

Chapter : 6

HRM

Values, Attitudes and Job Satisfaction

6.1 Values

Values represent basic convictions that " a specific mode of conduct or end state of existence is personally or socially preferable to an opposite or converse mode of conduct or end state of existence." They contain a judgmental element in that they carry an individual's ideas as to what is right good or desirable. Values have both content and intensity attributes. The content attribute says that a mode of conduct or end state of existence is important. The intensity attribute specifies how important it is. When we rank an individual's values in terms of their intensity, we obtain that person's value system. All of us have an hierarchy of values that forms our value system. This system is identified by the relative importance we assign to values such as freedom, pleasure, self respect, honesty, obedience and equality.

One would wonder if values are fluid and flexible? Well the answer is that values tend to be relatively stable and enduring. These values build from our early childhood, our parents, teachers, friends and others. As young children we do recall certain behavior for which we reprimanded and for some that we are applauded. There are also times when we are in a grey area. While being taught to be honest and responsible we were never taught to be a little honest or a little responsible. These are the grey areas. It is this absolute or " black or white" learning of values that more or less ensures their stability and endurance. The process of questioning our values, of course, may result in a change. More often, our questioning merely acts to reinforce the values we hold.

6.2 Importance of values:

Values are important for the study of OB since they lay the foundation for the understanding of attitudes and motivation and because they influence our perceptions. Individuals enter an organization with preconceived notions of what 'ought' or what 'ought not' to be. These notions are not value free either. We will now proceed to classify the values.

Rokeach Value Survey – Milton Rokeach created Rokeach Value Survey(RVS). The RVS consists of two sets of values, with each set containing 18 individual value items.

One set called terminal values, refers to desirable end states. These are the goals that a person would like to achieve during his or her life time. The other set called instrumental values refers to preferable modes of behavior, or means of achieving the terminal values. Exhibit 6.3 gives common examples of each of these sets. Studies conducted show that RVS values vary among groups. People in the same occupation or categories tend to hold similar values. A study was conducted to compare corporate executives, members of the steel workers union and members of a community activist group. Although a good deal of overlap was found among the three groups, there were also very significant differences. The activists had value preferences that were quite different from those of the other two groups. They ranked equality as the most important terminal value, executives and union workers ranked this as value 12 and 13 respectively. Activists ranked 'helpful' as their second highest instrumental value. The other 2 groups both ranked it 14. These differences are important because executives, union members and activists all have a vested interest in what corporations do. These differences make it difficult when these groups have to negotiate with each other and can create serious conflicts when they contend with each other over the organization's economic and social policies.

Terminal Values

- A world at Peace (free of war and conflict)
- Family Security (taking care of loved ones)
- Freedom (independence, free choice)
- Equality (brotherhood, equal opportunity for all)
- Self-respect (self esteem)
- Happiness (contentedness)
- Wisdom (a mature understanding of life)
- National security (protection from attack)
- Salvation (saved, eternal life)
- True friendship (close companionship)
- A sense of accomplishment (a lasting contribution)
- Inner Harmony (freedom from inner conflict)
- A comfortable life (a prosperous life)
- Mature love (sexual and spiritual intimacy)
- A world of beauty (beauty of nature and the arts)
- Pleasure (an enjoyable leisurely life)
- Social recognition (respect, admiration)
- An exciting life (a stimulating active life)

Instrumental Values

Ambitious (Hard-working, aspiring)
Broadminded (Open-minded)
Capable (Competent, effective)
Cheerful (Lighthearted, joyful)
Clean (Neat, tidy)
Courageous (Standing up for your beliefs)
Forgiving (Willing to pardon others)
Helpful (Working for the welfare of others)
Honest (Sincere, truthful)
Imaginative (Daring, creative)
Independent (Self-reliant, self-sufficient)
Intellectual (Intelligent, reflective)
Logical (Consistent, rational)
Loving (Affectionate, tender)
Obedient (Dutiful, respectful)
Polite (Courteous, well-mannered)
Responsible (Dependable, reliable)
Self-controlled (Restrained, self-discipline)

6.3 Values, Loyalties and Ethical Behaviour

Recent corporate scandals involving accounting manipulations, cover-ups and conflicts of interests clearly suggest a decline in business ethics. A lot of people think that ethical standards began to erode from the late 1970's. Managers consistently report that the action of their bosses is the most important factor influencing ethical and unethical behaviour in organizations. Given this fact, the value of those in middle and upper management should have a significant bearing on the entire ethical climate within an organization.

Values across Cultures

Geert Hofstede in the late 1970's analysed variation among cultures. He surveyed more than 116,000 IBM employees in 40 countries about their work-related values. He found that managers and employees vary on five value dimensions of national culture. They are listed and defined as follows.

- Power distance – The degree to which people in a country accept that power in institutions and organizations is distributed unequally. Ranges from relatively equal to extremely unequal.
- Individualism versus collectivism – Individualism is the degree to which people in a country prefer to act as individuals rather than as members of groups.
- Collectivism is the equivalent of low individualism.
- Achievement versus nurturing – Achievement is the degree to which values such as assertiveness, the acquisition of money and material goods and competition prevail. Nurturing is the degree to which people value relationships and show sensitivity and concern for the welfare of others.
- Uncertainty avoidance – The degree to which people in a country prefer structured over unstructured situations. In countries that score high on uncertainty avoidance, people have an increased level of anxiety, which manifests itself in greater nervousness, stress and aggressiveness.
- Long term versus short term orientation – People in cultures with long term orientation look to the future and value thrift and persistence. A short term orientation values the past and present and emphasizes respect for tradition and fulfilling social obligation.

It was observed from the research conducted by Hofstede that China and West Africa score high in power distance, the United States and Netherlands scored low. Most Asian countries were more collectivists than individualistic, The US ranked highest among all countries on individualism. France showed short term orientation. Russia was high on uncertainty avoidance. Today one can refer to the GLOBE Project for update on leadership across national cultures.

6.4 Attitudes

Attitudes are evaluative statements – either favorable or unfavorable – concerning objects, people or events. They reflect how one feels about something. When I say “I like my job” I am expressing my attitude about work. Attitudes are not the same as values though the two are inter-related. Attitudes have 3 components : Cognition, Affect, Behavior. Let us try to understand this in detail.

The belief that “discrimination is wrong” is a value statement. Such an opinion is the cognitive component of an attitude. It sets the stage for more critical part of an attitude. - its affective component. Affect is the emotional or feeling segment of an attitude and is reflected in the statement “I don't like John because he discriminates against minorities. The behavioral component in the attitude will refer to the intention to behave in a certain way towards someone or something. So in the above example I will avoid John because of my feeling about him.

When attitude is viewed from its component angles – cognition, affect and behavior it helps in understanding their complexity and the potential relationship between attitudes and behavior. Students should keep in mind that attitude as it is generally

used essentially refers to the affect part of the 3 components. Also note that in contrast to values your attitudes are less stable. Advertising messages* for example attempts to alter your attitudes towards a certain product or service. In organizations attitudes are important because they affect job behavior. If workers believe that supervisors and bosses are all in conspiracy to make employees work harder for the same or less money then it make sense to try to understand how these attitudes were formed, their relationship to actual job behavior and how they might be changed.

6.5 Types of Attitudes

A person can have thousands of attitudes, but OB focuses our attention on a very limited number of work related attitudes. These work related attitudes tap positive or negative evaluations that employees hold about aspects of their work environment. Most of the research in OB has been concerned with three attitudes : job satisfaction, job involvement, and organizational commitment.

Job Satisfaction : The term job satisfaction refers to a collection of feelings that an individual holds toward his or her job. A person with a high level of job satisfaction holds positive feelings about the job, while a person who is dissatisfied with his/her job holds negative feelings about the job.. When people speak of employees attitudes, more often than not they mean job satisfaction. In fact the two are frequently used interchangeably. Because of the high importance OB Researchers have given to job satisfaction , we shall review this in considerable detail.

Job Involvement. The term job involvement is a more recent addition to the OB literature. A workable definition states that job involvement measures the degree to which a person identifies psychologically with his or her job and considers his/her perceived performance level important to self worth. Employees with a high level of job involvement strongly identify with and really care about the kind of work they do. A high level of job involvement is positively related to organizational citizenship and job performance. High job involvement has found fewer absences and lower resignation rates

Organizational Commitment : The third job attitude is commitment. This is defined as a state in which an employee identifies with a particular organization and its goals and wishes to maintain membership in the organization.. SO a high job involvement means identifying with one's specific job, while high organizational commitment means identifying with one's employing organization. There is a positive relationship between organizational commitment and job productivity but the relationship is modest. Studies reveal that an individual's level of organizational commitment is a better indicator of turnover than the far more frequently used job satisfaction predictor, explaining as much as 34% of the variance. Organizational commitment is probably a better predictor because it a more global and enduring response to the organization as a whole than is job satisfaction. An employee may

be dissatisfied with his/her particular job and consider it temporary condition, yet not be dissatisfied with the organization as a whole. But when dissatisfaction spreads to the organization itself, individuals are more likely to consider resigning.

Attitudes and Consistency: You must have noticed how people change what they say so that it doesn't contradict what they do? Say you have a friend who insists that American cars are no good and he will own only a Japanese or German car. However on his birthday his father gifts him an American car and suddenly for your friend the American car is not so bad. Research has concluded that people seek consistency among their attitudes and between their attitudes and their behavior. This means that individuals seek to reconcile divergent attitudes and align their attitudes and behavior so that they appear rational and consistent. Can we assume from this consistency principle that an individual's behavior can always be predicted if we know his/her attitude on a subject.

6.6 Cognitive Dissonance Theory

In the late 1950's Leon Festinger proposed the theory of Cognitive Dissonance to explain the linkage between attitude and behavior. The extract from Phil Barker's paper is produced below:

Cognitions are simply bits of knowledge. They can pertain to any variety of thoughts, values, facts, or emotions. For instance, the fact that I like ice cream is a cognition. So is the fact that I am a man. People have countless cognitions in their heads. Most cognitions have nothing to do with each other. For instance, the two cognitions mentioned before (that I am a man and that I like ice cream) are unrelated. Some cognitions, however, are related. For instance, perhaps I have a sweet tooth and I like ice cream. These cognitions are "consonant," meaning that they are related and that one follows from the other. They go together, so to speak.

However, sometimes we have cognitions that are related, but do not follow from one another. In fact they may be opposites. For instance, perhaps if I like Ice cream but I am

also trying to lose weight. These two thoughts are problematic -- if I eat ice cream, then I may gain weight, and if I really want to lose weight then I cannot eat ice cream. These types of cognitions are referred to as "dissonant."

The basic idea behind cognitive dissonance theory is that people do not like to have dissonant cognitions. In fact, many people argue that the desire to have consonant cognitions is as strong as our basic desires for food and shelter. As a result, when someone does experience two or more dissonant cognitions (or conflicting thoughts), they will attempt to do away with the dissonance. There are several key ways in which people

attempt to overcome, or do away with, cognitive dissonance. One is by ignoring or eliminating the dissonant cognitions. By pretending that ice cream is not bad for me, I can have my cake and eat it too, so to speak. Ignoring the dissonant cognition allows us to do things we might otherwise view as wrong or inappropriate.

Another way to overcome cognitive dissonance is to alter the importance (or lack thereof) of certain cognitions. By either deciding that ice cream is extremely good (I can't do without it) or that losing weight isn't that important (I look good anyway), the problem of dissonance can be lessened. If one of the dissonant cognitions outweighs the other in importance, the mind has less difficulty dealing with the dissonance -- and the result means that I can eat my ice cream and not feel bad about it.

Yet another way that people react to cognitive dissonance is by adding or creating new cognitions. By creating or emphasizing new cognitions, I can overwhelm the fact that I know ice cream is bad for my weight loss. For instance, I can emphasize new cognitions such as "I exercise three times a week" or "I need calcium and dairy products" or "I had a small dinner," etc. These new cognitions allow for the lessening of dissonance, as I now have multiple cognitions that say ice cream is okay, and only one, which says I shouldn't eat it. Finally, perhaps the most important way people deal with cognitive dissonance is to prevent it in the first place. If someone is presented with information that is dissonant from what they already know, the easiest way to deal with this new information is to ignore it, refuse to accept it, or simply avoid that type of information in general. Thus, a new study that says ice cream is more fattening than originally thought would be easily dealt with by ignoring it. Further, future problems can be prevented by simply avoiding that type of information -- simply refusing to read studies on ice cream, health magazines, etc.

The Role of Cognitive Dissonance in Reducing Conflict

In spite of people's desire to avoid it, the proper use of cognitive dissonance can be a useful tool in overcoming conflict. Cognitive dissonance is a basic tool for education in general. Creating dissonance can induce behavior or attitude change. By creating cognitive dissonance, you force people to react. In other words, a child can be encouraged to learn by creating dissonance between what they think they know and what they actually do -- drawing attention to the fact that they know stealing is wrong even though they took a cookie, etc. The same idea can be used in adults. By introducing cognitive dissonance (pointing out the conflict between what people know and do), we can encourage a change in thought or action. Disarming behaviors is a way to create cognitive dissonance. This is done by simply learning what the other side thinks of or expects of you, and then doing something very different. For example, if you are considered by the other side to be uncaring and cruel, make a small gesture that demonstrates that you care about the other sides' feelings or situation. This causes cognitive dissonance. As is discussed in the essay on disarming behaviors, just doing this once may not be enough to change anyone's attitudes or behavior, as they are likely to ignore the dissonant information. If it is done several times, however, or if the behavior is visible enough that it cannot be ignored, the results are sometimes striking. Two of the best examples of this process were Egyptian President Anwar Sadat's unexpected trip to Israel in 1977 and Soviet Premier Gorbachev's trip to the United States in 1990. Both of

these leaders had never visited the "enemy" country before, and when they did, they were so personable that it changed the minds of the Israelis and the Americans about the "goodness" and intents of "the enemy." Any way to increase interpersonal communication is another way to produce dissonance, break down stereotypes, and start building trust none existed before. Joint projects, problem solving workshops, prejudice and tolerance all are ways to create cognitive dissonance and change hostile attitudes between disputants into attitudes that are likely to be more conciliatory and amenable to conflict transformation.

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6.7 Measuring Job Satisfaction

We have previously defined job satisfaction as a collection of feelings that an individual holds towards his/her job. This means that an employee's assessment of how satisfied or dissatisfied he or she is with his/her job is a complex summation of a number of discrete job elements. How then do we measure the concept? The most widely used approaches are the single global rating and a summation score made up of a number of job facets. The single global rating method is nothing more than asking individuals to respond to one question such as "All things considered, how satisfied are you with your jobs. Respondents then reply by circling a number from 1-5 that corresponds to answers from highly satisfied to highly dissatisfied. The other approach a summation of job facets, is more sophisticated. It identifies key elements in a job and asks for the employee's feelings about each. Typical factor that would be included are ¹the nature of the work, ²supervision, ³present pay, ⁴promotion opportunities and ⁵relations with co workers. These factors are rated on a standardized scale and then added up to create an overall job satisfaction score. Many studies have been conducted on the on job satisfaction and its effects. Let us briefly explore some of them.

1. *Job satisfaction and Employee Performance*- Manager's interest in job satisfaction tends to center on its effect on employee performance. Happy workers are not necessarily productive workers. At the individual level, the evidence suggests the reverse to be more accurate - that productivity is likely to lead to satisfaction. When satisfaction and productivity data are gathered for the organization as a whole, rather than at the individual level we find that organizations with more satisfied employees tend to be more effective than organizations with fewer satisfied employees. So although we might not be able to say that a happy worker is more productive it might be true to say that happy organizations are more productive.

2. *Job Satisfaction and ^{Mistakes} Accident*-Research shows that satisfied employees are less likely to be prone to accidents when compared to the dissatisfied ones. Another study reveals that highly satisfied workers have a higher efficiency rating as well. Being well adjusted on the job, the satisfied worker is sure to perform better. On the

other hand a discontentment with working life is likely to affect the worker's job adjustment and also in social, emotional and domestic life.

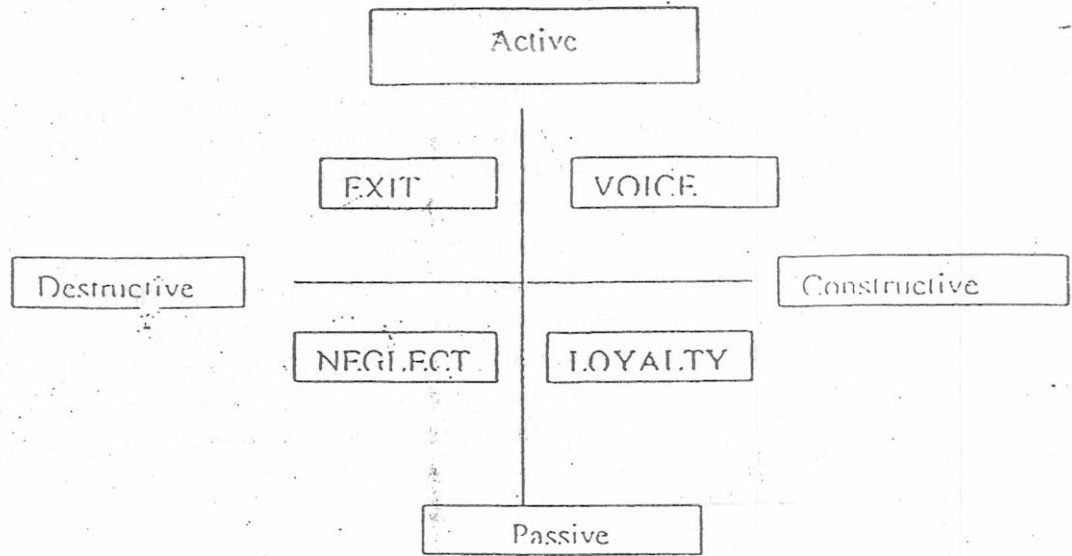
3. *Job Satisfaction and Customer Satisfaction* – Satisfied employees increase customer satisfaction and loyalty. In service organizations customer retention and defection are highly dependent on how frontline employees deal with customers. Satisfied employees are more likely to be friendly, upbeat and responsive which customers appreciate. Also since satisfied employees are less prone to turnover, customers are more likely to encounter familiar faces and receive experienced service. These qualities build customer satisfaction and loyalty. Consider a reversed situation. Dissatisfied customers can increase an employee's job dissatisfaction. Employees who have regular contact with customers report that rude, thoughtless or unreasonably demanding customers adversely effect the employee's job satisfaction.

Employee Dissatisfaction

When employees are dissatisfied with their jobs, this dissatisfaction is expressed in a number of ways. Employees complain, become insubordinate, steal organizational property or shirk a part of their work responsibilities. Employee responses can be constructive/destructive and active/passive. They are defined as follows.

- **Exit** – Behavior directed toward leaving the organization, including looking for a new position as well as resigning.
- **Voice** – Actively and constructively attempting to improve conditions, including suggesting improvements, discussing problems with superiors and some forms of union activity.
- **Loyalty** – Passively but optimistically waiting for conditions to improve, including speaking up for the organization in the face of external criticism and trusting the organization and its management to "do the right thing".
- **Neglect** – Passively allowing conditions to worsen, including chronic absenteeism or lateness, reduced effort and increased error rate.

Exit and neglect behaviors encompass our performance variables – productivity, absenteeism and turnover. But this model expands, employee response to include voice and loyalty – constructive behaviors that allow individuals to tolerate unpleasant situations or to revive satisfactory working conditions. It helps us to understand situations such as those sometimes found among unionized workers for whom low job satisfaction is coupled with low turnover. Union members often express dissatisfaction through the grievance procedure or through formal contract negotiations. These voice mechanisms allow union members to continue in their jobs while convincing themselves that they are acting to improve the situation. The responses to job dissatisfaction is exhibited below.



Responses to job Dissatisfaction:

Source : Values, Attitudes and Job Satisfaction, Stephen Robins. (Adapted)

Management of Change, Development and Culture

"Change before Change Changes You"

— P. Subba Rao

• Technology and Change • Managing Change • Resistance to Change • Approaches to Organisational Change • Organisation Development — Meaning — Characteristics — Values — Objectives — Organisational Culture

Opening Corporate Example: Diversified Culture at Microsoft (India)

✓ Microsoft (India) is a dynamic, ever changing, engaging, fast-paced and informal company. It believes in practicing planned diversity in the workplace. It believes that

employee diversity promotes a culturally rich workforce that enhances product development and employee performance.

(Source: Ibid)

✓ Companies have to manage change which is the order of the day as a part of HRD and organisation development.

TECHNOLOGY AND CHANGE

Change is the order of the day. Change before change changes you and change or decay are the buzz words of the day. The factors that force the change include: nature of the workforce, technology, economic shocks, competition, social trends and world of politics (See Exhibit 14.1).

Just as necessity is the mother of invention, competition and a host of other reasons are responsible for the rapid technological changes and innovations all over the world. As a result of these changes, technical personnel, system specialists, technical workers and machine operators are increasingly required while the demand for other categories of employees has declined. But it is found that the supply of former category of employees is less compared to the demand for the same. Hence procurement of skilled employees and maintaining them is highly essential. Further, the changes in technology continuously demands the existing employees to upgrade their skills and knowledge.

Human resources development techniques help the employees to acquire new skills and knowledge necessary to carry out the changed duties due to upgradation of technology.

Technology is the most dramatic force shaping the destiny of people all over the world. Technology is self-reinforcing and in a big way affects society. Infact, technology reaches people

**Exhibit 14.1
FORCES FOR CHANGE**

Force	Examples
Nature of the workforce	<ul style="list-style-type: none"> • Cultural diversity and the need for unification • Increase in professionalisation • Increased formal education • Increased level of soft skills • Positive attitude
Technology	<ul style="list-style-type: none"> • Faster and cheaper computers • Total Quality Management • Business Process Reengineering
Economic Shocks	<ul style="list-style-type: none"> • Asian real estate collapse • Russian devaluation of the ruble • Changes in oil prices (decline \$22 a barrel to \$13 in the late 1990s)
Competition	<ul style="list-style-type: none"> • Global Competitors • Mergers and Acquisitions • E-business • Customer Relationship Management and Quality
Social Trends:	<ul style="list-style-type: none"> • C102 (Career first and others second) • Increased career orientation among young ladies
World Political System:	<ul style="list-style-type: none"> • Collapse of Soviet Union • Opening of Markets in China and China becoming a member of WTO • Black rule of South Africa

Source: Modified version from Stephen P. Robbins, "Organisational Behaviour", Prentice Hall of India Ltd., 2001, p. 540.

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through business. It increases the expectations of the customers. It brings social change and makes social system complex.

The impact of technology on human resources is significant, direct and complex. The impact of technology on HRD is through (i) jobs becoming intellectual, (ii) need for bio-professional and multi-professional managers, (iii) change in organisation structure, (iv) TQM and (v) BPRE.

(i) Jobs Become Intellectual: Enhancement of the level of the technology needs high level skills and knowledge. These high level skills and knowledge should be incorporated in the job description. Jobs handled by semi-skilled employees are now to be handled by skilled employees. Jobs handled by the clerks yesterday are now to be handled by a computer programmer. Advanced technology degrades some employees and retrenches some employees from employment unless they are trained and developed on the application of new technology and methods.

New technology demands high level skills, knowledge and values. These aspects are incorporated in the job description. Hence jobs become intellectual. These factors demand for development of human resources.

(ii) Need for Bio-Professionals and Multi-Professionals: Recent technological advancements changed the job description. These changed job descriptions require the employees with both technical skills and marketing skills. Some jobs need the employees with technical skills, marketing skills,

Development and Culture

finance skills and human resources management skills. Thus, technology demands bio-professionals and multi-professionals. But present employees are single professionals. Development of human resources of the single professional employees is necessary to make them bio-professionals and multi-professionals.

(iii) **Technology and Organisational Structure:** Technology brings the changes in the span of control, delegation of authority like delegation to individual employees or groups of employees. These changes influence the changes in the present organisational structure. Further, technology results in downsizing and delayering. These factors also change the organisational structure. Technology influences the organisational structure through job redesign and change in job description demand for new skills and knowledge from the employees. These factors invariably necessitate the development of human resources.

(iv) **TQM:** Total Quality Management is mostly developed based on changes in technology. Further, it is influenced by changes in methods. These factors necessitate training and development of the employees in these new areas.

(v) **BPRE:** Business Process Reengineering basically changes the process of the business. In other words, it changes the existing patterns of production, marketing, finance and human resources. It brings the business process centred around a customer's needs, preferences or needs of a project or activity. Further, this process changes the existing technology and methods. These changes influence HRD.

Technology change with Human face

The objective of any economic institution is to provide human welfare. Technology is brought to the people through economic institutions. Therefore, technological changes should be in compatibility with the objectives of economic institutions. In other words, technological changes should result in human welfare.

Human welfare includes satisfying unsatisfied human needs, additional and untapped human needs, reducing or minimising human inconveniences or discomforts, creation of employment opportunities at least in the long run, if not in the short run. In addition, technological advancements should not cause all types of pollution in order to provide welfare to the people. Further, technology should contribute to reduce the gaps between the rich and poor by providing the sources of income to the poor. Such technology can only provide human welfare.

Technological changes with a human face means that technology should change along with the needs, preferences and well-being of the human beings. Further, technology changes should contribute to the enhancement of economic, social and psychological needs of the people.

There are several inconsistencies between technology and human face. Advances in technology reduces jobs immediately, pollutes the air, water and sound. Further, it affects the natural environment and ecological balance. Further, technological changes result in the development of certain new products which harm human health like fertilizers, pesticides and even cellular phones.

Technology also changes the culture, which sometimes may be against the cultural values. For example, introduction of some TV channels which mostly transmit western culture.

It is viewed that the objective of technological change is to create additional income sources through creating additional employment opportunities. But technological changes in reality reduces even the existing jobs.

Technological changes also result in demotion of existing employees, increase the work load, skill requirements of the existing employees, enhances boredom and monotony. Further, technological change disturbs the existing social adjustment at the work place.

Development of human resources continuously at all the levels in the organisations and nations help in developing the human face in the technological changes, at least, to some extent.

Change Agents: Change agents foresee the possible changes in technology, product and markets, plan for modifications in the company and implement the modifications. According to Robbins, change agents are, "persons who act as catalysts and assume the responsibility for managing change activities." Thus, change agents are responsible for managing change activities. Change agents are employees or managers or executives of a company or outside management consultants.

The activities of change agents include:

- Changing organizational structure
- Changing technology
- Changing the physical setting and
- Changing people.

Changing Organizational Structure: Change agents introduce changes in the existing organizational structure. These changes include selecting a new approach of organization design like team structure, empowerment, open and flexible structure. In addition, change agents introduce matrix structures, flat structure and simple and dynamic structure.

Changing Technology: Change agents introduce new innovative technology equipments, tools, machines, operating methods, new ideas, new knowledge etc. Under the competitive environment, automation and information technology based techniques include Business Process Reengineering, Supply Chain Management and Enterprise Resource Planning. The change agents, in recent times, implement these new techniques.

Changing the Physical Setting: Change agents also introduce changes in physical lay-out of the factory, office, stores, space configurations, furniture based on ergonomics, decorations and colour.

Changing People: Change agents play a significant role in changing the attitudes, values, norms, aptitude, behaviour, leadership skills, team building skills, openness, communication abilities, problem solving abilities etc.

MANAGING CHANGE

The term 'Organisational Change' implies the creation of imbalances in the existent pattern or situation. Adjustment among people, technology and structural set up is established when an organisation operates for a long time. People adjust with their jobs, working conditions, colleagues, superiors etc. Similarly, an organisation establishes relationship in the external environment. Change requires individuals and organisations to make new adjustments. Complexity and fear of adjustment give rise to resistance and problem of change. Human resource is an important factor in relation to the adjustments among individuals as well as between the organisation and environment, as an organisation is mostly composed of people. Individual members can resist either individually or in a group.

Change could be both reactive and proactive. A proactive change has necessarily to be planned to attempt to prepare for anticipated future challenges. A reactive change may be an automatic response or a planned response to change taking place in the environment.

Types of Changes

Changes can be broadly divided into: (i) Work change and (ii) Organisational change. Work change includes changes in machinery, working hours, methods of work, job enlargement and enrichment, job-redesign or re-engineering. Change may also be in the working hours like morning shifts, evening shifts, operation of the organisation on Sundays/Holidays.

Changes relating to organisation include change in employees due to transfers, promotion, retrenchment, lay-off, restructuring or organisation, introduction of new products or services, imposition of regulation, changes in organisational goals or objectives etc.

Reasons for Change

Changes in organisations are a must, whether brought about deliberately or unwillingly. The reasons for change are categorised as follows: changes in business conditions, changes in managerial personnel, deficiency in existing organisational patterns, technological and psychological reasons, government policy, size of the organisation etc.

Resistance to Change

The basic problem in the management to change is the study of causes of resistance to change. Despite the fact that change is a persistent phenomenon, it is a common experience that employees resist change whether in the context of their pattern of life or in the context of their situation in the organisation. The best example is resistance of employees to computerisation. Change of and type requires readjustment. 'Man always fears the unknown, and a change represents the unknown.'

Reasons for Resistance

Some of the important reasons for resistance to change are as follows:

(a) **Economic Reasons:** Economic reasons for resistance are classified into three groups. They are:

- ✓ Fear of Reduction in Employment: Due to the change in technology, methods of work, quantity or quality of work etc., this fear leads to resistance to change on the part of the people. Opposition to automation is an example to it.
- ✓ Fear to Demotion: Employees may fear that they may be demoted if they do not possess the new skills required for their jobs, after the introduction of change. Hence, they prefer 'status quo.'
- ✓ Fear of Workload: Change in work technology and methods may lead to the fear that workload will be increased while there will not be any corresponding increase in their salaries and benefits. This feeling creates resistance to change.

(b) **Personal Reasons:** Personal reasons for resistance are also divided into three classes. They are:

- Need for Training: If change in technology and work organisation necessitates training and re-learning on the part of employees, it may lead to resistance, as all do not like to go for refresher and retraining courses off and on.
- Boredom and Monotony: If the proposed change is expected to lead to greater specialisation resulting in boredom and monotony, it may also be resisted by employees.
- No Participation in Change: Some employees resist any change as they are critical of the situation and they are not being given any part in the decision-making process for change. When they do not understand fully the implications of change, they resist it.

(c) **Social Reasons:** Social reasons for resistance are also classified into three groups. They are:

- ✓ Need for New Social Adjustment: An organisational change requires new social adjustment with the group, work situation and new boss etc. All individuals are not ready to accept this challenge. Some people refuse transfers and promotions for this reason only, as they will have to break their present social ties.

- Taking Change as Imposed from Outside: Some employees take any change as imposed from outside upon them.
- Other Considerations: Some employees may consider that every change brought about is for the benefit of the organisation only and not for them, their fellow workers or even the general public. Hence they resist the change.

Resistance from the Side of Managers

It is not a common fact that change is always resisted by the employees only. Managers also resist change sometimes. Any change sets in new responsibilities and imposes new tension, stress and strains over them is normally resisted by managers. The feeling of uncertainty, whether they will be able to handle new circumstances successfully or not, motivates them to resist.

APPROACHES TO ORGANISATIONAL CHANGE

Management is said to be an agent of change. It means that the management has to introduce change successfully in its organisation. It has to overcome the resistance and make it a successful venture. The management must realise that resistance to change is basically a human problem, though on the surface, it may appear to be related to the technical aspect of change. So, it must be tackled in a human and social manner. Management has to take the following steps to implement the change successfully:

1. Participation of Employees: Before introducing any change, the employees should be fully consulted and they must be made a party to any such decision. The meaning and purpose of the change must be fully communicated to those who will be affected by it. Enough time should be allowed for discussion and the pros and cons of the change should be explained in detail to the employees (See Box 14.1).

Box 14.1 Qualities of a Counsellor

- | | | |
|----------------------------|---------------------------|--------------------------------|
| • Empathy | • Knowledge | • High Self Awareness |
| • Respect | • Honesty | • Capacity accept without bias |
| • Warmth | • Credibility | • Facilitator |
| • Personal characteristics | • Excellent communication | • Excellent listener |
| | | • All round preparation |

2. Planning for Change: Before implementing any change, the management should plan for it. Employees should get an opportunity to participate both in planning the change and installing it. This will help the group of the affected employees to recognise the need for change and thus prepare them for receiving it without any fear.

3. Protecting Employees' Interests: Management should ensure that employees are protected from economic loss, loss in status or personal dignity. If those things are protected, the degree of resistance to change will be at the lowest ebb.

4. Group Dynamics: Group dynamics refers to the ever changing interactions and adjustments in the mutual perceptions and relationships among members of the groups. Such group interactions are the most powerful instruments which facilitate or inhibit adaptation to change. Adaptation is a team activity which requires conformity to the new group norms, mores, traditions and work patterns. If these could be positively articulated by the management, the results are likely to be more successful and durable.

✓ **5. Cautious and Slow Introduction:** The management should not introduce any change suddenly and abruptly. It must be an objective for the management to build in the organisation an awareness of change and an ability to forecast it, and also to construct an attitude of welcoming change. Change must be introduced in sequential parts, and if possible, the results must be reviewed and required adjustments must be made in it.

✓ **6. Positive Motion:** The management should use the policy of positive motivation to counteract negative resistance. It should be the attempt of the management to make the job easier and less exerting. The management should impart proper training to its employees in new techniques and work knowledge etc. The leadership styles should also be supportive and human oriented. This policy will also bring down the resistance to change.

✓ **7. Sharing the Benefits of Change:** Any change whether technical, social or economic will be least resisted by the employees if the management permits the employees to share benefits which arise out of the change. So, the management must see that employees are not only assured of it, they are given due advantage of it as well.

✓ **8. Training and Development:** Management should plan for change. Based on the change plan, the job should be redesigned. Management should train the employees before-hand and prepare the employees to invite change. Normally, trained and developed employees will not resist change as they cannot keep quiet with enriched skill and knowledge.

✓ **9. Career Planning and Development:** Organisation on the basis of change plans and redesigned jobs should plan for careers of employees, possibilities to move the employees to the higher levels and develop them. The developed employees for future careers demand the management to implement change.

✓ **10. Organisation Development:** Organisation development aims at moulding and development of employees in the psychological and behavioural areas with a view to achieve organisational effectiveness. Employees with enriched behaviours welcome the change.

Principles of Change

Management should also follow the undermentioned principles of change:

- ✓ (1) Understanding the change itself, its purpose, its benefits and then making them understand to the employees.
- ✓ (2) Estimating the reasons for the possible resistance to change and preparing to allay their fears.
- ✓ (3) Mindful of channels of authority.
- ✓ (4) Preparedness for all the questions and criticism.
- ✓ (5) Listening to the suggestions and criticism of employees and incorporating them in the scheme as far as possible.
- ✓ (6) Creating interest in them, convincing them and preparing them.
- ✓ (7) Keeping in touch with the process of change.



ORGANISATION DEVELOPMENT

History of Organisation Development

Douglas McGregor served as resource person to help Union Carbide Corporation to create an OD capability where OD department was set up in 1962. French and Bell who have done most of the work on OD feel that laboratory training and survey feedback are the main stems of OD. Sensitivity training programmes were conducted to managers under the OD movement. OD is still developing and evolving.

What is OD?

Different managers view differently and various authors have given a variety of definitions about OD. Warren G. Bennis defines OD as "a complex educational strategy intended to change the beliefs, attitudes, values and structure of organisations so that they can better adapt to new technologies, markets and challenges and the dizzying rate of change itself."

Dale S. Beach defined OD as "a complex educational strategy designed to increase organisational effectiveness and wealth through planned intervention by a consultant using theory and techniques of applied behavioural service."

Wendell L. French and Cecil H. Bell Jr. defined OD as "a long-range effort to improve an organisation's problem solving and renewal processes, particularly through a more effective and collaborative management of organisation culture — with special emphasis on the culture of formal work teams — with the assistance of a change agent, or a catalyst and the use of the theory and technology of applied behaviour science, including action research."

It is clear from these definitions that OD has emerged in response to needs — primarily because of the inadequacy of training and executive development programmes and secondly due to fast pace of change itself. It is further clear from these definitions that:

- (1) OD is a broader concept and includes management development and training as its sub-systems as the primary objective of OD is to change the nature of total organisation.
- (2) OD is not a separate discipline but it heavily draws from other disciplines like psychology, sociology, anthropology etc.
- (3) OD is based upon theory and research.
- (4) OD is concerned with people for increasing organisational effectiveness.
- (5) OD is also concerned with improving organisational climate and culture.

Characteristics of OD

An indepth study of the definitions of OD indicates the following characteristics of OD. They are:

- (1) OD focusses on the whole organisation to assure that all parts of the organisation are well co-ordinated.
- (2) OD is concerned with the interaction and interrelation among its various sub-systems as it utilises systems model.
- (3) OD used one or more change agents who stimulate and co-ordinate the change within a group. Some organisations employ the change agents while some others have their own change agents within their organisation.
- (4) OD is concerned with problem solving approach as it seeks to solve the problems rather than merely discussing them.
- (5) OD emphasises learning by experience. As such, participants are expected to learn by experience.
- (6) OD utilises group processes like group discussions, inter-group conflicts, collaboration and cooperation.
- (7) OD provides feedback data and information to the participants.
- (8) OD is a long-term approach to improve the overall organisational effectiveness.
- (9) OD is research based as most of its interventions are based on research findings.

Values of OD Movement

OD movement is composed of various professionals like the behavioural researchers, consultants, business executives etc. There are a number of values of this profession. The important among them are:

- (1) **People are Basically Good:** OD movement believes the assumptions of Theory of Y of McGregor. As such, it emphasises on supportive and relative opportunities for growth. Self-control and personal responsibility are to be provided to the employees in an organisation rather than using controls and punishments.
- (2) **Need for Confirmation and Support:** Every new employee needs confirmation and support of others. He is conditioned to believe that no 'news is good news' as he may be afraid of the negative aspects of support and security. Hence, when the new employee is appointed, he is to be taken into confidence, invited to the work place and into the association for discussion on his personal and work related issues in private meetings.
- (3) **Accepting Differences among People:** People have different backgrounds, experiences, opinions and ideas, viewpoints and personality. Organisation is benefited by the differences in backgrounds, personality and viewpoints of employees.
- (4) **Expressing Feelings and Emotions:** Allowing the people to be rational, to express their feelings, sentiments, emotion, anger or tenderness is important. Full range of expression of feelings result in high motivation, commitment and creative ability. The people may be allowed to exhibit their anger, emotion and exhilaration.
- (5) **Authenticity, Openness and Directness:** Most of the people exhibit duplicity, tell half-truths and mask their true motives. Such behaviour inhibits the growth of the individuals and productivity as the resources are misused in this process. Honesty and directness enable people to put their energies into the real problems and improve effectiveness.
- (6) **Fostering Cooperation:** Some executives adopt the rule of divide and manage. Thus, they believe in win-lose competition for various employee benefits. This style results in wastage of human and other resources. Hence, executives should create and develop cooperation among employees for effectiveness.
- (7) **Giving Attention:** Giving attention to process activities not only at the time of assigning activities and bringing relations among employees but also at the later stages.
- (8) **Confronting Conflict:** Some executives suppress the conflict. But it has its long-run effect on employee morale. Hence, identifying the root causes of the problem and working out a satisfactory solution rather than suppressing the conflict are needed.

OD Objectives

Organisation development efforts broadly aim at improving the organisational effectiveness and job satisfaction of the employees. These aims can be attained by humanising the organisations and encouraging the personal growth of individual employees. Specifically, the OD Objectives are:

- (1) To increase openness of communication among people.
- (2) To increase commitment, self-direction and self-control.
- (3) To encourage the people who are at the helm of affairs or close to the point of actual action to make the decisions regarding their issues through collaborative effort.
- (4) To involve the members in the process of analysis and implementation.
- (5) To encourage the confrontation regarding organisational problems with a view to arriving at effective decisions.

- (6) To enhance personal enthusiasm and satisfaction levels.
 - (7) To increase the level of trust and support among employees.
 - (8) To develop strategic solutions to problems with higher frequency.
 - (9) To increase the level of individual and group responsibility in planning and execution.
- Companies manage the change process through organization development techniques in order to create sound culture.

Organisational Culture

Meaning: "Organisation culture is a system of shared meaning held by members that distinguishes one organization from the other organisations. For example HRM policies and practices of Procter and Gamble are aligned to employee needs and not to their levels.

Factors: Organisational cultural factors include:

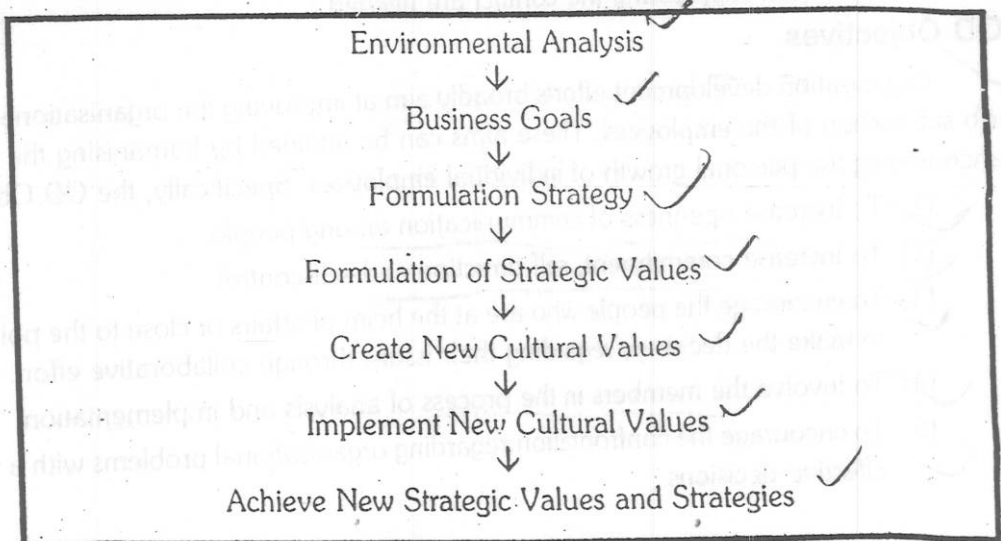
- Innovation and Risk taking
- Attention to detail
- Outcome-orientation
- People orientation
- Team orientation
- Aggressiveness
- Stability
- Rapid change
- Customer-orientation

These are different cultural concepts viz.

- Dominant culture
- Sub cultures
- Core values
- Strong cultures
- Weak cultures
- Mechanistic and organic cultures
- Authoritarian and participative cultures.

Creation of Culture: Companies during the early days concentrate on manufacturing and marketing and concentrate on culture at the later stage with a view to develop business alongwith new studies. The process of culture creation is presented in Fig.14.1.

Figure 14.1
Process of Culture Creation



Motivation and Job Satisfaction

• Definitions of Motivation • Objectives of Motivation • Theories of Motivation — Maslow's Theory of Hierarchy of Needs — Herzberg's Two Factor Theory — Vroom's Expectancy Theory of Motivation — Alderfer's ERG Theory — The Porter and Lawler Model Expectancy Theory — Equity Theory of Work Motivation • Job Satisfaction — Meaning — Factors of Job Satisfaction

Opening Corporate Example: Motivation Levels at L&G

LG Electronics India strives to maintain peak motivation levels. The company pays performance-linked bonus once in every six months and special achievements bonus at one time. The MD takes his lunch with a different team every week. HR Manager visits employee

homes and explains what employees do. The company reserves seats to employees' children in good schools. Family get-togethers are common. Company checks workaholic tendencies. Every employee should take a minimum six-day vacation in every year.

(Source: Ibid)

After the payment of salary and other benefits to an employee, management has to motivate the employee to contribute the human resources to the company. We deal this chapter in the following lines.



DEFINITIONS

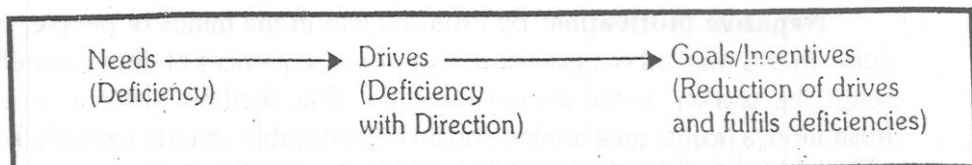
Motivation is derived from the word 'Motive.' "A motive is an inner state that energizes, activates or moves and directs or channels behaviour towards goals."

"Motivation represents an unsatisfied need which creates a state of tension or disequilibrium, causing the individual to move in a goal directed pattern towards restoring a state of equilibrium by satisfying the need." According to the Encyclopaedia of Management, "motivation refers to the degree of readiness of an organisation to pursue some designated goal and implies the determination of the nature and locus of the forces, including the degree of readiness."

Motivation is a process that starts with a physiological or psychological deficiency or need that activates behaviour or a drive that is aimed at a goal or 'incentive'. Thus, the process of motivation lies in the meaning of and relationship among needs, drives and incentives (Fig. 18.1).

Figure 18.1

The Basic Motivation Process



Need: Need is deficiency. Needs are created whenever there is a physiological or psychological imbalance.

Drive: Drive is a deficiency with direction. They are action-oriented and provide an emerging thrust towards goal accomplishment.

Incentives: Incentive is anything that will alleviate a need to reduce a drive.

Objective of Motivation: It is a bare fact that most of us use only a small portion of our mental and physical abilities. To exploit the unused potential in people, they are to be motivated. Needless to say that such exploitation results in greater efficiency, higher production and better standard of living of the people.

Types of Motivation: There are two ways by which people can be motivated. One is a positive approach or pull-mechanism and another is a negative approach or push-mechanism.

Positive Motivation: People are said to be motivated positively when they are shown a reward and the way to achieve it. Such a reward may be financial or non-financial. Monetary motivation may include different incentives, wage plans, productive bonus schemes etc. Non-monetary motivation may include praise for the work, participation in management, social recognition etc. Monetary incentives provide the worker a better standard of life while non-monetary incentives satisfy the ego of a man. Positive motivation seeks to create an optimistic atmosphere in the enterprise. (See Box 18.1).

Box 18.1 How to Motivate Subordinates?	
<ul style="list-style-type: none"> • Respect your subordinate as a human being and individual • Don't compare others with your subordinate. But compare the Role Models • To err is human • Be flexible • Appreciate work • Balance of work • Give feedback • Tell truth i.e., trustworthiness • Be fair, equitable, unprejudice, impartial, objective • Be open-minded • Make judgements, don't be judgemental • Possess ability to motivate • Fulfil individual aspirations 	
<p>(Source: Human Capital, July 2001, p.50)</p>	

Negative Motivation: By installing fear in the minds of people, one can get the desired work done. In this method of motivation, fear of consequences of doing something or not doing something keeps the worker in the desired direction. This method has got several limitations. Fear creates frustration, a hostile state of mind and an unfavourable attitude towards the job which hinders efficiency and productivity. So, the use of it should be kept to its minimum.

Job Satisfaction

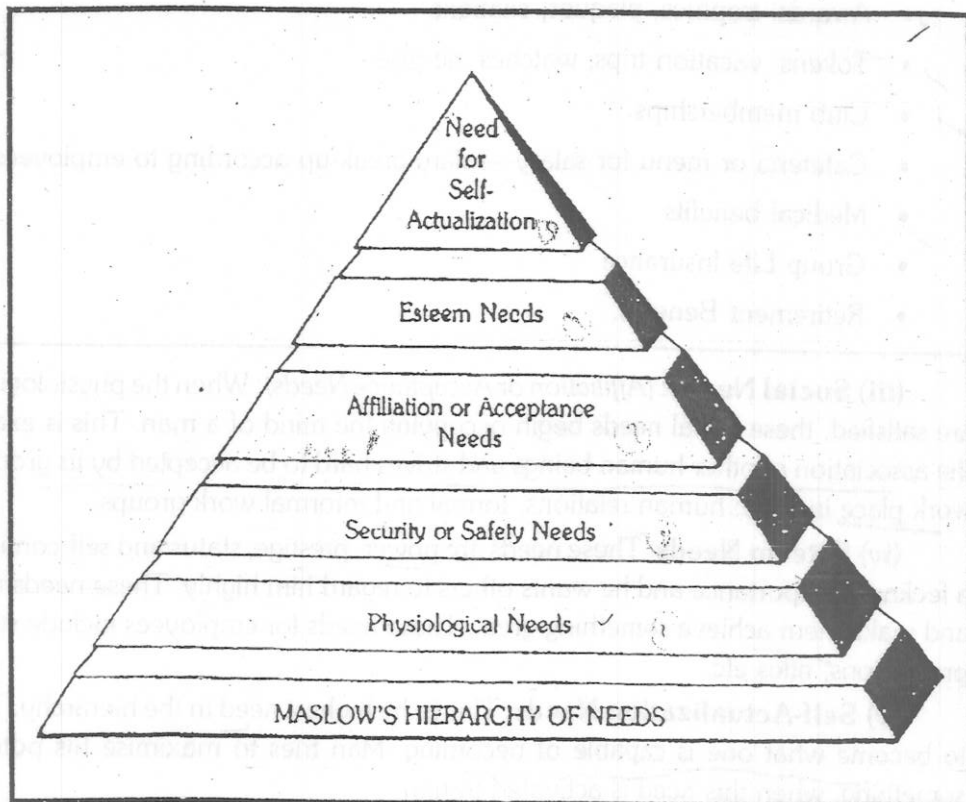
THEORIES OF MOTIVATION

There are several theories on motivation. The significant among them are: Maslow's Hierarchy of Needs, Herzberg's Two-factor Theory, Vroom's Expectancy Theory, Alderfer's ERG Theory and the Porter and Lawler's Expectancy Theory and Equity Theory of Work Motivation.

1. Maslow's Theory of Hierarchy of Needs

According to Maslow, human needs form a hierarchy, starting at the bottom with the physiological needs and ascending to the highest need of self-actualisation as shown in Fig. 18.2. He says when one set of needs are satisfied, they no longer work as motivators as a man seeks to satisfy the next higher level needs.

Figure 18.2



The Need Hierarchy

(i) Physiological Needs: These are the basic necessities of human life — food, water, warmth, shelter, sleep and sexual satisfaction. Maslow says that until these needs are satisfied to the required level, man does not aim for the satisfaction of the next higher level needs. As far as work organisation is concerned, these needs include basic needs like pay, allowance, incentives and benefits. (See Box 18.2).

(ii) Security/Safety Needs: These refer to the need to be free of physical danger or the feeling of loss of food, job or shelter. When the physiological needs are satisfied, man starts thinking of the way by which he can continue to satisfy these physiological needs. Security needs spring up the moment he makes an effort in the direction of providing himself the source of continuity of physiological needs. This is exactly the reason why attitude towards security is an important consideration in choosing job. These needs as far as work organisation is concerned include: conformity, security plans, membership in unions, severance pay etc.

Box 18.2 Monetary and Non-Monetary Motivators

Monetary Motivators

- Pay in-conformity with market trend
- Skill-based reward system
- Merit pay
- Employee stock option
- Performance Bonus

Non-Monetary Motivators

- Awards: trophies, plaques, citations
- Tokens: vacation trips, watches, tie-pins
- Club memberships
- Cafeteria or menu for salary—salary break-up according to employees' choice
- Medical benefits
- Group Life Insurance
- Retirement Benefits.

(iii) Social Needs: (*Affiliation or Acceptance Needs*): When the physiological and security needs are satisfied, these social needs begin occupying the mind of a man. This is exactly why he looks for the association of other human beings and strives hard to be accepted by its group. Social needs at the work place include: human relations, formal and informal work groups.

(iv) Esteem Needs: These needs are power, prestige, status and self-confidence. Every man has a feeling of importance and he wants others to regard him highly. These needs make people aim high and make them achieve something great. These needs for employees include status symbols, awards, promotions, titles etc.

(v) Self-Actualization Needs: This is the highest need in the hierarchy. This refers to the desire to become what one is capable of becoming. Man tries to maximise his potential and accomplish something, when this need is activated in him.

Critical Analysis of Malsow's Theory: The first question that arises is "do needs follow hierarchy?" Studies and surveys conducted by experts reveal that needs do follow hierarchy to some extent. But it should be remembered that it cannot be generalised in the sense that needs do not necessarily follow the same hierarchy among all people at all times. It also depends on the cultural values and personality of the individuals and their environment. But it is true that psychological needs would emerge only after the physiological needs are satisfied.

2. Herzberg's Two-Factor Theory

Maslow's theory has been modified by Herzberg and he called it two-factor theory of motivation. According to him, the first group of needs are such things as company policy and administration, supervision, working conditions, interpersonnel relations, salary, status, job security and personal life. Herzberg called these factors as 'dissatisfiers' and not motivators. By this, he means that their presence or existence does not motivate in the sense of yielding satisfaction, but their absence would result in dissatisfaction. These are also referred to as 'hygiene' factors (See Fig. 18.3).

Figure 18.3

Herzberg's Classification of Maintenance and Motivational Factors

Maintenance Factors or Dissatisfiers or Hygiene Factors	Motivational Factors or Satisfiers
Job Context	Job Content
Extrinsic Factor	Intrinsic Factors
Company Policy and Administration	Achievement
Quality of Supervision	Recognition
Relations with Supervisors	Advancement
Peer Relations	Work Itself
Relations with Subordinates	Possibility of Growth
Pay	Responsibility
Job Security	
Work Conditions	
Status	

In the second group are the 'satisfiers', in the sense that they are motivators, which are related to 'job content.' He included the factors of achievement, recognition, challenging work, advancement and growth in the job. He says that their presence will yield feelings of satisfaction or no satisfaction, but not dissatisfaction.

Comparison of Maslow's and Herzberg's Models: If we compare Herzberg and Maslow's models, we can see that Herzberg's theory is not much different from that of Maslow. Most of the maintenance factors of Herzberg come under low level needs of Maslow (See Fig. 18.4). Maslow says when the lower level needs are satisfied, they stop being motivators and what Herzberg says is the same in the sense that they are maintenance factors (not motivators). But one particular difference that can be talked off here is that Maslow emphasises that any unsatisfied need, whether of lower or higher level, will motivate people and Herzberg clearly identifies certain needs and calls them as maintenance factors which can never be motivators.

Figure 18.4

Comparison of Maslow's, Herzberg's and Alderfer's ERG Models.

Herzberg's Model	Maslow's Model	Alderfer's Model
Motivating	5. Need for Self-Actualisation	GROWTH
Maintenance Factors	4. Esteem Needs	RELATEDNESS
	3. Affiliation or Acceptance Needs	EXISTENCE
	2. Security or Safety Needs	
	1. Physiological Needs	

3. Vroom's Expectancy Theory of Motivation

Victor Vroom felt that content models were inadequate explanations of the complex process of work motivation and he developed the relatively new theory of motivation. According to his theory, motivation of any individual depends on the desired goal and the strength of his expectation of achieving the goal. Vroom's model is built mainly on three concepts — balance instrumentality and expectancy (See Fig. 18.5).

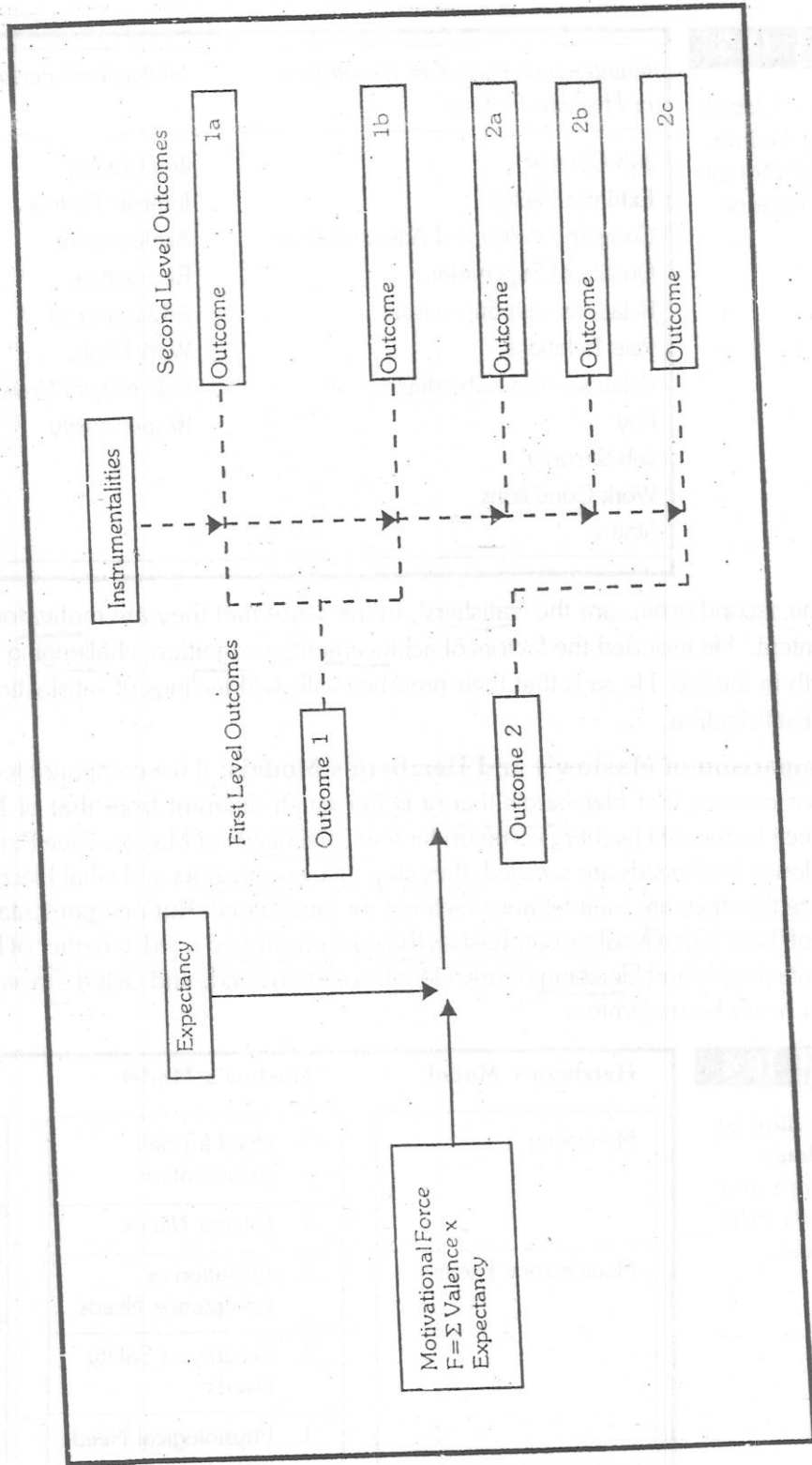


Figure 18.5
The Vroom's
Expectancy
Theory of Work
Motivation

Job Satisfaction

Valance: Vroom says that valance is the strength of an individual's preference for a particular outcome. It can be taken as equivalent of value, incentive, attitude and expected utility. For the valance to be positive, the person must prefer attaining the outcome to not attaining. A valance of zero occurs, when the individual is indifferent towards the outcome. The valance is negative when the individual prefers not attaining outcome to attaining it.

Instrumentality: Another major input into the valance is the instrumentality of the first level outcome in obtaining the desired second level outcome. For example, assume that an individual desires promotion and feels that superior performance is a very strong factor in achieving that goal. His first outcomes are then superior, average or of poor performance. His second level outcome is promotion. The first level outcome of high performance thus acquired a positive valance by virtue of its expected relationship to the preferred outcome of second level promotion. In this case, the person is motivated to achieve superior performance because he has the desire to be promoted. The superior performance (first level outcome) is seen as being instrumental in obtaining promotion (second level outcome).

Expectancy: The third major variable in Vroom's theory is expectancy. Though the expectancy and the instrumentality appear to be the same at the first glance, they are quite different. Expectancy is a probability (ranging from 0 to 1) or strength of a belief that a particular action or effort will lead to a particular first level outcome. Instrumentality refers to the degree to which a first level outcome will lead to the second level outcome. Vroom says the sum of these variables is motivation.

4. Alderfer's ERG Theory

Alderfer also feels that needs should be categorised and that there is basic distinction between lower order needs and higher order needs. Alderfer identifies three groups of needs, viz., Existence, Relatedness and Growth and that is why his theory is called ERG theory. The existence needs are concerned with survival or physiological well-being. The relatedness needs talk of the importance of interpersonal and social relationships. The growth needs are concerned with the individual's intrinsic desire for personal development. This theory is somewhat similar to that of Maslow's and Herzberg's models. But unlike Maslow and Herzberg, he does not assert that a lower level need has to be satisfied before a higher level need, nor does he say that deprivation is the only way to activate a need. So, a person's background and cultural environment may make him think of relatedness needs or growth needs though his existence needs are unfulfilled.

5. The Porter and Lawler Model Expectancy Theory

All the content theories assume that satisfaction leads to improved performance. However, it was later found that there is a very low positive relationship between satisfaction and performance. Lyman W. Porter and Edward E. Lawler exploded the complex relationship between motivation, satisfaction and performance (See Fig. 18.6). According to them, performance is a function of three important factors, viz.:

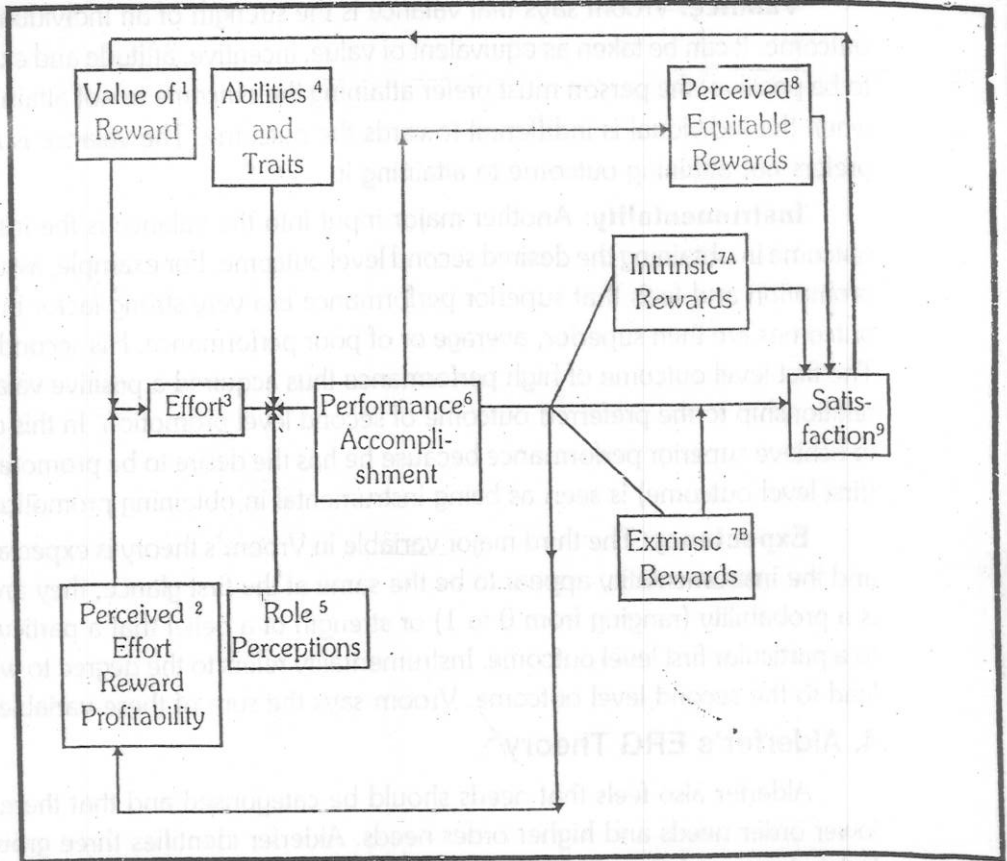
- (i) If an employee wants to perform, he must be motivated.
- (ii) Motivation alone does not ensure performance and hence a person must have the necessary abilities and skills as well.
- (iii) An employee must have an accurate knowledge of the requirements of the job.

The following are the key-variables in this model:

Motivation: Satisfaction and Performance.

Figure 18.6

The Porter - Law Motivation Model



(Source: Fred Luthans, op. cit., p. 249).

1 Effort: Effort does not directly lead to specific levels of performance. Effort is only the amount of energy exerted by an individual to achieve a specific task. It is only the result of the attractiveness of the reward and how he perceives a relation between effort and pay off. The individual will exert greater effort if he perceives that there is a greater probability that his effort will lead to the reward. So, motivation is seen as a force on the employee to expect effort.

2 Performance: Effort alone is not enough, as performance results only when the effort is continued with the ability. Effort and performance cannot be taken as the same.

3 Reward: A person gets intrinsic reward himself by performing a task well. Intrinsic reward will be a feeling of accomplishment. Extrinsic rewards like pay, promotion and status are offered by the organisation.

4 Satisfaction: The satisfaction depends on the perceived rewards and the actual rewards. If an individual feels that he should have received more for what he had done, it results in dissatisfaction and vice versa.

Thus, motivation and achievement result in satisfaction or dissatisfaction of an employee about the job, organisation and the like.

6. Equity Theory of Work Motivation

Credit of developing this theory goes to J. Stacy Adams. This theory argues that a major input into job performance and satisfaction is the degree of equity (or inequity) that people perceive in their work situation. Inequity occurs when a person perceives that the ratio of his or her outcomes to inputs and the ratio of relevant other's outcome to inputs are unequal. Schematically, this is represented as follows:

Job Satisfaction

Person's outcomes	<	Other's outcomes
Person's inputs		Other's inputs
Person's outcomes	>	Other's outcomes
Person's inputs		Other's inputs
Equity occurs when:		
Person's outcomes	=	Other's outcomes
Person's inputs		Other's inputs

Both the inputs and the outputs of a person and others are based upon the person's perceptions. Age, sex, education, economic and social status, position in the organisation etc. are examples of perceived input variables. Outcomes consist of rewards like pay, status, promotion and intrinsic interest in the job.

If the person's perceived ratio is not equal to the other's, he or she will strive to restore the ratio to equity. Thus, the work motivation of oneself depends upon other's inputs, output and one's perceived output.

JOB SATISFACTION

Meaning of Job Satisfaction

Job satisfaction refers to a person's feeling of satisfaction on the job, which acts as a motivation to work. It is not self-satisfaction, happiness or self-contentment but satisfaction on the job.

The term relates to the total relationship between an individual and the employer for which he is paid. Satisfaction does mean the simple feeling-state accompanying the attainment of any goal, the end-state is feeling accompanying the attainment by an impulse of its objective. Job dissatisfaction does mean absence of motivation at work. Research workers differently described the factors contributing to job satisfaction and job dissatisfaction. Hoppock describes job satisfaction as "any combination of psychological, physiological and environmental circumstances that cause any person truthfully to say that I am satisfied with my job."

Job satisfaction is defined as the "pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values." In contrast, job dissatisfaction is defined as "the unpleasurable emotional state resulting from the appraisal of one's job as frustrating or blocking the attainment of one's job values or as entailing disvalues." However, both satisfaction and dissatisfaction were seen as "a function of the perceived relationship between what one perceives it as offering one entailing." (See Box 18.3).

Factors of Job Satisfaction

Job satisfaction refers to a general attitude which an employee retains on account of many specific attitudes in the following areas: (1) Job satisfaction, (2) Individual characteristics, and (3) Relationships outside the job. There are different factors on which job satisfaction depends. Important among them are discussed hereunder.

Personal Factors: They include workers' sex, education, age, marital status and their personal characteristics, family background, socio-economic background and the like.

Box 18.3 A Satisfied Employee Says...

- ✓ I like the nature of work that I do
- ✓ My work gives me a sense of accomplishment
- ✓ I am proud to say that I work at Sears
- ✓ The amount of work I am expected to do influences my overall attitude about the job most positively
- ✓ My physical working conditions influence my overall attitude about my job most positively
- ✓ The way my boss treated me and supervised me influenced my overall attitude about my job
- ✓ I feel this company has bright prospects
 - Sears is making the changes necessary to compete effectively
- ✓ I understand our business strategy
- ✓ I see and understand the link between my job and company strategy.

Factors Inherent in the Job: These factors have recently been studied and found to be important in the selection of employees. Instead of being guided by their co-workers and supervisors, the skilled workers would rather like to be guided by their own inclination to choose jobs in consideration of 'what they have to do'. These factors include: the work itself, conditions, influence of internal and external environment on the job which are uncontrolled by the management etc.

Factors Controlled by the Management: They include the nature of supervision, job security, kind of work group, wage rate, promotional opportunities, transfer policy, duration of work and sense of responsibilities. All these factors greatly influence the workers. Their presence in the organisation motivates the workers and provides a sense of job satisfaction.

Though performance and job satisfaction are influenced by different set of factors, these two can be related if management links rewards to performance. It is viewed that job satisfaction is a consequence of performance rather than a cause of it. Satisfaction strongly influences the productive efficiency of an organisation whereas absenteeism, employee turnover, alcoholism, irresponsibility and uncommitments are the result of job dissatisfaction. However, job satisfaction or dissatisfaction forms opinions about the job and the organisation which results in employee morale.

Questions for Discussion

1. "Money motivates men at all levels". Explain.
2. What do you mean by Motivation?
3. Explain the significance of Motivation.
4. What are the various hygienic factors?
5. Explain the role of rewards and punishments in Motivation.
6. Explain the various theories of motivation.
7. Critically study the various needs under Maslow's Theory of motivation.
8. What is system approach of motivation? Explain it clearly in relation to individual and group motivation.
9. What is job satisfaction? Explain the factors affecting job satisfaction.

How Training Benefits the Organisation

How Training Benefits the Organisation

- Leads to improved profitability and/or more positive attitudes toward profit orientation
- Improves the job knowledge and skills at all levels of the organisation
- Improves the morale of the workforce
- Helps people identify with organisational goals
- Helps create a better corporate image
- Fosters authenticity, openness and trust
- Improves relationship between boss and subordinate
- Aids in organisational development
- Learns from the trainee
- Helps prepare guidelines for work
- Aids in understanding and carrying out organisational policies
- Provides information for future needs in all areas of the organisation
- Organisation gets more effective decision making and problem solving skills
- Aids in development for promotion from within
- Aids in developing leadership skills, motivation, loyalty, better attitudes, and other aspects that successful workers and managers usually display
- Aids in increasing productivity and/or quality of work
- Helps keep costs down in many areas, e.g. production, personnel, administration, etc.
- Develops a sense of responsibility to the organisation for being competent and knowledgeable
- Improves labour-management relations
- Reduces outside consulting costs by utilising competent internal consultation
- Stimulates preventive management as opposed to putting out fires
- Eliminates suboptimal behaviour (such as hiding tools)
- Creates an appropriate climate for growth, communication
- Aids in improving organisational communication
- Helps employees adjust to change
- Aids in handling conflict, thereby helping to prevent stress and tension.

Benefits to the Individual Which In Turn Ultimately Should Benefit the Organisation

- Helps the individual in making better decisions and effective problem solving
- Through training and development, motivational variables of recognition, achievement, growth, responsibility and advancement are internalised and operationalised
- Aids in encouraging and achieving self-development and self-confidence
- Helps a person handle stress, tension, frustration and conflict
- Provides information for improving leadership, knowledge, communication skills and attitudes
- Increases job satisfaction and recognition
- Moves a person towards personal goals while improving interactive skills
- Satisfies personal needs of the trainer (and trainee)
- Provides the trainee an avenue for growth and a say in his/her own future
- Develops a sense of growth in learning
- Helps a person develop speaking and listening skills; also writing skills when exercises are required
- Helps eliminate fear in attempting new tasks

Benefits in Personnel and Human Relations, Intragroup and Intergroup Relations and Policy Implementation

- Improves communication between groups and individuals
- Aids in orientation for new employees and those taking new jobs through transfer or promotion
- Provides information on equal opportunity and affirmative action
- Provides information on other governmental laws and administrative policies
- Improves interpersonal skills
- Makes organisational policies, rules and regulations viable
- Improves morale
- Builds cohesiveness in groups
- Provides a good climate for learning, growth, and co-ordination
- Makes the organisation a better place to work and live.

8-10-1. normal
12-15-1. high
25-1. - low.
must have 5%.

empowerment :- having the ability,
to control the
situation & get something done