

Management by Objective:-

Organization management helps to extract the best out of each employee so that they accomplish the tasks within the given time frame. Organization management binds the employees together and gives them a sense of loyalty towards the organization.

The process of setting objectives in the organization to give a sense of direction to the employees is called as Management by Objectives.

It refers to the process of setting goals for the employees so that they know what they are supposed to do at the workplace.

Management by Objectives defines roles and responsibilities for the employees and help them chalk out their future course of action in the organization.

Management by objectives guides the employees to deliver their level best and achieve the targets within the stipulated time frame.

Organization Management :-

Organization management refers to the art of getting people together on a common platform to make them work towards a common predefined goal.

Organization management enables the optimum use of resources through meticulous planning and control at the workplace.

Organization management gives a sense of direction to the employees. The individuals are well aware of their roles and responsibilities and know what they are supposed to do in the organization.

Need for Management by Objectives (MBO)

- The Management by Objectives process helps the employees to understand their duties at the workplace. KRAs are designed for each employee as per their interest, specialization and educational qualification. The employees are clear as to what is expected out of them.
- Management by Objectives process leads to satisfied employees. It avoids job mismatch and unnecessary confusions later on.
- Employees in their own way contribute to the achievement of the goals and objectives of the organization. Every employee has his own role at the workplace. Each one feels indispensable for the organization and eventually develops a feeling of loyalty towards the organization. They tend to stick to the organization for a longer span of time and contribute effectively. They enjoy at the workplace and do not treat work as a burden.
- Management by Objectives ensures effective communication amongst the employees. It leads to a positive ambience at the workplace.
- Management by Objectives leads to well defined hierarchies at the workplace. It ensures transparency at all levels. A supervisor of any organization would never directly interact with the Managing Director in case of queries. He would first meet his reporting boss who would then pass on the message to his senior and so on. Everyone is clear about his position in the organization.
- The MBO Process leads to highly motivated and committed employees.
- The MBO Process sets a benchmark for every employee. The superiors set targets for each of the team members. Each employee is given a list of specific tasks.

Limitations of Management by objectives Process

- It sometimes ignores the prevailing culture and working conditions of the organization.
- More emphasis is being laid on targets and objectives. It just expects the employees to achieve their targets and meet the objectives of the organization without bothering much about the existing circumstances at the workplace. Employees are just expected to perform and meet the deadlines. The MBO Process sometimes do treat individuals as mere machines.
- The MBO process increases comparisons between individuals at the workplace. Employees tend to depend on nasty politics and other unproductive tasks to outshine their fellow workers. Employees do only what their superiors ask them to do. Their work lacks innovation, creativity and sometimes also becomes monotonous.
- An effective management ensures profitability for the organization. In a layman's language organization management refers to efficient handling of the organization as well as its employees.

Need for Organization Management

- Organization management gives a sense of security and oneness to the employees.
- An effective management is required for better coordination among various departments.
- Employees accomplish tasks within the stipulated time frame as a result of effective organization management.
- Employees stay loyal towards their job and do not treat work as a burden.
- Effective organization management leads to a peaceful and positive ambience at the workplace.
- Essential Features of Organization Management
- Planning
- Prepare an effective business plan. It is essential to decide on the future course of action to avoid confusions later on.
- Plan out how you intend to do things.
- Organizing
- Organizing refers to the judicious use of resources to achieve the best out of the employees.
- Prepare a monthly budget for smooth cash flow.
- Staffing
- Poor organization management leads to unhappy employees who eventually create problems for themselves as well as the organization.
- Recruit the right talent for the organization.
- Leading
- The managers or superiors must set clear targets for the team members.
- A leader must make sure his team members work in unison towards a common objective. He is the one who decides what would be right in a particular situation.
- Control
- The superiors must be aware of what is happening around them.
- Hierarchies should be well defined for an effective management.
- The reporting bosses must review the performance and progress of their subordinates and guide them whenever required.
- Time Management
- An effective time management helps the employees to do the right thing at the right time.
- Managing time effectively always pays in the long run.
- Motivation

- Motivation goes a long way in binding the employees together.
- Appreciating the employees for their good work or lucrative incentive schemes go a long way in motivating the employees and make them work for a longer span of time.

Different Management Styles

1. Autocratic Style of Working

- In such a style of working, the superiors do not take into consideration the ideas and suggestions of the subordinates.
- The managers, leaders and superiors have the sole responsibility of taking decisions without bothering much about the subordinates.
- The employees are totally dependent on their bosses and do not have the liberty to take decisions on their own.
- The subordinates in such a style of working simply adhere to the guidelines and policies formulated by their bosses. **They do not have a say in management's decisions.**
- Whatever the superiors feel is right for the organization eventually becomes the company's policies.
- Employees **lack motivation in autocratic style of working.**

2. Paternalistic Style of Working

- In paternalistic style of working, the leaders decide what is best for the employees as well as the organization.
- Policies are devised to benefit the employees and the organization.
- The suggestions and feedback of the subordinates are taken into consideration before deciding something.
- In such a style of working, employees feel attached and loyal towards their organization.
- Employees stay motivated and enjoy their work rather than treating it as a burden.

3. Democratic Style of Working

- In such a style of working, superiors welcome the feedback of the subordinates.
- Employees are invited on an open forum to discuss the pros and cons of plans and ideas.
- Democratic style of working ensures effective and healthy communication between the management and the employees.
- The superiors listen to what the employees have to say before finalizing on something.

4. Laissez-Faire Style of Working

- In such a style of working, managers are **employed just for the sake of it and do not contribute much to the organization.**
- The employees take decisions and manage work on their own.
- Individuals who have the dream of making it big in the organization and desire to do something innovative every time outshine others who attend office for fun.
- Employees are **not dependent on the managers** and know what is right or wrong for them.

5. Management by Walking Around Style of Working

- In the above style of working, managers treat themselves as an essential part of the team and are efficient listeners.
- The **superiors interact with the employees more often** to find out their concerns and suggestions.
- In such a style of working, the **leader is more of a mentor to its employees** and guides them whenever needed.
- The managers don't lock themselves in cabins; instead walk around to find out what is happening around them.

Relationship Between Organizational Structure and Culture

Organizational structure determines the organizational behaviour and influences the organizational culture. In addition, design of the organizational structure often determines how flexible or adaptable it is to change.

The linkages between the design of the organizational structure and its resistance or acceptance to change are indeed deep. For instance, it is common for technology organizations to have a relatively flat structure because of the nature of the industry that is rapidly changing.

Considering that technology companies ought to be flexible and adaptable to changes in their environment that is fast paced and always in flux, such organizations design their structure with less hierarchy and more openness.

Manufacturing Organizations

On the other hand, **manufacturing organizations have well developed and deep hierarchies mainly because they need the differentiation between blue collar workers and white collar executives.** These terms have come about because the shop floor workers often wear blue uniforms whereas the executives and the engineers often wear white shirts. Having said that, it must be noted that this is not always the case and since the terms have been in use throughout the history of organizational behavior, they are used for convenience.

Manufacturing organizations also need hierarchies since they operate on a command and control mode meaning that the decisions are made at the top and percolate to the bottom instead of the knowledge organizations or the services sector wherein the employees often are more autonomous in addition to their being creative and innovative.

Turning to the relationship between organizational structure and culture, we find that in manufacturing organizations, the employees address each other with honorifics rather than on an informal or first name basis as is the case with the services sector. This creates a culture that is more formal and governed by rules and regulations covering all aspects of organizational culture.

Indeed, it is very common for manufacturing organizations to have separate canteens and lunch areas for the workers and the engineers and the executives. One rarely finds a manufacturing organization that has workers and executives mingling with each other except for business purposes.

Software and Technology Companies

On the other hand, most software companies and financial services companies have codes of conduct that specify addressing each other on a first name basis in addition to having common public areas and dining halls where there is no difference between the software engineers and the managers or for that matter even senior management. Of course, some multinationals have executive dining halls mainly because of the fact that external clients tend to visit for meetings and hence, the negotiations and discussions are carried out over lunch and dinner as well.

Industry Characteristics Drives Organizational Structure

The reason for mentioning all these aspects of organizational culture is that **each industry has different environmental characteristics and drivers of growth and hence, the organizations in them have their own sets of rules that determine the structure and design of job roles and responsibilities.** For instance, workers in manufacturing organizations just need to work as they are told and that too in a routine and repetitive manner.

Further, the assembly line mode of manufacturing means that unless there is significant innovation and improvement, the basic work remains the same. On the other hand, the technology companies have jobs where each day is different and each project and parcel of work has to be handled differently and in a new manner. This means that there is constant change and hence, the culture as well as the design of the organizational structure has to be as adaptable and flexible as possible to encourage innovation and stimulate creativity.

Geography and Type of Organizations Play a Role as well

Finally, the design of the organizational structure is also determined according to the geography, type of organization, and the vision of the founders and the continuing vision of the CEOs. For instance, **it is common for western multinationals to be informal and flexible whereas Asian companies are often rigid and strict and formal in their approach.** Even the technology companies in Asia often have different designs of organizational structure when compared to technology multinationals.

The design of the organizational structure depends to a great extent on how the original founders want the organization to be and how well the same vision is either being carried forward or being changed by the new incumbents. This can be seen in many families promoted/owned businesses which once the initial founders retire often have major changes in the way the organizational structure is designed.

Organizational Behaviour – Models

Organizational behaviour reflects the behaviour of the people and management all together, it is considered as field study not just a discipline. A discipline is an accepted science that is based upon theoretical foundation, whereas OB is an inter-disciplinary approach where knowledge from different disciplines like psychology, sociology, anthropology, etc. are included. It is used to solve organizational problems, especially those related to human beings.

There are four different types of models in OB. We will throw some light on each of these four models.

Autocratic Model

The root level of this model is power with a managerial orientation of authority. The employees in this model are oriented towards obedience and discipline. They are dependent on their boss. The employee requirement that is met is subsistence. The performance result is less.

The major drawbacks of this model are people are easily frustrated, insecurity, dependency on the superiors, minimum performance because of minimum wage.

Custodial Model

The root level of this model is economic resources with a managerial orientation of money. The employees in this model are oriented towards security and benefits provided to them. They are dependent on the organization. The employee requirement that is met is security.

This model is adapted by firms having high resources as the name suggest. It is dependent on economic resources. This approach directs to depend on firm rather than on manager or boss. They give passive cooperation as they are satisfied but not strongly encouraged.

Supportive Model

The root level of this model is leadership with a managerial orientation of support. The employees in this model are oriented towards their job performance and participation. The employee requirement that is met is status and recognition. The performance result is awakened drives.

This model is dependent on leadership strive. It gives a climate to help employees grow and accomplish the job in the interest of the organization. Management job is to assist the employee's job performance. Employees feel a sense of participation.

Collegial Model

The root level of this model is partnership with a managerial orientation of teamwork. The employees in this model are oriented towards responsible behaviour and self-discipline. The employee requirement that is met is self-actualization. The performance result is moderate zeal.

This is an extension of supportive model. The team work approach is adapted for this model. Self-discipline is maintained. Workers feel an obligation to uphold quality standard for the better image of the company. A sense of “accept” and “respect” is seen.

Learning can be defined as the permanent change in behaviour due to direct and indirect experience. It means change in behaviour, attitude due to education and training, practice and experience. It is completed by acquisition of knowledge and skills, which are relatively permanent.

Nature of Learning

Nature of learning means the characteristic features of learning. Learning involves change; it may or may not guarantee improvement. It should be permanent in nature, that is learning is for lifelong.

The change in behaviour is the result of experience, practice and training. Learning is reflected through behaviour.

Factors Affecting Learning

Learning is based upon some key factors that decide what changes will be caused by this experience. The key elements or the major factors that affect learning are motivation, practice, environment, and mental group.

Coming back to these factors let us have a look on these factors –

Motivation – The encouragement, the support one gets to complete a task, to achieve a goal is known as motivation. It is a very important aspect of learning as it acts gives us a positive energy to complete a task. Example – The coach motivated the players to win the match.

Practice – We all know that “Practice makes us perfect”. In order to be a perfectionist or at least complete the task, it is very important to practice what we have learnt. Example – We can be a programmer only when we execute the codes we have written.

Environment – We learn from our surroundings; we learn from the people around us. They are of two types of environment – internal and external. Example – A child when at home learns from the family which is an internal environment, but when sent to school it is an external environment.

Mental group – It describes our thinking by the group of people we chose to hang out with. In simple words, we make a group of those people with whom we connect. It can be for a social cause where people with the same mentality work in the same direction. Example – A group of readers, travellers, etc.

These are the main factors that influence what a person learns, these are the root level for our behaviour and everything we do is connected to what we learn.

How Learning Occurs?

Learning can be understood clearly with the help of some theories that will explain our behaviour. Some of the remarkable theories are –

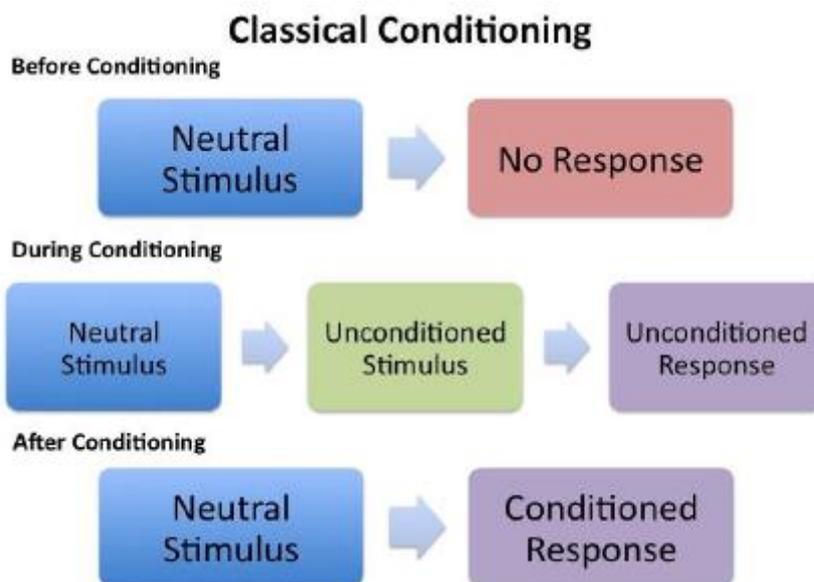
- Classical Conditioning Theory
- Operant Conditioning Theory

- Social Learning Theory
- Cognitive Learning Theory
- Classical Conditioning Theory

The classical conditioning occurs when a conditioned stimulus is coupled with an unconditioned stimulus. Usually, the conditioned stimulus (CS) is an impartial stimulus like the sound of a tuning fork, the unconditioned stimulus (US) is biologically effective like the taste of food and the unconditioned response (UR) to the unconditioned stimulus is an unlearned reflex response like salivation or sweating.

After this coupling process is repeated (for example, some learning may already occur after a single coupling), an individual shows a conditioned response (CR) to the conditioned stimulus, when the conditioned stimulus is presented alone. The conditioned response is mostly similar to the unconditioned response, but unlike the unconditioned response, it must be acquired through experience and is nearly impermanent.

Classical Conditioning Theory



Operant Conditioning Theory

Operant conditioning theory is also known as instrumental conditioning. This theory is a learning process in which behaviour is sensitive to, or controlled by its outcomes.

Let's take an example of a child. A child may learn to open a box to get the candy inside, or learn to avoid touching a hot stove. In comparison, the classical conditioning develops a relationship between a stimulus and a behaviour. The example can be further elaborated as the child may learn to salivate at the sight of candy, or to tremble at the sight of an angry parent.

In the 20th century, the study of animal learning was commanded by the analysis of these two sorts of learning, and they are still at the core of behaviour analysis.

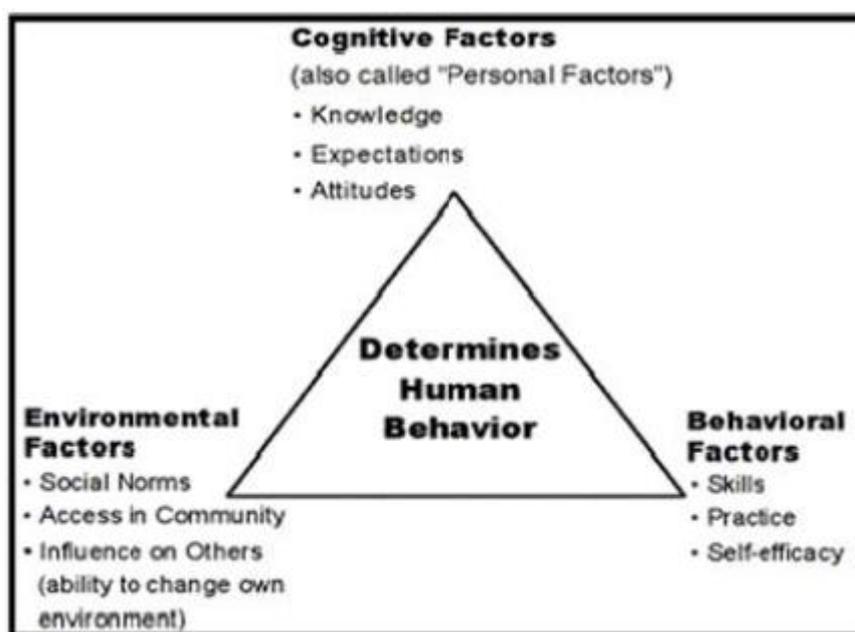
Operant Conditioning

	Reinforcement Increase Behavior	Punishment Decrease Behavior
Positive Stimulus (something added)	Positive Reinforcement Add something to increase behavior	Positive Punishment Add something to decrease behavior
Negative Stimulus (something removed)	Negative Reinforcement Remove something to increase behavior	Negative Punishment Remove something to decrease behavior

Social Learning Theory

The key assumptions of social learning theory are as follows –

- Learning is not exactly behavioural, instead it is a cognitive process that takes place in a social context.
- Learning can occur by observing a behaviour and by observing the outcomes of the behaviour (known as vicarious reinforcement).
- Learning includes observation, extraction of information from those observations, and making decisions regarding the performance of the behaviour (known as observational learning or modelling). Thus, learning can occur beyond an observable change in behaviour.
- Reinforcement plays an important role in learning but is not completely responsible for learning.
- The learner is not a passive receiver of information. Understanding, environment, and behaviour all mutually influence each other.



Cognitive Learning Theory

Cognition defines a person's ideas, thoughts, knowledge, interpretation, understanding about himself and environment.

This theory considers learning as the outcome of deliberate thinking on a problem or situation based upon known facts and responding in an objective and more oriented manner. It perceives that a person learns the meaning of various objects and events and also learns the response depending upon the meaning assigned to the stimuli.

This theory debates that the learner forms a cognitive structure in memory which stores organized information about the various events that occurs.

Learning & Organizational Behaviour

An individual's behaviour in an organization is directly or indirectly affected by learning.

Example – Employee skill, manager's attitude is all learned.

Behaviour can be improved by following the listed tips –

- Reducing absenteeism by rewarding employees for their fair attendance.
- Improving employee discipline by dealing with employee's undesirable behaviour, drinking at workplace, stealing, coming late, etc. by taking appropriate actions like oral reprimands, written warnings and suspension.
- Developing training programs more often so as to grab the trainees' attention, provide required motivational properties etc.

Organizational Behaviour – Personality

The word personality is derived from a Greek word "persona" which means "to speak through." Personality is the combination of characteristics or qualities that forms a person's unique identity. It signifies the role which a person plays in public. Every individual has a unique, personal and major determinant of his behaviour that defines his/her personality.

Personality trait is basically influenced by two major features –

Inherited characteristics

Learned characteristics

Inherited Characteristics

The features an individual acquires from their parents or forefathers, in other words the gifted features an individual possesses by birth is considered as inherited characteristics. It consists of the following features –

Colour of a person's eye

Religion/Race of a person

Shape of the nose

Shape of earlobes

Learned Characteristics

Nobody learns everything by birth. First, our school is our home, then our society, followed by educational institutes. The characteristics an individual acquires by observing, practicing, and learning from others and the surroundings is known as learned characteristics.

Learned characteristics includes the following features –

Perception – Result of different senses like feeling, hearing etc.

Values – Influences perception of a situation, decision making process.

Personality – Patterns of thinking, feeling, understanding and behaving.

Attitude – Positive or negative attitude like expressing one's thought.

Traits of Personality

Personality traits are the enduring features that define an individual's behaviour. A personality trait is a unique feature in an individual. Psychologists resolved that there are five major personality traits and every individual can be categorized into at least one of them. These five personality traits are –

Extrovert

Neurotic

Open

Agreeable

Conscientious

Major Personality Attributes

Following are the five major personality attributes that influence OB –

Locus of Control

Locus of control is the centre of control of an individual's code of conduct. People can be grouped into two categories i.e., internals and externals respectively.

People who consider themselves as the masters of their own fates are known as internals, while, those who affirm that their lives are controlled by outside forces known as externals.

Before making any decision, internals actively search for information, they are achievement driven, and want to command their environment. Thus, internals do well on jobs that craves complex information processing, taking initiative and independent action.

Externals, on the other hand, are more compliant, more willing to follow instructions, so, they do well in structured, routine jobs.

Machiavellianism

Machiavellianism is being practical, emotionally distant, and believing that ends justify means.

Machiavellians are always wanting to win and are great persuaders. Here are the significant features of a high-mach individuals –

High-Machs prefer precise interactions rather than beating about the bush.

High-Machs tend to improvise; they do not necessarily abide by rules and regulations all the time.

High-Machs get distracted by emotional details that are irrelevant to the outcome of a project.

Self-esteem

It is the extent up to which people either like or dislike themselves. Self-Esteem is directly related to the expectations of success and on-the-job satisfaction.

Individuals with high self-esteem think that they have what it takes to succeed. So, they take more challenges while selecting a job.

On the other hand, individuals with low self-esteem are more susceptible to external distractions. So, they are more likely to seek the approval of others and to adapt the beliefs and behaviours of those they respect.

Self-monitoring

Self-monitoring is the capability of regulating one's behaviour according to social situations. Individuals with high self-monitoring skill easily adjust their behaviour according to external, situational factors. Their impulsive talents allow them to present public personae which are completely different from their private personalities.

However, people with low self-monitoring skills cannot cover themselves. Regardless of any situation, they are always themselves. They have an attitude of, "what you see is what you get."

Risk taking

Generally, managers are reluctant on taking risks. However, individual risk-taking inclination affects the bulk of information required by the managers and how long it takes them to make decisions.

Thus, it is very important to recognize these differences and align risk-taking propensity with precise job demands that can make sense.