



Introduction

ORGANIZATIONAL BEHAVIOR

Chapter

1

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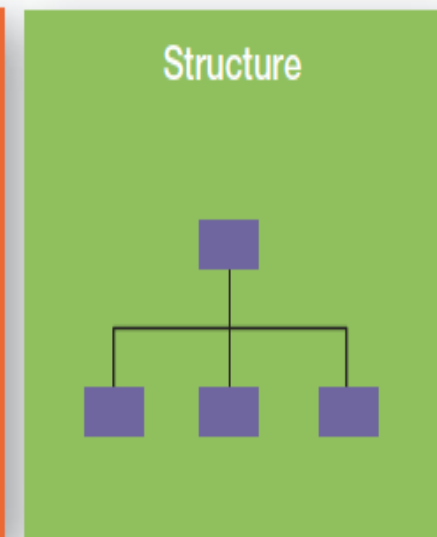
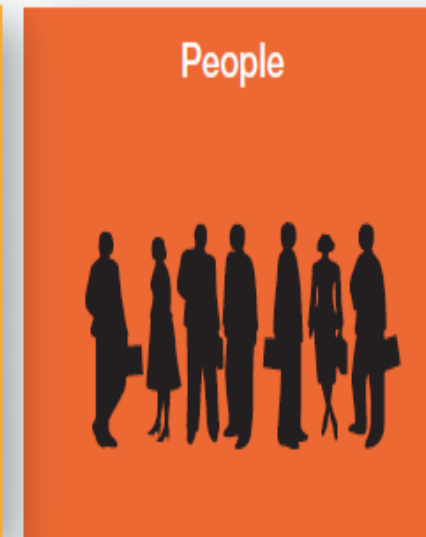
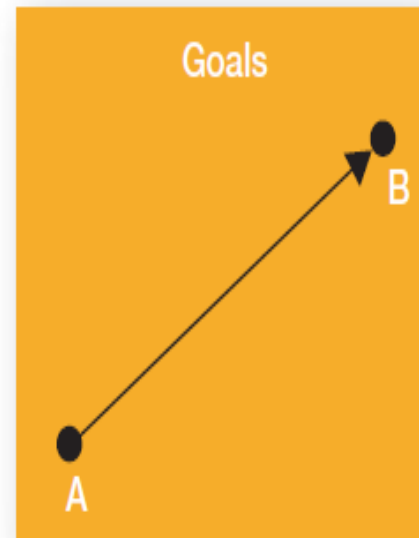
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CONCEPT OF ORGANIZATIONAL BEHAVIOR

- Organizations are associated with different resources, and one of them is human resources
- Human element in an organization is the most important element in achieving the organizational goal.
- Organizational behavior is devoted to the study and understanding of human behavior at work

Organization

- Formal structure and professional house, consists of people to work together to achieve a common goal
- A purposeful system with several subsystems where individuals and activities are organized to achieve certain predetermined goals



BEHAVIOR

- Way in which one acts or conducts oneself, especially towards others
- Pattern of behavior includes person's habit, voice, expression, feelings, characters, thinking, actions and orientations.

ORGANIZATIONAL BEHAVIOR (OB)

- Systematic study and application of knowledge about how individuals and groups act within the organizations where they work.
- Field of study that investigates the impact that individuals, groups and organizational structures have on behavior within the organization/ improving an organizational effectiveness.

ORGANIZATIONAL BEHAVIOR (OB)

- Organizational behavior can be defined as the **understanding, prediction and management of human behavior** both individually or in a group that occur within an organization.
- It **studies several factors** that affects on how humans, think, feel, sense, act and react to the work, and how organizations respond to their environments.

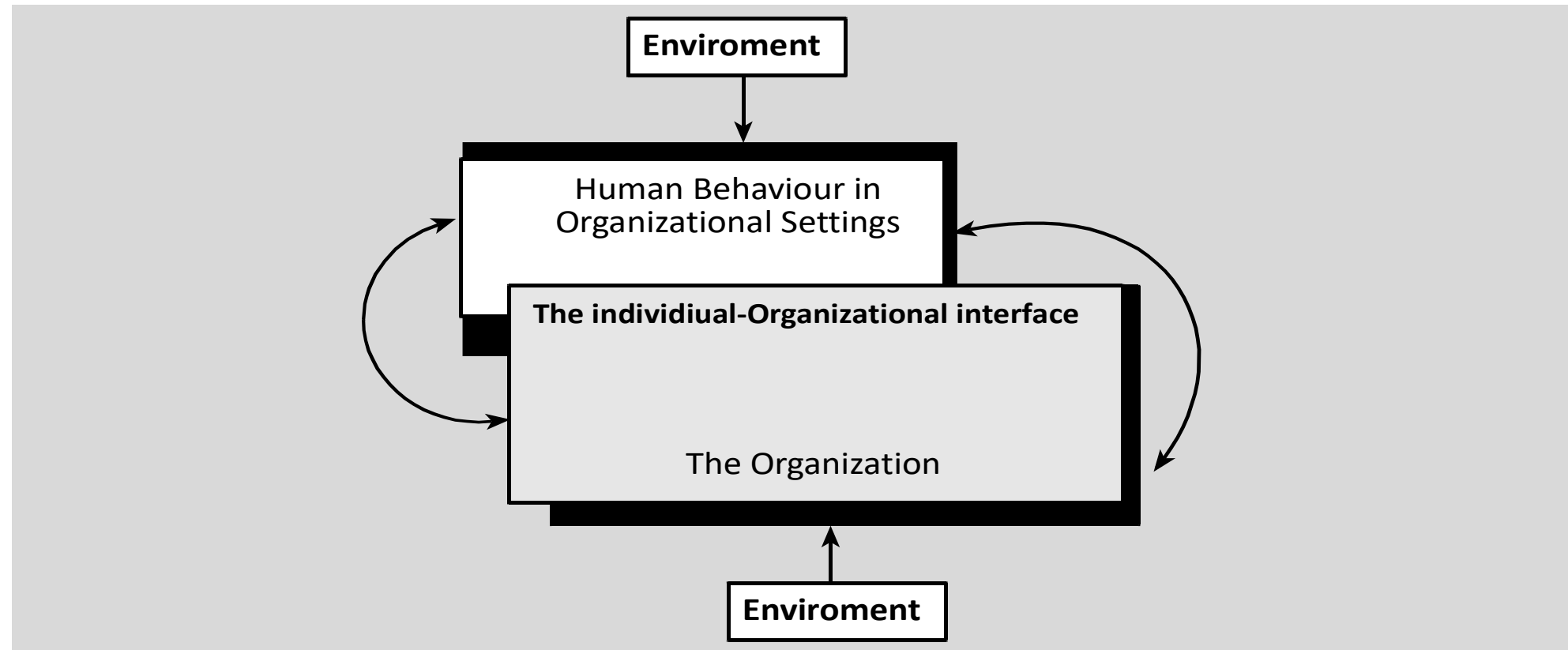
ORGANIZATIONAL BEHAVIOR (OB)- DEFINITIONS

- OB is directly concerned with the understanding, predicting & controlling of human behavior in organizations- **Fred Luthans**
- Organizational behavior is the study of human Behavior in organizational settings, the interface between human Behavior and the organization itself. – **Griffin & Moorhead**

ORGANIZATIONAL BEHAVIOR (OB)- DEFINITIONS

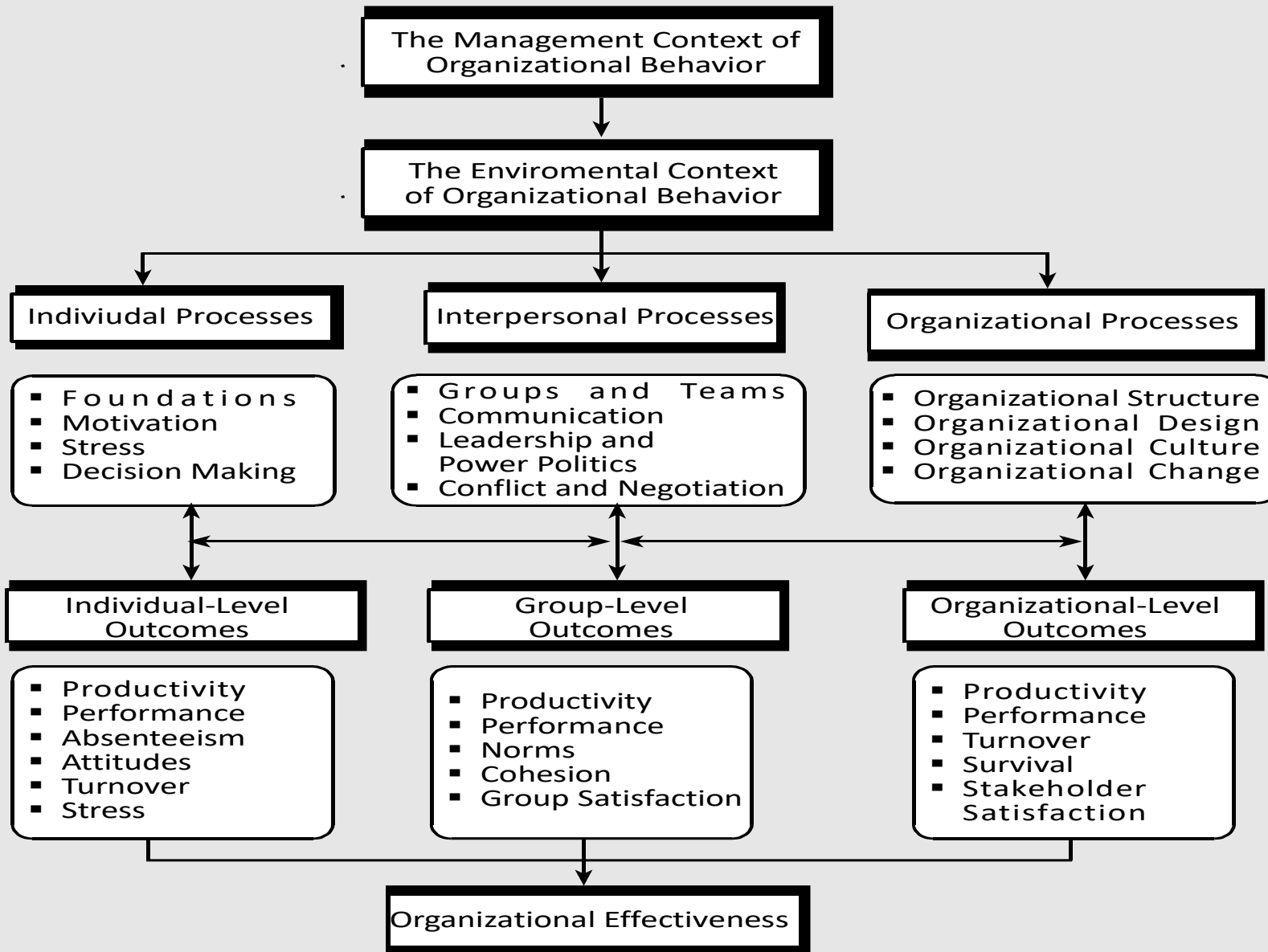
- Organizational behavior is the **systematic study** of the nature of **organizations**; how they begin, grow and develop and **their effect on individual members**. Constituent groups, other organizations and larger institutions – **Joe Killy**
- OB is the study & applications of knowledge about how **people act within an organization**. It is a human tool for human benefit”. – **Keith Davis & JW Newstrom**

ORGANIZATIONAL BEHAVIOR (OB)



Organizational behavior highlights on its several aspects:

- **Mode of thinking:** decision making process and level of analysis
- **Human feeling orientation:** individual feelings, attitudes, perceptions, goals, etc.
- **Performance-oriented:** at individual, group in an organization level.
- **External environment:** impacted by various environmental context
- **Scientific method:** crucial to understand the behavior at work scientifically
- **Focused on Applications:** providing useful/applicable answers to management problems
- **Multi-disciplinary:** draws principles, theories, and models from various disciplines.



*The
framework of
understanding
organizational
behavior*

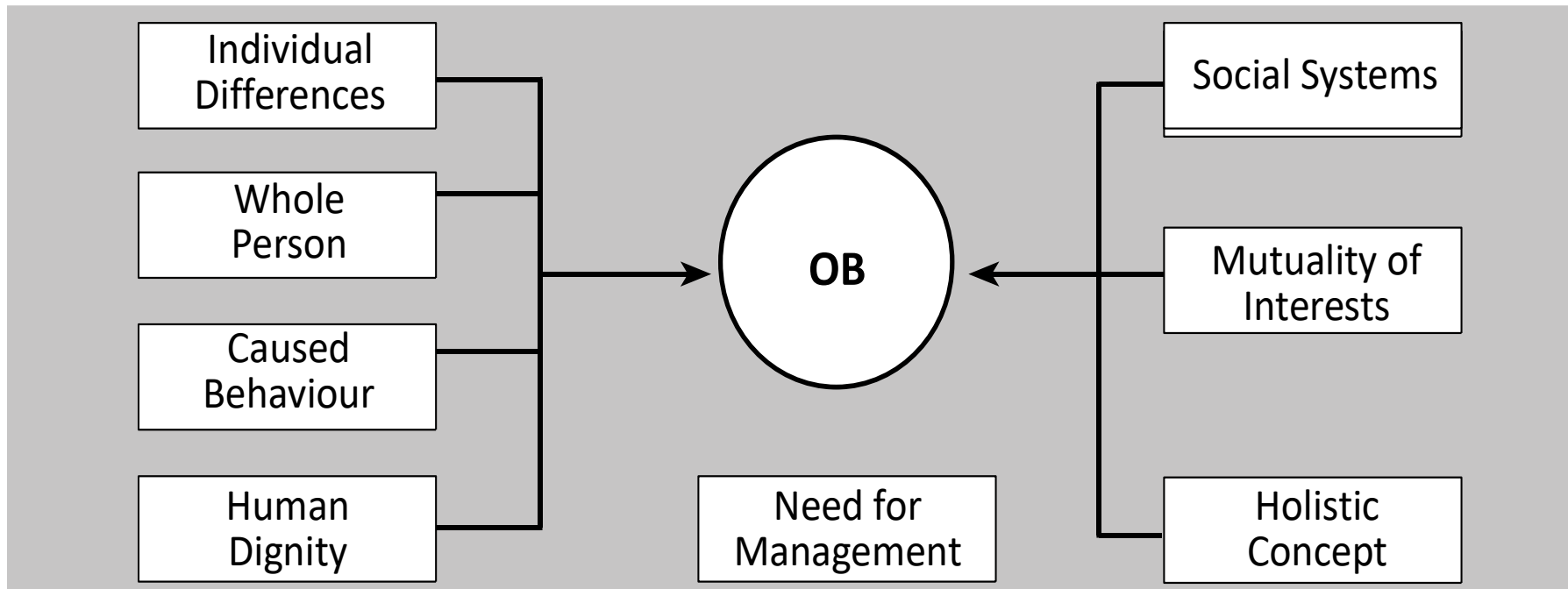
CHARACTERISTICS OF ORGANIZATIONAL BEHAVIOR

- ***Interdisciplinary approach:*** drawn from different disciplines
- ***Separate field of study:*** study that investigates the impacts that individuals, groups and structure
- ***Applied science:*** human behavioral aspects
- ***Normative and value centered:*** socially accepted organizational goals, a matter of values of the people concerned.
- ***Humanistic and Optimistic:*** needs and motivation of people are of high concern

CHARACTERISTICS OF ORGANIZATIONAL BEHAVIOR

- ***Total System approach:*** total system approach
- ***People focused:*** People make all things possible / different by nature, skill and competence.
- ***Dynamism:*** social systems, dynamics of change, markets, relationships between organizations and their environments, employees working within and outside the organization.

FOUNDATIONS OF ORGANIZATIONAL BEHAVIOR



Organizational behavior has certain fundamental concepts revolving around the nature of people and organizations.

- Nature of people
- Nature of organization

FOUNDATIONS OF ORGANIZATIONAL BEHAVIOR

NATURE OF PEOPLE

- **Individual differences:** basic premise that assumes every person is different
- **Perception:** unique way in which each person senses sees organizes and interprets things
- **Causation of human behavior:** Individual's behavior is the combination of functions of person and the environment.
- **Whole person:** emotions, sentiments, background and feelings cannot be separated from a person
- **Human dignity:** work and dignity.
- **Desire for involvement:** Desire drives the people to do something.
- **Value of the person:** Value gives respect and satisfaction to people towards their work.

FOUNDATIONS OF ORGANIZATIONAL BEHAVIOR

NATURE OF ORGANIZATION

- **Social system:** Organization consists of a variety of peoples. It is the composite of social system.
- **Mutual interest:** interest common for both of individual and organization
- **Ethics:** Ethics is basic norms, values and standards. Every organization is established with certain code of conducts.

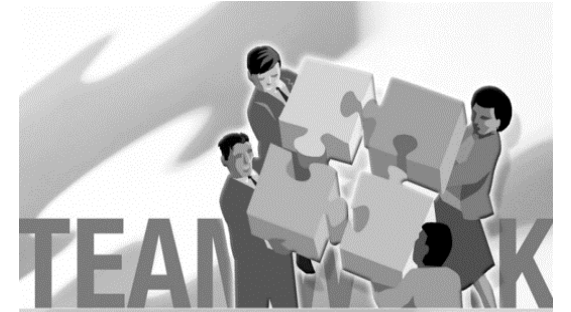
CONTEXTUAL PERSPECTIVE OF OB

- HR Approach
- Productivity Approach
- Interactionalism Approach
- Contingency Approach
- System Approach

CONTEXTUAL PERSPECTIVE OF OB

Human resource approach

- Concerned with **growth and development** of peoples
- Consequently, people contribute to the success of organization
- Role of managers changes from structuring and controlling to supporting (supportive approach)



CONTEXTUAL PERSPECTIVE OF OB



Productivity approach

- Value of the **ratio of output to input** of an organization's effectiveness
- Optimizing resource utilization
- Better organizational behavior can improve job satisfaction
- Helps to increase the organizational productivity
- Decisions in organizational behavior basically involve human, social, and economic issues
- So productivity is recognized

CONTEXTUAL PERSPECTIVE OF OB

Interactionalism approach

- Focuses on **social interaction** in specific situations
- Attempts to explain how people select, interpret and change various situations
- Highlights on how status affects both individual and organizational behavior
- Based on cause and effect relationship
- Participatory approach towards organizational goal



CONTEXTUAL PERSPECTIVE OF OB

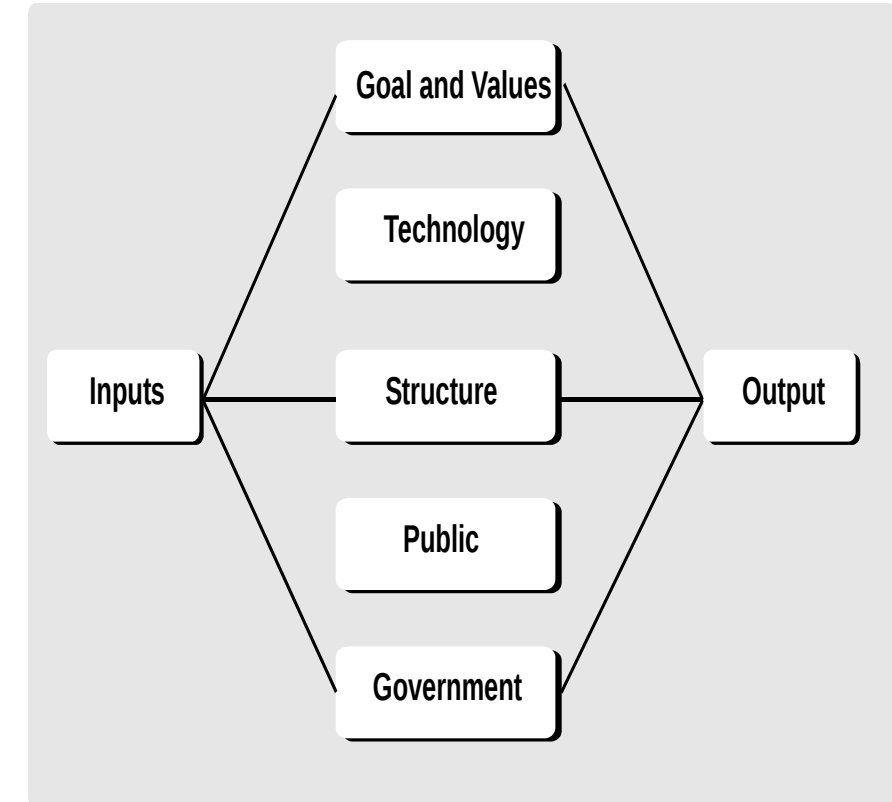
Contingency approach

- based on the principle that methods or behaviors which work **effectively** in one situation fail in another
Results differ because situations differ
- encourages analysis of each situation
- system-oriented and more research-oriented

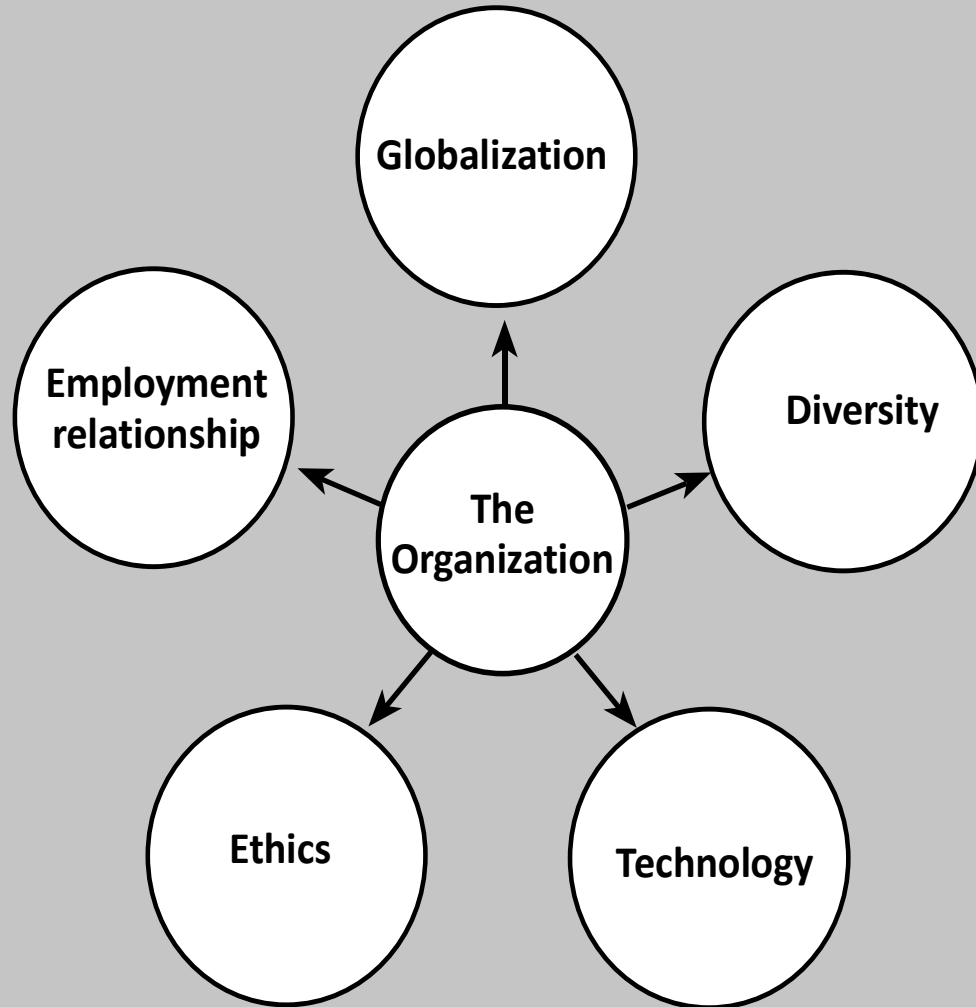
CONTEXTUAL PERSPECTIVE OF OB

System approach

- Views the organization as a **united, purposeful system composed** of interrelated parts
- Interpret- whole person, whole group, whole organization and whole social system
- Based on the principle of inputs-process-outputs



ENVIRONMENTAL CONTEXT OF ORGANIZATIONAL BEHAVIOR



Globalization
Diversity
Ethics

ENVIRONMENTAL CONTEXT OF ORGANIZATIONAL BEHAVIOR

Globalization

- Movement toward economic, financial, trade, communication or cultural integration.
- Trend toward a unified global economy involving free trade and a free flow of capital among countries.
- Opening of local and nationalistic prospective
- Emphasizes the need to recognize the contingencies of effective OB practice
- Application of organizational behavior will increase into the future

ENVIRONMENTAL CONTEXT OF ORGANIZATIONAL BEHAVIOR

Work force diversity

- Composition of the workforce is changing
- Similarities and differences among employees in work places (age, cultural background, physical abilities and disabilities, race, religion, sex and sexual orientation).
- Managing employees from different backgrounds are more challenging and risky

ENVIRONMENTAL CONTEXT OF ORGANIZATIONAL BEHAVIOR

Ethics

- Deals with what is good and bad and with moral duty and obligation
- Cultural influence ethical behavior (family, friends, neighbors, education, religion and media)
- Organizational influences (ethical codes, role models, policies and practices and reward and punishment systems)
- The factors determining ethical behavior are:
 - *Individuals and groups*
 - *Cultural*
 - *Organizational*
 - *External environment*

ENVIRONMENTAL CONTEXT OF ORGANIZATIONAL BEHAVIOR

Technology

- competitive advantages
- influences the behavior of the employees
- responsible for organizational change,
- widespread effect on the behavior of people in the organization.
- organization focuses on inherit the technology to its employees, which includes of the dynamism of organizational behaviour.

ENVIRONMENTAL CONTEXT OF ORGANIZATIONAL BEHAVIOR

New employment relationship

- significant area of environment changes,
- changes are of employment nature and relationship within the new format of employment relationship.
- temporary, contingency and outsourcing
- complexity in managing these types of employment relationship.

THEORETICAL FRAMEWORK OF OB

The perspectives in psychology have influenced the development of organizational behavior.

- Cognitive Framework
- Behavioristic Framework
- Social cognitive framework

THEORETICAL FRAMEWORK OF OB

Cognitive frameworks

- Cognitive is relating to the **mental processes of perception**
- Connected with thinking or conscious mental process of acquiring knowledge/through thought, experience and the senses
- Based on the concept of expectancy, demand and intention of the human being
- **Cognition precede behavior and constitute input into the person's thinking, perception, problem solving and information processing.**
- Strong interrelated subject as perception, personality and attitudes, motivation, behavioral decision making and goal setting.

THEORETICAL FRAMEWORK OF OB

Cognitive frameworks

- The cognitive perspective in psychology focuses on mental processes such as perception, memory, reasoning, and problem-solving.
- In **organizational behavior**, this framework emphasizes **how employees think, interpret, and process information**, which affects their attitudes, decision-making, and performance.
- **Applications in OB:**
 - **Decision-making models** (e.g., rational vs. bounded rationality).
 - **Job satisfaction and motivation theories** (e.g., expectancy theory by Vroom).
 - **Cognitive biases and heuristics (trail-error)** in managerial decisions.

THEORETICAL FRAMEWORK OF OB

Behavioristic framework

- **Based on observable behavior and environmental variables**
- Behavior is understood in terms of stimulus and response (S-R)
- The stimulus-response relationship explains the physical reflexes in human beings.
- Behaviorism is truly psychological approach which emphasizes scientific and objectives methods of investigation.
- It states all behaviors are learned through interaction with the environment.
- These include insights into learning, language development, which have all been explained in terms of conditioning.

THEORETICAL FRAMEWORK OF OB

Behavioristic framework

- Rooted in classical and operant conditioning (Pavlov, Skinner), this framework focuses on **observable behaviors** rather than internal thoughts.
- In **organizational behavior**, the behavioristic approach emphasizes **how external factors such as rewards, punishments, and reinforcements shape employee behavior**.
- **Applications in OB:**
 - **Reinforcement Theory** (e.g., positive reinforcement to enhance productivity).
 - **Behavior modification techniques** (e.g., performance-based incentives).
 - **Training and development using learning principles.**

THEORETICAL FRAMEWORK OF OB

Social cognitive framework

- Social cognitive theory (SCT) develop an overall model of organizational behavior
- It recognizes the **importance of behaviorisms contingent environmental consequences**
- States that when people **observe a model performing a behavior and the consequences of that behavior**. (i) Personal (individual high-low self-efficacy)
- Behavioral (response an individual)
- Environmental (suspects of environments)
- Importance of behaviorisms contingent environmental **consequences**

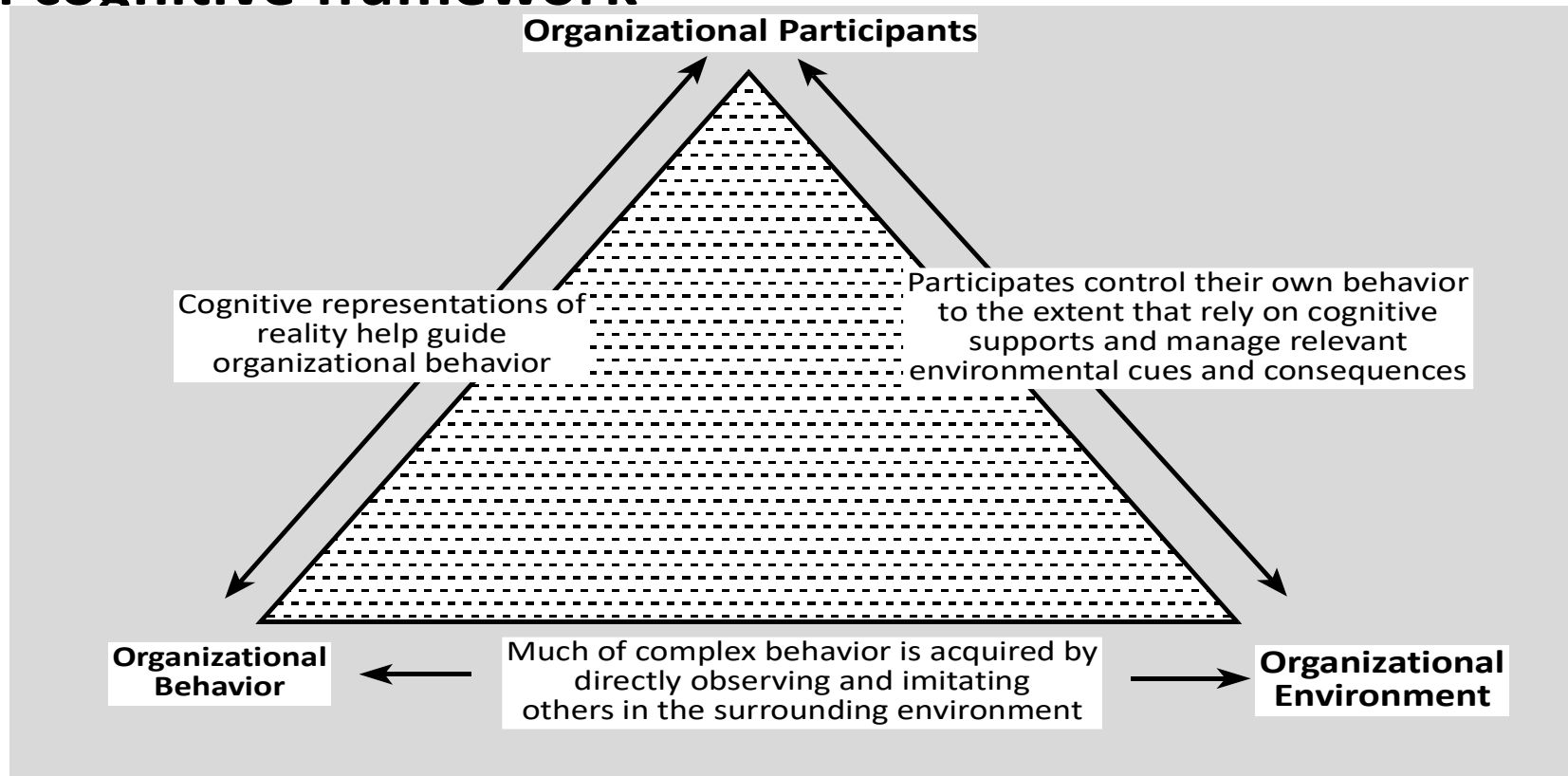
THEORETICAL FRAMEWORK OF OB

Social cognitive framework

- This perspective integrates both **cognitive and behavioral** elements, emphasizing how people learn through **observation, imitation, and social interactions** (Bandura's Social Learning Theory).
- In **organizational behavior**, this framework highlights **how employees model behaviors from leaders, peers, and workplace culture**.
- **Applications in OB:**
 - **Role modeling and leadership development.**
 - **Self-efficacy and motivation** (e.g., employees' belief in their abilities affects performance).
 - **Organizational culture and socialization processes.**

THEORETICAL FRAMEWORK OF OB

Social cognitive framework





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