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Organisational Behaviour



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Organisation

- Organisations are sets of people who work together to achieve shared goals.
- Organisation is a combination of men, money, machinery, material and management, commonly known as five Ms.
- We depend on organisations for education, employment, food, clothing, health, wealth, recreation, travel etc.
- Life is unlivable without organisations.



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Behaviour – the way of treating others.

Human behaviour is caused and highly unpredictable. Understanding human behaviour has great significance for the managers for managing people effectively. Managers can extract maximum results from people for achieving organisational goals.



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Organisational Effectiveness:

Organisations are said to be effective when they produce quality goods and services at reasonable cost without compromising on profit-making. The other requirement is to satisfy its stakeholders.



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Stakeholders are all those people who are affected or can affect an organisation's decisions, policies and operations.

Customers, suppliers, employees and investors are primary stakeholders on which organisation's existence depend.

Govt. departments, media, local communities, social activist groups and the general public are secondary stakeholders.



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Organisational structure

Organisational structure is the framework of the formal relationships among various tasks, activities and people in the organisation.



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Formal & Informal organisations

Formal

Formal organisation is deliberately designed by the management to achieve some particular objectives.

Is based on the principles of division of labour and efficiency in operations.

Organisation concentrates more on the performance of jobs and not on the individuals performing the jobs.

Informal

Informal organisation refers to the natural grouping of people on the basis of some similarity in an organisation.

Created on the basis of some similarity like age sex, origin, caste, religion, personality, likings / dislikings etc.

Membership is voluntary.



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OB

OB is the study and application of knowledge about how people as individuals and as groups behave or act in organisations.

OB is the body of knowledge and skill that helps to understand, analyze, predict, and manage human behaviour at work.

Luthans defined, “OB is directly concerned with the understanding, prediction and control of human behaviour in organisations”.



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Any definition of OB need to emphasize on 3 features-

1. OB is the study of human behaviour,
2. The study is about behaviour in organisations, and
3. Knowledge about human behaviour would be useful in improving an organisation's effectiveness.