

Organization Behaviour: Challenges and Opportunities

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Abstract: *Business in today's world is a hectic and dynamic undertaking. The environment in which organizations operate is ever changing, thereby changing the needs of the organization and internal operations. The concept of organization behaviour is important as it provides insights into organizations' challenges and opportunities. Although organization behaviour varies from one organization to another, its usefulness is universal. By studying these behaviours organizations become more aware of their business ethics and are able to positively find ways to transfer their employee's attitudes and behaviours into more positive experiences personally and for the company. Most organizations realize that being ethical is good business practice and pays in the long run.*

Key Words: *Organization Behaviour, Technology, People.*

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I. Introduction

Organisations are social systems. Organisations are combination of science and people-technology and humanity. Business in today's world is a hectic and dynamic undertaking. The environment in which organizations operate is ever changing, thereby changing the needs of the organization and internal operations. As needs change, the leadership and internal dynamics must be reviewed. The concept of organization behaviour is important as it provides insights into organizations' challenges and opportunities. Although organization behaviour varies from one organization to another, its usefulness is universal. organizational Behaviour is the study and application of knowledge about how people, individuals, and groups act in organizations. it interprets people-organization relationships in terms of the whole person, whole group, whole organization, and whole social system.

II. Meaning

OB is a field of study that investigates the impact that individuals, group and structure have on behaviour within the organisation. Organizational behaviour is the analysis of human dynamics in an organization. It helps human resources professionals and business leaders understand the relationships between themselves and their employees. Additionally, it reveals a great deal about how employees on the same level interact with each other. Organizational behaviour is about people at work in all kinds of organizations and how they may be motivated to work together in more effective ways. By studying these behaviours organizations become more aware of their business ethics and are able to positively find ways to transfer their employee's attitudes and behaviours into more positive experiences personally and for the company. Most organizations realize that being ethical is good business practice and pays in the long run.

According to Callahan, Fleenor and Kudson "Organizational Behaviour is a subset of management activities concerned with understanding, predicting and influencing individual behaviour in organisational setting."

Thus organizational Behaviour is the study and application of knowledge about how people, individuals, and groups act in organizations. It does this by taking a system approach. That is, it interprets people-organization relationships in terms of the whole person, whole group, whole organization, and whole social system.

History

While Organizational Behaviour as a field of academic study wasn't fully recognized by the American Psychological Association until the 1970's, it's roots go back to the late 1920's when the Hawthorne Electric Company set up a series of experiments designed to discern how changes in environment and design changed the productivity of their employees. Their various studies, conducted between the years of 1924 and 1933, were broad and meticulously measured over large periods of time. Organizational behaviour has focused on various different topics of study. Since the 1970's, a good deal of the work being done in the field of organizational behaviour has been on cultural components of organizations, including topics such as race, class, gender roles, and cultural relativism and their roles on group building and productivity. These studies, a part of a shift in focus

in the field towards qualitative research, and among other things, take into account the ways in which identity and background can inform decision making.

Key Elements of Organisational Behaviour

The key elements in organizational behaviour are:-

- People
- Structure
- Technology
- Environment

People

People make up the internal social system of the organization. They consist of individuals and groups, and large groups as well as small ones. People are the living, thinking, feeling beings who created the organizations. It exists to achieve their objectives. Organizations exist to serve people. People do not exist to serve organizations. The work force is one of the critical resources that need to be managed. In managing human resources, managers have to deal with:

- i) Individual employee who are expected to perform the tasks allotted to them
- ii) Dyadic relationships such as superior-subordinate interactions
- iii) Groups who work as teams and have the responsibility for getting the job done,
- iv) People outside the organization system such as customers and government officials

Structure

Structure defines the official relationships of people in organizations. Different jobs are required to accomplish all of an organization's activities. There are managers and employees, accountants and assemblers. These people have to be related in some structural way so that their work can be effective. The main structure relates to power and to duties. For example, one person has authority to make decisions that affect the work of other people. Organizations can be structured as relatively rigid, formalized systems or as relatively loose, flexible systems. Thus the structure of the organizations can range on a continuum of high rigidity to high flexibility.

Technology

The type of technology used in the organisations has significant influence on the working relationships among individuals and employees. It allows people to do more work and that too in better way. Now managers are under tremendous pressure to maintain delicate balance between technical and social systems.

Environment

No organisation exists in vacuum. They have to operate within an internal and external environment. Environment influences the attitude of people, affects working conditions and provides competition for resources and power.

Challenges and Opportunities for Organizational Behaviour

➤ **Improving People Skills:**

Technological changes, structural changes, environmental changes are accelerated at a faster rate in business field. Unless employees and executives are equipped to possess the required skills to adapt those changes, the achievement of the targeted goals cannot be achieved in time. There are two different categories of skills – managerial skills and technical skills. Some of the managerial skills include listening skills, motivating skills, planning and organizing skills, leading skills, problem solving skill, decision making skills etc. These skills can be enhanced by organizing a series of training and development programmes, career development programmes, induction and socialization etc.

Implications for Managers: Designing an effective performance appraisal system with built-in training facilities will help upgrade the skills of the employees to cope up the demands of the external environment. The lower level cadre in management is required to possess more of technical skills. As they move towards upward direction, their roles will be remarkably changed and expected to have more of human relations and conceptual skills.

➤ **Improving Quality and Productivity:**

Quality is the extent to which the customers or users believe the product or service surpasses their needs and expectations. More and more managers are confronting to meet the challenges to fulfil the specific requirements

of customers. In order to improve quality and productivity, they are implementing programs like total quality management and reengineering programs that require extensive employee involvement.

Total Quality Management (TQM): It is a philosophy of management that is driven by the constant attainment of customer satisfaction through the continuous improvement of all organizational process. The component of TQM are (a) intense focus of the customer (b) concern for continual improvement (c) improvement in the quality of everything the organization does (d) accurate measurement and (e) empowerment of employees.

Reengineering: This refers to radically rethinking and redesigning those processes by which we create value for customers and do work. It requires managers to reconsider how work would be done and their organisation structured if they were to start from scratch.

Implications for Managers: Today's managers understand that any efforts to improve quality and productivity must influence their employees. These employees will not only be a major force in carrying out changes, but increasingly will participate actively in planning those changes. Managers will put maximum effort in meeting the customer's requirements by involving everyone from all the levels and across all functions. Top management's participation and commitment and a culture of continuous improvement must be established.

➤ **Managing Workforce Diversity:**

This refers to employing different categories of employees who are heterogeneous in terms of gender, race, ethnicity, religion, community, physically disadvantaged, homosexuals, elderly people etc. The primary reason to employ heterogeneous category of employees is to tap the talents and potentialities, harnessing the innovativeness, obtaining synergetic effect among the diverse workforce. In general, employees wanted to retain their individual and cultural identity, values and life styles even though they are working in the same organization with common rules and regulations. The major challenge for organizations is to become more accommodating to diverse groups of people by addressing their different life styles, family needs and work styles.

Implications for Managers: Managers have to shift their philosophy from treating everyone alike to recognizing individual differences and responding to those differences in ways that will ensure employee retention and greater productivity while, at the same time not discriminating. If work force diversity is managed more effectively, the management is likely to acquire more benefits such as creativity and innovation as well as improving decision making skills by providing different perspectives on problems. If diversity is not managed properly and showed biases to favour only a few categories of employees, there is potential for higher turnover, more difficulty in communicating and more interpersonal conflicts.

➤ **Responding to Globalization:**

Today's business is mostly market driven; wherever the demands exist irrespective of distance, locations, climatic conditions, the business operations are expanded to gain their market share and to remain in the top rank etc. Business operations are no longer restricted to a particular locality or region. Company's products or services are spreading across the nations using mass communication, internet, faster transportation etc.

Implications for Managers: Globalization affects managerial skills in at least two ways:

i) The Manager have to manage a workforce that is likely to have very different needs, aspirations and attitudes from the ones that they are used to manage in their home countries. ii) Understanding the culture of local people and learn to adapt management styles to these different cultures is very critical for the success of business operations. One of the main personality traits required for expatriate managers is to have sensitivity to understand the individual differences among people and exhibit tolerance to it.

➤ **Empowering People**

Empowerment is defined as putting employees in charge of what they do by eliciting some sort of ownership in them. The main issue is delegating more power and responsibility to the lower level cadre of employees and assigning more freedom to make choices about their schedules, operations, procedures and the method of solving their work-related problems. Encouraging the employees to participate in work related decision will sizably enhance their commitment at work. Managers are doing considerably further by allowing employees full control of their work. An increasing number of organizations are using self-managed teams, where workers operate largely without boss. Due to the implementation of empowerment concepts across all the levels, the relationship between managers and the employees is reshaped.

Implications for Manager: The executive must learn to delegate their tasks to the subordinates and make them more responsible in their work. And in so doing, managers have to learn how to give up control and

employees have to learn how to take responsibility for their work and make appropriate decision. If all the employees are empowered, it drastically changes the type of leadership styles, power relationships, the way work is designed and the way organizations are structured.

➤ **Coping with ‘Temporariness’**

In recent times, the Product life cycles are slimming, the methods of operations are improving, and fashions are changing very fast. In those days, the managers needed to introduce major change programs once or twice a decade. Today, change is an ongoing activity for most managers. The concept of continuous improvement implies constant change. In yester years, there used to be a long period of stability and occasionally interrupted by short period of change, but at present the change process is an ongoing activity due to competitiveness in developing new products and services with better features. Everyone in the organization faces today is one of permanent temporariness. The actual jobs that workers perform are in a permanent state of flux. So, workers need to continually update their knowledge and skills to perform new job requirements.

Implications for Manager: Managers and employees must learn to cope with temporariness. They have to learn to live with flexibility, spontaneity, and unpredictability. The knowledge of Organizational Behaviour will help understand better the current state of a work world of continual change, the methods of overcoming resistance to change process, the ways of creating a better organizational culture that facilitates change process etc.

➤ **Stimulating Innovation and Change**

Today’s successful organizations must foster innovation and be proficient in the art of change; otherwise they will be vanished from their field of business. Victory will go to those organizations that maintain flexibility, continually improve their quality, and beat the competition to the market place with a constant stream of innovative products and services. Implications for Managers: Some of the basic functions of business are being displaced due to the advent of a new systems and procedures. The challenge for managers is to stimulate employee creativity and tolerance for change.

➤ **Emergence of E-Organization**

E- Commerce: It refers to the business operations involving electronic mode of transactions. It encompasses presenting products on websites and filling order. The vast majority of articles and media attention given to using the Internet in business are directed at on-line shopping. In this process, the marketing and selling of goods and services are being carried out over the Internet.

E-business: It refers to the full breadth of activities included in a successful Internet based enterprise. As such, e-commerce is a subset of e-business. E-business includes developing strategies for running Internet-based companies, creating integrated supply chains, collaborating with partners to electronically coordinate design and production, identifying a different kind of leader to run a ‘virtual’ business, finding skilled people to build and operate intranets and websites, and running the back room or the administrative side. E-business includes the creation of new markets and customers, but it’s also concerned with the optimum ways to combine Computers, the Web and Application Software. A sizable number of multinational corporations are selling goods and services via the Internet.

E-Organizations: This embraces e-commerce and e-business. State and central governments, municipal corporations are using the Internet for extending all the public utility services more efficiently through internet.

Implications for Managers: The employees must acquire skills, knowledge, attitudes in learning new technology, overcoming any resistance

➤ **Improving Ethical behaviour:**

The complexity in business operations is forcing the workforce to face ethical dilemmas, where they are required to define right and wrong conduct in order to complete their assigned activities. The ground rules governing the constituents of good ethical behaviour has not been clearly defined. Differentiating right things from wrong behaviour has become more blurred. Unethical practices have become a common practice such as successful executives who use insider information for personal financial gain, employees in competitor business participating in massive cover-ups of defective products etc.

Implications for Managers: Managers must evolve code of ethics to guide employees through ethical dilemmas. Organizing seminars, workshops, training programs will help improve ethical behaviour of employees. Retaining consultants, lawyers, voluntary service organizations to assist the company in dealing with ethical issues will ensure positive ethical behaviour. Managers need to create an ethically healthy climate for his employees where they can do their work productively and confront a minimal degree of ambiguity regarding what constitutes right and wrong behaviour.

III. Conclusion

Organisational behaviour can help the organisations in facing and coping up with these challenges because these cannot be eliminated. There is no perfect situation to organisational problems, but if handled with care and diligence, these challenges can be converted into profitable opportunities. TQM, Reengineering, leadership, organisational culture, group norms etc. Are some of the concepts which can help in facing various challenges.

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