace. The most common symptoms of occupational stress include:

- Lacking the motivation to complete basic job requirements
- Missing deadlines
- Frequent feelings of general stress, chaos, and confusion
- Feelings of inferiority to coworkers
- Anxiety and abnormally high blood pressure

- Noticeable changes in diet
- Increased sleeplessness and irritability
- Abnormal feelings of depression, hopelessness, helplessness, dejection, and failure
- Excessive perspiration and heart palpitations
- Inability to perform or communicate in a productive manner
- Feelings of excessive burnout

Employees suffering from occupational stress generally exhibit signs of a stress response. There are three stages of the stress response which can be used to identify if an individual is, in fact, struggling with occupational stress.

- **Stage 1: Alarm.** Physical, emotional, or mental stress, triggers the "alarm" response which is the body's physical "fight or flight" response. This acts as an alarm to the physical and mental system, sending a surge of adrenaline to all parts of the body. In the sense of general life stress, this stage is often short-lived. However, with occupational stress, this stage can be long-term, which triggers stage 2.

- **Stage 2: Resistance.** After a prolonged surge of adrenaline, the body tries to regain balance by boosting chemicals in the brain like melatonin which counteract and calm the alarm system. However, with prolonged stress, the first stage of alarm overpowers the resistance stage which begins a toxic cycle and can cause sleep deprivation, fatigue, irritability, and concentration issues.

- **Stage 3: Exhaustion.** After battling a cycle between Stage 1 and Stage 2, the body simply succumbs to the unending stress and completely shuts down. Once the body's mental and physical defense systems are inhibited, it can quickly fall victim to illness and infection.

Many people who suffer from untreated prolonged occupational stress present a variety of health concerns like viral and bacterial infections, increased hormone levels, excessive internal damage, and severe skin conditions. For these reasons alone, treating occupational stress is critical.

11.8 Coping with occupational stress

There are several ways employees can treat, cope with, and ward off occupational success. By maintaining a diligent, reasonable work pace, employees can prevent procrastination and consistently finish the tasks they begin. Additionally, employees should place importance on things like punctuality, regularity, time management, honesty, diligence, and discipline, as these characteristics help promote a positive, professional attitude that's often recognized and rewarded by upper management personnel.

HR departments, on the other hand, can do their part in preventing occupational stress among staff members by encouraging a positive, proactive workplace environment. Quickly extinguishing bullying, discrimination, and harassing behaviors is vital, as is promoting an open-door policy in which individuals feel safe and comfortable reporting such behavior. More than anything, however, by implementing activities, initiatives, and tactics that keep employees feeling supported, motivated, and comfortable, HR departments can play a major role in keeping occupational stress levels to a minimum.

11.9 How to reduce Accidents in work places?

The best way to reduce accidents in the workplace is to be proactive with prevention. An ounce of prevention is worth a pound of cure. There are many ways to prevent accidents but in implementing these methods, you need to be consistent and communicate your expectations clearly. To successfully reduce accidents in the workplace, review the following list of safety suggestions.

General Policies

Put formal safety policies and procedures in place. Create a company handbook that lists out the steps that must take place in order to prevent accidents in the work place. Include instructions such as how to store dangerous and toxic items and where certain product should be stowed to ensure safe storage and retrieval.

2. Put someone in charge of safety in your company. Discuss the current safety policies with this safety coordinator, and work on a plan to make sure that they are adhered to. Confirm that the person is aware of all the responsibilities associated with safety. Express your support to this person and arrange to meet on a regular basis to discuss concerns about and solutions to further accident prevention.

3. Communicate your expectations for a safe work environment. Let your staff know on a regular basis that safety is a major concern in your business. You can do this verbally and you can reiterate your expectations in memos. You can also post safety information throughout your facility.

Words are one thing, but act accordingly, too. If someone encounters a possible safety hazard, move quickly to correct it. Don't wait for it to correct itself or assume that someone else is going to do it.

Ask your employees whether they have any suggestions about improving workplace safety. One safety coordinator is certainly helpful, but a handful of ears and eyes is almost always preferable to just one. Create an anonymous input form that employees can fill out at their discretion.

4. Inspect your facility regularly with your safety coordinator. Make certain that your staff is following safety policies at work. Check areas that are of concern and ensure that precautions have been met. If you see an area that is cause for concern, discuss it with the person responsible, and then arrange a meeting with all the staff to further communicate the concern and ensure that it does not happen again.

Have the right tools available so that you or your employees don't have to improvise. Asking your employees to improvise pretty much says that you don't take safety seriously.

For example, if you have a storage area that includes high shelving, ensure that you have a safe ladder or step-stool available so that you or your staff members are not forced to climb on boxes of furniture to retrieve items.

6. Schedule regular training for all scenarios that pose a risk for accidents. Training should involve methods in picking up and carrying heavy objects and how to use mechanical equipment and tools.

The type of training will depend on the type of business you are running. Some businesses such as restaurants and warehouse facilities will have more training than others.

Trainings should be scheduled for all new employees and for all employees annually. Employees may think of it as a hassle, but they should be reassured knowing that the company takes their health and safety seriously.

Specific Policies

1. Be prepared for a fire in your workplace. Fires are potentially devastating occurrences, putting many businesses, especially restaurants, in jeopardy. Ensure that your workplace is properly protected against the possibility of a fire to cut down on accidents:

- Make sure smoke detectors are installed and have batteries.
- Make sure that fire extinguishers are present and properly charged. Ask your fire department, if necessary, to give you training on how to use a fire extinguisher.
- Plan your escape routes. Know where your nearest exits are and how employees can access them quickest.

2. Consider investing in first-aid training or, at the very least, a first aid kit. First-aid training won't keep the accident from happening in the first place, but it could help keep any injuries incurred during an accident from getting out of control.

Invest in a first-aid kit for each floor of your workplace. Place it in a strategically central location that is easily accessible.

3. Create incident reports after each workplace accident. If an accident occurs in your workplace, write up an incident report. Investigate what happened, who was involved, how the accident might have been prevented, and recommendation for further procedures. At the very least, an incident report will foster awareness and possibly act as a deterrent for future accidents.
4. Make sure your workplace entrances and exits are fully operational and easily accessible. If your employees need to get out of the building quickly, make sure that

their exits aren't blocked by any large or unmovable objects. This is more than just a workplace violation: this is a potential life or death matter.

5. Clearly mark potential safety concerns with the proper signage and instructions. If an electrician is rewiring an area of the workplace, or if a crew is doing construction on a piece of railing, inform your employees by memo and by placing an appropriate, visible sign near where the potential hazard could occur. Don't assume that people are smart enough to act accordingly. Spell it out for them very clearly.

11.10 Examples of Sexual and Non-Sexual Harassment in work places

What is considered sexual harassment at work? And how does it differ from non-sexual harassment? Sexual harassment1 in the workplace is a form of discrimination that includes any uninvited comments, conduct, or behavior regarding sex, gender, or sexual orientation.

All employees – in any position, from management to entry-level or hourly staffers – should be aware of what qualifies as workplace harassment and avoid these behaviors or report them if they occur.

11.12 Sexual vs. Non-Sexual Harassment

Even though it's the type of harassment that is most often reported, harassment in the workplace and hiring isn't limited to sexual harassment. Other actions regarding religion, race, age, gender, or skin color, for example, can also be considered harassment if they interfere with an employee's success or conjure a hostile work environment2 .

11.13 Examples of Sexual Harassment in the Workplace

It doesn't matter who makes the offense. It could be a manager, co-worker, or even a non-employee like a client, contractor, or vendor. If the person's conduct creates a hostile work environment, makes it difficult for an employee to work, or interrupts an employee's success, it is considered unlawful sexual harassment.

Sexual harassment isn't limited to making inappropriate advances. It includes any unwelcome verbal or physical behavior that creates a hostile work environment.

Here are some examples of sexual harassment in the workplace and information on how to handle it if you have been harassed at work.

- Sharing sexually inappropriate images or videos, such as pornography or salacious gifs, with co-workers
- Sending suggestive letters, notes, or emails
- Displaying inappropriate sexual images or posters in the workplace
- Telling lewd jokes, or sharing sexual anecdotes
- Making inappropriate sexual gestures
- Staring in a sexually suggestive or offensive manner, or whistling
- Making sexual comments about appearance, clothing, or body parts
- Inappropriate touching, including pinching, patting, rubbing, or purposefully brushing up against another person
- Asking sexual questions, such as inquiries about someone's sexual history or their sexual orientation
- Making offensive comments about someone's sexual orientation or gender identity

These are just a few examples of sexual harassment.

Bottom line: Any actions or words with a sexual connotation that interfere with an employee's ability to work or create an uncomfortable atmosphere are considered sexual harassment.

It's also worth noting that victims of the harassment may not be just the target of the offense, but anyone who is affected by the inappropriate behavior.

That is, a co-worker standing nearby when inappropriate sexual comments are uttered may be affected, even if the comments aren't directed toward them.

11.14 Examples of Non-Sexual Harassment in the Workplace

Behavior such as making racist or negative comments can also be construed as workplace harassment. Offensive gestures, drawings, or clothing also constitute harassment.

You should address this sort of workplace bullying in the same way that you would sexual harassment – by reporting it to human resources and, if nothing is done, by filing a harassment claim with the EEOC.

Instances of workplace harassment include discrimination such as:

- Making negative comments about an employee's personal religious beliefs, or trying to convert them to a certain religious ideology
- Using racist slang, phrases, or nicknames
- Making remarks about an individual's skin color or other ethnic traits
- Displaying racist drawings, or posters that might be offensive to a particular group
- Making offensive gestures
- Making offensive reference to an individual's mental or physical disability
- Sharing inappropriate images, videos, emails, letters, or notes
- Offensively talking about negative racial, ethnic, or religious stereotypes
- Making derogatory age-related comments
- Wearing clothing that could be offensive to a particular ethnic group

Non-sexual harassment isn't limited to these examples. Non-sexual harassment includes any comment, action, or type of behavior that is threatening, insulting, intimidating, or discriminatory and upsets the workplace environment.

11.15 How to Handle Workplace Harassment?

Should you feel like you have been harmed by sexual or non-sexual harassment in the workplace, there are steps you can take to file a harassment claim with the Equal Employment Opportunity Commission (EEOC).

In order to successfully file such a claim, however, you have to be able to prove that a) your employer tried to correct the harassing behavior, and b) that the employee responsible for the harassment refused to cease and desist.

Thus, it is vital that you first report the harassment to your employer’s human resources department as well as taking detailed notes of the dates, times, and nature of the incidents. If attempts to remediate the situation fail.

It's Important to Know the Rules

When you are job searching, it's important to know that rules apply as to what employers can and cannot ask, related to some of the harassment examples listed above.

During an interview, employers should not be asking about your race, gender, religion, marital status, age, disabilities, ethnic background, country of origin, sexual preferences, or age. If this happens, it should serve as a red flag that you may not want to pursue your candidacy with this employer.

Benefits of Workplace Counselling

11.16 Employee Counselling Services

Employee counselling has emerged as the latest HR tool to attract and retain the best employees and increase the quality of the workforce. In today's fast-paced corporate world, there is virtually no organization free of stress or stress-free employees. The employees can be stressed, depressed, suffering from too much anxiety arising out of workplace related issues like managing deadlines, meeting targets, lack of time to fulfil personal and family commitments, or bereaved and disturbed due to some personal problems.

Organizations have realized the importance of having a stress-free yet motivated and capable workforce. Therefore, many companies have integrated the counselling services in their organizations and making it a part of their culture. Organizations are offering the service of employee counselling to its employees.

Workplace counselling can be defined as the provision of brief psychological therapy for employees of an organization, which is paid for by the employer. An 'external' service, such as an Employee Assistance Program (EAP), typically comprises face-to-face counselling, a telephone helpline, legal advice and critical-incident debriefing. In an 'in-house' service, counsellors may be directly employed by the organization.

Workplace counselling offers employees a facility that is confidential, easily accessed (initial appointment normally within 2 weeks), provides a properly qualified and supervised practitioner, does not raise the threat of a diagnosis of psychiatric disorder, and promises to alleviate distress within a reasonably short period of time (most services allow a limited number session in any one year).

Workplace counselling offers the employer a service that is valued by employees, has the potential for savings by reducing sickness absence, takes pressure off managers through the availability of a constructive means of dealing with 'difficult' staff or situations, and contributes to its reputation as a caring employer. Workplace counselling is often viewed by employers as an insurance policy against the threat of compensation claims made by employees exposed to work-related stress.

Organizational and occupational psychiatry (OOP) is the subspecialty of psychiatry that focuses on work, its importance in the lives of individuals and work organizations. OOP represents the extension of psychiatric knowledge and skill to the day-to-day functioning of individuals in the workplace and their organizations, with the goal of helping both function better. To this end, psychiatrists have played an important role both in the treatment of workers and consultation to organizations since the early part of the 20th century. These roles have included service as in-house medical directors to major corporations, retained consultants and providers of EAP services. The level of psychiatric involvement in work-related issues has fluctuated over the years; however, the importance of mental health issues in the workplace has grown steadily.

The biggest bottleneck in employee counselling at the workplace is the lack of trust on the employee's part to believe in the organization or his/her superior to share and understand one’s problems. Also, the confidentiality that the counsellors won't disclose his personal problems or issues to others in the organization. Time, effort and resources required on the part of the organization are a constraint.

The benefits of counselling include:

- Helping the individual to understand and help him/herself
- Understand the situations and look at them with a new perspective and positive outlook
- Helping in better decision making
- Alternate solutions to problems
- Coping with the situation and the stress

The following aspects of counselling are needed to build a successful program:

- Employee Counselling needs to be tackled carefully, both on the part of the organization and the counsellors. The counselling can turn into a sensitive series of events for the employee and the organization; therefore, the counsellors should be either a professional or an experienced, mature employee.

- The counsellor should be flexible in his/her approach and a patient listener. The counsellor should have the warmth required to win the trust of the employee so that he/she can share thoughts and problems without any inhibitions.
- Active and effective listening is one of the most important aspects of the employee counselling.
- Time should not be a constraint in the process.
- The counsellor should be able to identify the problem and offer concrete advice.
- The counsellors should be able to help the employee to boost the morale and spirit of the employee, create a positive outlook and help employees to make decisions to deal with the problem.

Workplace psychiatry is an important factor in building a healthy organizational environment. The pressures to succeed, conflicts that might occur with one's superior or co-workers, and personal problems that inhibit performance can become overbearing for some individuals. Add to the mix the potential for social media to be used by some employees against others – a sort of bullying – and we can see why workplace counselling is so important to the success of an organization.

11.17 Terminology

1. Occupational stress: refers to the on going or progressing stress an employee experiences responsibilities or other pressures of the work place.

11.18 Activity

1, Discuss common causes of occupational stress.
2, Analyse sexual and non-sexual harassment in work places.

11.19 Reflection

What are the personal factors that may lead to stress in work places?

11.20 Summary

In this unit, you have learnt about occupational stress and its major causes. You have also learnt about three stages of stress response which can be used strategy to reduce occupational stress. You have also learnt about how workers can cope with occupational stress.

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