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Organizational Behavior and Its Impact on Employee Performance

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Abstract: Today's organizational is predominantly dynamic that pose enormous opportunities and challenges to the corporate practitioners and policy makers. Understanding such dynamism is very crucial to pursue the organizational strategic objectives. Organizational Behaviour has certain factors that improve sustainability on basis of effectiveness. The improvement in productivity leads to employee commitment as norms, values and objectives helps in improving culture of an organization. The system of organization was based upon effective establishment of culture that keep learning environment strong. The performance of employees improves by establishment of strong culture of an organization. The employee performance would be considered as backbone organization as it leads to its development effectively. The loyalty of employee relies upon knowledge and awareness of culture that improves behaviour of organization.

Keywords - Organization, Impact, Employee, Performance.

I. INTRODUCTION

Organisations are as old as the human race. As time passed, the people realised that they could collectively satisfy their wants in a much effective manner. Thus, they got together to satisfy their needs and wants.

Individuals who feel that they have skills, talents and knowledge form groups to produce the goods and services. Organisation is a group of people who work together to achieve some purpose. The people working together expect each other to complete certain tasks in an organised way.

Organisations are an inevitable part of human life. Organisation help to increase specialisation and division of labour, use large scale technology, manage the external environment, helps to economize on transaction costs and to exert power and control. Globalization has presented many challenges and opportunities for Organisations. It is imperative that the organisations function effectively. ***Organisational effectiveness*** requires that they should provide good quality goods and services at reasonable cost. Besides, every organisation must satisfy the stake of its stakeholders. The extent of satisfaction derived by stakeholders shows the effectiveness of the organisation. It is the responsibility of the managers to keep the interest holders satisfied. Managers are responsible for the functioning of the organisation. They get the work done through people. They allocate the resources, direct the activities of others, and take decisions to attain organisational goals. It is here that organisational behaviour comes into play. Organisational behaviour helps the managers in achieving organisational effectiveness. It helps to harness the necessary expertise, skills and knowledge to achieve organisational goals.

The management of people at work is an integral part of the management process. To understand the critical importance of people in the organization is relatively on its effectiveness to degree to which achieves its goal. To recognize that the human element and the organization are synonymous. A well managed organization usually sees an average worker as the root source of quality and productivity gains, to capital investment. But to employees as the fundamental sources of improvement. An organization is effective to the degree to which it achieves its goals.

An effective organization will make sure that there is a spirit, of cooperation and sense of sphere of its influence. As organization battle to get the most from their existing employee in an environment characterized by skill shortages such the role of human resource practices in the organization in fostering employee engagement and commitment is paramount, in doing this many organizations is aware of the significant impact both positive and negative that employee have on, organizational performance and productivity.

Employees play a significant role in the dynamics of a small business work environment. If you're a productive employee with a good attitude who exhibits professional behavior, you can help the business to succeed and further your career. If you have a poor disposition, are unconcerned about the success of your employer, and you outwardly display hostility toward management, colleagues and consumers, you can hurt the company and jeopardize your career.

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II. EMPLOYEE MOTIVATION AND EMPLOYEE SATISFACTION

Work plays a dominant role in our lives. It occupies more of our time than any other activity. We define ourselves in part by our career or profession, it is very difficult to enjoy life without doing some productive work, and any activity which has so much importance must evoke strong positive or negative reactions from and these reactions tell how satisfied or dissatisfied one is with his/her work. Job satisfaction is so important in that its absence often leads to lethargy and reduced organizational commitment (Levinson, 1997, Moser, 1997). Lack of job satisfaction is a predictor of quitting a job (Alexander, Lichtenstein and Hellmann, 1997; Jamal, 1997).

One of the most important factors that lead one to their goals is the drive. This drive is known as motivation. It is a zest and determination with a kind of excitement that leads one to persevere to reach greater heights, in no matter what avenue of their life; be it personal or professional. The drive may come from an internal or external source. The individual determines this. If managers know what drives the people working for them, they can tailor job assignments and rewards to what makes these people ìtick.î Motivation can also be conceived of as whatever it takes to encourage workers to perform by fulfilling or appealing to their needs. According to Olajide (2000), it is goal-directed, and therefore cannot be outside the goals of any organization whether public, private, or nonprofit.

Akintoye (2000) asserts that money remains the most significant motivational strategy. Though way back Abraham Maslow (1943), gave a model that shows that factors that motivate an individual keep changing as one climbs the ladder of age and maturity. And also, achievement of one goal sets the ball rolling for another one to be achieved. Thus, to be motivated is a constant need. There are times when one faces a period of de-motivation and everything seems bleak. It is then that they need to find what would motivate them back into action.

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According to Carlyle's “Great Man Theory” (1888) an organization's achievements are its employee's achievements. This theory shows how important employees are for an organization and how important it is that they are satisfied, motivated and hence productive. As it is a well known fact that these two factors i.e., Motivation and Job Satisfaction have a great impact on the performance of an employee as well as the organization thus, the study of relationship between these two variables unarguably becomes a topic of prime importance and of great interest for study and further research. Before moving further let us look at what other prominent and eminent researchers have to say about these two factors or what they have found earlier in their studies.

JOB SATISFACTION OF EMPLOYEE

Despite its wide usage in scientific research, as well as in everyday life, there is still no general agreement regarding what job satisfaction is. In fact there is no final definition on what job represents. Therefore before a definition on job satisfaction can be givven , the nature and importance of work as a universal human activity must be considered.

Different authors have different approaches towards defining job satisfaction. Some of the most commonly cited definitions on job satisfaction are analysed in the text that follows.

Hoppock defined job satisfaction as any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say I am satisfied with my job (Hoppock, 1935). According to this approach although job satisfaction is under the influence of many external factors, it remains something internal that has to do with the way how the employee feels. That is job satisfaction presents a set of factors that cause a feeling of satisfaction.

Vroom in his definition on job satisfaction focuses on the role of the employee in the workplace. Thus he defines job satisfaction as affective orientations on the part of individuals toward work roles which they are presently occupying (Vroom, 1964).

According to Nancy C. Morse (1997) “Satisfaction refers to the level of fulfillment of one‟s needs, wants and desire. Satisfaction depends basically upon what an individual wants from the world, and what he gets.” Employee satisfaction is a measure of how happy workers are with their job and working environment. It is sure that there may be many factors affecting the organizational effectiveness and one of them is the employee satisfaction. Effective organizations should have a culture that encourages the employee satisfaction, Bhatti & Qureshi, (2007)

Employees are more loyal and productive when they are satisfied Hunter & Tietyen, (1997), and these satisfied employees affect the customer satisfaction and organizational productivity, Potterfield, (1999). There is no limit for the employees to reach the full satisfaction and it may vary from employee to employee. Sometimes they need to change their behaviors in order to execute their duties more effectively to gain greater job satisfaction,

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Miller, (2006). Having good relationships with the colleagues, high salary, good working conditions, training and education opportunities, career developments or any other benefits may be related with the increasing of employee satisfaction

"Employee satisfaction is the terminology used to describe whether employees are happy, contended and fulfilling their desires and needs at work. Many measures support that employee satisfaction is a factor in employee motivation, employee goal achievement and positive employee morale in the work place." Susan M.

Heath field (About.Com). Cranny, Smith & stone (1992) defined ES as the combination of affective reactions to the differential perceptions of what he/she wants to receive compared with he/she actually receives. According to Moyes, Shao & Newsome (2008) the employee satisfaction may be described as how pleased an employee is with his or her position of employment. As Spector (1997) defined job satisfaction as all the feelings that a given individual has about his/her job and its various aspects. Employee satisfaction is a comprehensive term that comprises job satisfaction of employees and their satisfaction overall with companies" policies, company environment etc.

III. ORGANISATIONAL CULTURE AND EMPLOYEE

The different attributes of culture have been arranged on basis of norms and attitudes which help in differentiating one firm from another. (Forehand and von Gilmer, 1964) The process of thinking helps in establishing one member from another on basis of cognitive thinking (Hofstede, 1980). The success guidance based upon different values and norm that makes culture effective (Schein, 1990). The set of beliefs, behaviours, norms and values helps in making culture most effective (Kotter and Heskett ,1992). The knowledge of culture have been gained through understanding and beliefs on basis of large groups.

Culture is defined as a mixture of values, sets, beliefs, communications and explanation of behaviour that provides guidance to people.

The main idea of culture comes from sharing in learning processes that have been based upon systematic allocation of resources. (Titiev, 1959) The cognitive systems of human that helps in improving thinking and decision making were based upon organization culture. (Pettigrew 1979) The multifaceted set of beliefs, assumptions and values helps in presenting different level of culture by conducting business at an effective manner. The normative glue based upon organization culture helps in holding overall management effectiveness.(Tichy 1982). The concept of effective organization culture helps in improving business decisions. The survival of culture in an organization lies upon national and foreign culture differentiation in culture management. (Schein, 1990) The culture of organization has been affected by attitudes, norms and beliefs that lead to strong communication between employees.

Now a day's organization culture has generally been interrelated to management. (Kotter and Heskett, 1992).The two essential factors that lead to effective culture management include structural stability and integration of superior standard of organization culture. (Schein, 1995) Certain characteristics of organization culture have been established in which set of norms, values and beliefs helps in perfect association between them. (Hodgetts and Luthans, 2003) At different level of organization culture different background, ethics and racial differences impact upon performance. The similar organization culture with different backgrounds has common set of values and beliefs to be effected by organization systems. (Robbins & Sanghi, 2007) The attraction of organization norms, values and beliefs have strong affect upon performance and sustainability. (Stewart, 2010) The norms of employees impact upon sustainable performance and management of organization culture as it leads to attainment of profitability.

Counter Culture

The values and beliefs of organization culture which were shared among different management departments and managers were forced to gain advantage from them come under ountercultures. (Kerr, J.,& Slocum, J. W., Jr. 2005) The organization performance based upon contribution of strong culture leads to strong association between performance and management.

Sub Culture

Subcultures have been defined as organization segments with different sets of norms, values and beliefs on basis of geographical areas, job requirements and department goals.(Schein,1995) The commitment of employees towards organization basis upon employee perception that affects upon culture . (Lok, Westwood and Crawford, 2005) The social interaction of workplace outside organization considers well for some groups.

Strong Culture

The same type of values and beliefs which an employee holds in culture must be considered strong. The beliefs and values of organization were considered strong when employee embraces greater part of culture. (Deal and Kennedy, 1982) The reduction in gaps on employee relationship has been agreed with managers so far. The rules in organization must be considered important for employees. The policies, procedures and objectives designed by top managers must influence upon behaviour of employees so that competitive advantage have been gained.

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Weak Culture

The loosely knit organization cultures that helps in pushing thought, attitudes and beliefs of individuals to be more innovative. The valuable asset contributes to growing needs and wants of culture management.

The loosely joined culture based upon values and beliefs have association with perfect sets. (Deal and Kenndy 1982) The diversity between personal objectives and organizational goals has creative management of rules and procedures so that perfect association have been created between them.

GROUP DYNAMICS AND TEAM PERFORMANCE

In western society, there is evidence to suggest that superior organizational performance may be directly attributed to effective teamwork (Katzenbach and Smith, 1993, Varney, 1989). Perhaps the father of group work and research is Emile Durkheim, who attempted to show that society is based on fundamental solidarity among people. He advances the theory that this solidarity derives from interpersonal relationships among members of primary groups which he defines as a small group of people characterized by face-to face interactions, interdependency and strong group identification

(Tyson and Jackson, 1992). These groups include families, peer groups and groups of co-workers. Research in this area was begun in earnest in 1928 in the USA with the Hawthorne Studies, which led Elton Mayo to propose several critical factors in building productive work teams. Mayo emphasises the central role played by the group leader in facilitating the conditions in which members might feel comfortable and motivated (Mayo, 1933). This work was continued by the social psychologist Kurt Lewin (1890-1947) in the 1930s, who coined the phrase Group Dynamics to explain the conscious and unconscious interacting forces within a small human group that cause it to behave in a particular way. Babington-Smith and Farrell (1979) describe group dynamics as 'the interacting forces within a small human group that cause it to behave in that way.' In 1961, Blake and Mouton's research led them to conclude that management skills can be enriched to enable them to act with greater efficiency in dealing with and through people. Research undertaken with 2000 managers showed that by studying applied group dynamics, mangers can cope with addressing the underlying causes of problems rather than fire-fight. The study contends that improved decision-making can be achieved by participation and communication (Blake and Mouton, 1961).

As a training method for large numbers of leaders, the group dynamics approach was considered by some to be too time-consuming. In its place, T-group methodology was pioneered in the 1950s and 1960s and was successful with groups of strangers, but had mixed results with established work groups. Bradford et al (1964) define the T group as 'a relatively unstructured group in which individuals participate as learners. Dyer (1987) contends that the T-group approach is too unstructured and what is needed in its place is a more focused process for work groups.

After the Second World War, the evidence for social assumptions began to be questioned. Whyte's research concludes that that money is not the prime motivator for employees and this contention led the way to the human relations theories of self actualisation (Whyte, 1955). MacGregor, Argyris and Maslow argue that employees feel alienated because they are unable either to find self-fulfilment or to link their work with overall organizational goals (McGregor, 1960, Maslow 1954, Benne and Sheats, 1948). These assumptions, which McGregor terms as 'Theory Y' challenged classical management methods and suggest that employees should not be controlled, but should be given opportunities to integrate their personal goals with those of the organization. Schein (1988) argues that there is clear evidence that the drive towards self-actualisation is an important aspect of management and professional behaviour, but its relevance to lower-level employee is not as well. He concludes that if workers do not actively seek self-actualisation at work then either they may not be have been given opportunities to express it, or have not yet fulfilled lower order needs.

Douglas (1983) suggests that groups form because of circumstances or friendship. Friendship groups are voluntarily constituted of similarly-minded people, while circumstances may throw together others for example in families, at work or in residential communities. The social value of the group, in both manufacturing and service industries, is more important in the human relations approach to management, because of the recognition that group forces affect the

behaviour of entire organizations (Likert, 1961). Formal groups represent building blocks in the structure that is created by organization with the aim of implementing plans and achieving objectives. Often such formal groups are disposed by work function or task, for example housekeeping or food production departments. Alternatively, they may be set up on a permanent or temporary basis as committees, task forces, strategy teams and so on (Spencer and Pruss, 1992). Proximity to others during the course of work contributes to friendship and association (Festinger et al., 1950), but informal groups arise in hospitality firms from social needs that are not necessarily associated with the work done (Gullen and Rhodes, 1983). These informal groups generate their own culture and values that may conflict with that of the organization, causing resistances to the changes which managers are trying to bring about (Keiser, 1989).

Elton Mayo's experiences in the Hawthorne Studies suggest several critical factors in making work teams productive, including self-determination, consultation and performance

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monitoring (Mayo 1933). It is wrong, however, to assume that all tasks need teamwork and some may be best tacked individually (Klein, 1956). Committees, for example, are not the same as teams, although they also are task-oriented collections of individuals bound by a set of obvious rules. Some aspects of successful team performance include:

- External support and recognition (Likert, 1976)
- Effective feedback and information system that lets people in the organization know where they are in relation to continuous changing of desired states (Beckhard and Harris, 1977) This may be achieved by, for example, periodic team meetings, periodic intergroup meetings, renewal conferences, goal-directed performance review, visits from outside consultants, rewards
- Openness to change, creation of a nonjudgemental atmosphere and shared leadership (Harris and Moran, 1979)
- Internal processes. Coleman (1987) suggests that when teams do well, success is attributed to factors within the team itself; when teams do poorly or lose, such failing team performance is usually attributed to factors outside - presumably beyond the control and blame of the team'
- The creation of a flexible work culture by management that takes account of flexibility and technology (Harris and Harris, 1989). Team management offers the best way to obtain peak performance. Successful management
- promotes team spirit and installs the mechanism and the means to develop team skills in order to energise people and create a team culture
- Clarity of focus (Larson and LaFasto, 1989)

Effective team performance may therefore, be attributed to both effective management and to internal team processes, and there is extensive literature evidence which links teamworking and successful performance. Katzenbach and Smith, for example, argue that teams are the essential organizational units for achieving performance results as well as accelerating personal growth (Katzenbach and Smith 1992). As more attention has been devoted to groups as organizational building blocks (Leavitt, 1975), instead of work being done by individuals, work tasks may be assigned to autonomous groups responsible for specific tasks. Schein (1988) also reports higher quality and greater performance from such work teams in some industries.

IV. LEADERSHIP

"Leadership is one of the most salient aspects of the organisational context. However, defining leadership has been challenging" (Wikipedia, 2009: 1). According to Jones et al., (2006:301) "Leadership is the process by which a person exerts influence over other people and inspires, motivates, and directs their activities to help achieve group or organisational goals"

Over the years the terms management and leadership have been so closely related that individuals in general think of them as synonymous. Managers carry out a broader set of functions than do leaders. Managers cope with complexity by using their authority, they ensure that things are done right, and assure resources are used efficiently.

Leaders on the other hand emphasise change and continuous improvement, and they question practices and possibilities in their quest to visualize the right thing to do. Leaders try to influence followers so they will want to work towards the leader's goals. Social cognitive theory explains a phenomenon whereby leaders appear to have certain traits in common that helps others to have confidence in their capabilities. Several streams of research have focused on the leader's style or behaviour as he or she interacts directly with the group that is been influenced. In essence they distinguish between the leader's task-orientated and relationship-orientated behaviours or between the leader's underlying cognitive styles (motives and concerns).

Most contemporary models incorporate one or more situational variables because predictions of effectiveness, which were based solely on the leader's behaviour or style, had generated inconsistent results. These are called contingency theories. Fiedler equates effectiveness to task versus relationship styles in combination with three contingency variables. Hersey and Blanchard pay attention to how the leader's task and/ or relationship behaviours adapted to the followers' job maturity competencies. House and Mitchell view the leader's behaviour as clarifying goals and showing the path to them. Vroom and Yetton consider leadership effectiveness options by working through a decision tree of group and situational factors.

In a larger organisation where the leader acts as a visionary pathfinder and a transformer of organisational strategies and practices, a different form of leadership is necessary. It is at this level that leaders must learn the skills of creating vision, mobilising commitment, and institutionalising change. It is extraordinary the things they get done by being dedicated to continuous improvement and enabling others to act (Cook &Hunsaker, 2003).

V. CONCLUSION

Organisational Behaviour has almost all the concepts, which encompass the need for change. These include attitudes, perceptions, teams, leadership, motivation, organisational design and the like. When one inquires about change, it is impossible to not think about these concepts.

If we consider a working environment, which was perfectly static, employee's skills and abilities were always up to date and incapable of deteriorating, and if tomorrow were always exactly the same, as today, then organisational

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change would have little or no relevance to managers. Managers need to act as change agents because the real world is so turbulent, that it requires organisations and their members to undergo dynamic change if they are to perform at competitive levels.

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