MBA-DE (Second Year) **IP (411)**

Semester-IV **INDUSTRIAL PSYCHOLOGY**

Lesson No. 1 **AUTHOR : RAJPREET K. SIDHU**

PSYCHOLOGY: NATURE, SCOPE, PSYCHOLOGY AND MANAGEMENT STRUCTURE

1.0 Objectives

1.1 Introduction

1.2 Definition of Psychology

1.3 Nature of Psychology

1.4 'Scope of Psycho

1.5 Psychology and Management

1.6 Practice Questions

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1.0 OBJECTIVES

After reading this chapter, the student should be able to:

- Understand the meaning and nature of Psychology
- Know the scope of Psychology,
- Understand the concept of Psychology and Management.

1.1. INTRODUCTION

Some might say that psychology is a study of "human behavior"; some might say it is a study of the "mind or brain"; others might say that it is a study of personality and what motivates people to do what they do. All are partly correct, but each of these answers is focused on only some aspect of psychology. It is now generally agreed that psychology is a science. Psychology is an extremely broad field, encompassing many different approaches to the study of mental processes and behavior.

1.2 MEANING OP PSYCHOLOGY

Psychology:-the scientific study of behavior and the mind. This definition contains three elements. The first is that psychology is a scientific enterprise that obtains knowledge through systematic and objective methods of observation and experimentation. Second is that psychologists study behavior, which refers to any action or reaction that can be measured or observed—such as the blink of an eye, an increase in heart rate, or the unruly violence that often erupts in a mob. Third is that psychologists study the mind, which refers to both conscious and unconscious mental states. These states cannot actually be seen, only inferred from observable behavior.

The discipline of psychology embraces all aspects of the human experience — from the functions of the brain to the environments in which humans and other animals develop; from child development Vo aging. Psychology is a science based on a large body of social science and behavioral science research and which is expanding its boundaries to overlap with neuroscience and health science. Psychologists study two critical relationships: one between brain function and behavior, and one between the environment and behavior. As scientists, psychologists follow scientific methods, using careful observation experimentation and analysis to learn more about the world in which we live and its inhabitants.

The word "psychology" is the combination of two terms - study (logy) and soul (psyche), or mind. Th e derivation of the word from Latin gives it this clear and obvious meaning:

The study of the soul or mind.

This meaning has been altered over the years until today; this is not what the word means at all. The subject of psychology, as studied in colleges and universities, currently has very little to do with the mind, and absolutely nothing to do with the soul or spirit,

It is important to understand that words and ideas are supposed to refer to something. “The large tree in the front yard” refers to an actual thing that can be seen, touched and experienced. “The man walking his little dog last night at sunset” refers to an actual event that can be seen, observed and experienced. The realm of mind is an actual realm that can be experienced, and at one time there were words that accurately referred to this realm.

Let’s see what a few dictionaries have to say and how a word could alter and lose its true and actual meaning.

"Psyche” is defined as:

1. The spirit or soul.
2. The human mind.
3. In psychoanalysis, the mind functioning as the center of thought, emotion, and behavior.

And defining “soul”, we have:

1. The spiritual or immortal elements in a person.
2. A person’s mental or moral or emotional nature.

1.2.1 SELF-HELP EXERCSIE

1. What do you mean by Psychology?

1.3 NATURE OF PSYCHOLOGY

Psychologists study:

Behavior:

Behavior includes being kind, angry, breathing, walking, aggressive, getting old, becoming a grandparent and so on.

Experience: - If we study behavior, we need to understand what the experience of that behavior is like for the individual. I.e. if we study someone being angry, we need to know what that feels like for the person.

Human and animal behavior: - often psychologists can not perform experiments on humans for ethical reasons and may use animals to try to gain understanding of human behavior. For example, by trying to teach monkeys to talk, researchers have gained insight into how humans may develop their language skills.

As psychology is a science: - it is vital that it can be studied scientifically and objectively. We can study, experiment with and objectively talk about manifest behaviour. However, the experience of that behavior is a subjective experience, where we rely on the individual to tell us how it feels

Therefore, a generally accepted definition of psychology is “the study of human behavior. Behavior can provide us with valuable windows into a person’s emotional and cognitive states, and if we can understand the psychological influences on behavior, we can try to better understand a person's inner experience.

Psychology is the scientific study and practical application of observable behavior and mental processes of organisms. Psychology differs from other social sciences such as: Sociology, History, or Economics, because psychology specifically deals with the study of an individual. The other social sciences will study groups, or history. Psychology is less a science of reported findings, it attempts asks and answers questions using observable behavior and what can be determined as mental processes of the subject. The symbol for psychology is the Greek letter “psi” (0). The subject matter of psychology is, affect, behavior, and cognition.

- The affect for psychology is the actual mental processes that make up: moods, feeling, and emotional state. An example for affect would be feeling sad about something happening.
- Behavior includes the actually actions and responses of organisms. Behavior can include the way we act in any given situation, for example when we get up in the morning. The order in the way we prepare ourselves for going out into public can be categorized as our behavior.
- Cognition is the actual mental events and the processes that result from them. Memories of an event are a great example of an organism’s cognition.

1.4 SCOPE OF PSYCHOLOGY

Many people think of psychologists as individuals who dispense advice, analyze personality, and help those who are troubled or mentally ill. But psychology is far more than the treatment of personal problems. Psychologists strive to understand the mysteries of human nature—why people think, feel, and act as they do. Some psychologists also study animal behavior using their findings to determine laws of behavior that apply to all organisms and to formulate theories about how humans behave and think.

With its broad scope, psychology investigates an enormous range of phenomena: learning and memory, sensation and perception, motivation and emotion, thinking and language, personality and social behavior, intelligence, infancy and child development, mental illness, and much more. Furthermore, psychologists examine these topics from a variety of complementary perspectives. Some conduct detailed biological studies of the brain, others explore how we process information; others analyze the role of evolution, and still others study the influence of culture and society.

Psychology encompasses a vast domain, and includes many different approaches to the study of mental processes and behavior. Below Eire some of the major areas of inquiry that comprise psychology:

Clinical psychology:

Clinical ’psychology includes the study and application of psychology for the purpose of understanding,, preventing, and relieving psychologically-based distress or dysfunction and to promote subjective well-being and personal development. Central to its practice are psychological assessment, and psychotherapy, although clinical psychologists may also engage in research, teaching, consultation, forensic testimony, and program development and administration.

Cognitive Psychology:

Cognitive psychology studies cognition, the mental processes underlying mental activity. Perception, learning, problem solving, reasoning, thinking, memory, attention, language and emotion are areas of research.

Community Psychology:

Community psychology deals with the relationships of the individual to communities and the wider society. Community psychologists seek to understand the quality of life of individuals, communities, and society. Their aim is to enhance quality of life through collaborative research and action.

Counseling Psychology:

Counseling psychology seeks to facilitate personal and interpersonal functioning across the lifespan with a focus on emotional, social, vocational, educational, health-related, developmental, and organizational concerns. Counseling psychologists are employed in a variety of settings, including universities, hospitals, schools, governmental organizations, businesses, private practice, and community mental health centers.

Developmental Psychology:

Mainly focusing on the development of the human mind through the life span, developmental psychology seeks to understand how people come to perceive, understand, and act within the world and how these processes change as they age. This may focus on intellectual, cognitive, neural, social, or moral development. In addition to studying children, developmental psychologists also study aging and processes throughout the life span, especially at other times of rapid change (such as adolescence and old age).

Educational Psychology:

Educational psychology is the study of how humans learn in educational settings, the effectiveness of educational interventions, the psychology of teaching, and the social psychology of schools as organizations. It has been instrumental in creating teaching methods and educational practices. Educational psychology is often included in teacher education programs.

Industrial Psychology:

Industrial and organizational psychology (I/O) applies psychological concepts and methods to optimize human potential in the workplace. Personnel psychology, a subfield of I/O psychology, applies the methods and principles of psychology in selecting and evaluating workers. I/O psychology's other subfield, organizational psychology, examines the effects of work environments and management styles on worker motivation, job satisfaction, and productivity.

Social Psychology:

Social psychology is the study of social behavior and mental processes, with an emphasis on how humans think about each other and how they relate to each other. Social psychologists are especially interested in how people react to social situations. They study such topics as the influence of others on an individual's behavior (e.g. conformity, persuasion), and the formation of beliefs, attitudes, and stereotypes about other people.

1.4.1 SELF-HELP EXERCISE

2. **What is the primary focus of psychology?**
a. Biological processes
b. Behavior and mental processes
c. Physics and chemistry
d. Social structures

1.5 PSYCHOLOGY AND MANAGEMENT

Gilbreth (2005) gave the following definition of the Psychology of Management: The Psychology of Management means the effect of the mind that is directing work upon that work which is directed, and the effect of this undirected and directed work upon the mind of the worker. The emphasis in successful

Seyidov (2000) also defines the management and then shows the correlation between management and psychology. Management - a science about coordination of resources of the organizations on reaching the planned purposes. There where a person exists, his psychological features that are reflected in his activity are always with him. Studying the psychology of management, we study the psychology of the person, his activity and the most important thing - influence of the mentality of the person on activity and influence of activity on psychology and behavior of the person. The psychology of management is the branch of psychology studying mental features of the person and its behavior in the course of planning, organization, management and the control of joint activity.

Psychology in Management Training:

Using Psychology in Management Training aims to give trainers and student trainers grounding in the ideas and research findings which are most relevant to their work.

Three major areas are explored from a management training perspective and illustrated with examples.

- the individual psychological processes of learning, personality and motivation which are at the heart of most management training courses
- the social psychological processes of group dynamics, leadership and stress which all arise from the interaction of people at work
- the psychology of the actual training experience including the crucial training skill of communication and what is needed to meet organizational training needs

Psychology in Managing Change in organisations:

Concepts :.n psychology are used to design programs to help those involved in managing people to under stand employee behavior and offer alternative and practical ways of achieving change. According to Vanessa Robinson, CIPD Organization and Resourcing Adviser, “Exploring change and other management challenges by drawing on psychological research will help managers to understand individual’s behavior better. This will help in communicating the change and help gain employee trust and commitment, both during and sifter implementation.”

These, programs look at all aspects of management. The following modules are included in these programs. The psychology of:

- Change
- Leadership
- team working
- creativity and innovation
- Training
- well being
- managing work relationships
- personal development
- managing performance
- selection and assessment
- influencing and negotiation
- culture and diversity
- Coaching
- organizational culture and climate
- decision-making

Psychology in Human Resource Management:

Human resources: is a term used to refer to how people are managed by organizations. The field has moved from a traditionally administrative function to a strategic one that recognizes the link between talented and engaged people and organizational success. The field draws upon concepts developed in Industrial/Organizational Psychology. The integration between the management of human resources and psychology is arguably the prime factor delineating HRM theory and practice from its more traditional personnel management origins. Selection of the personnel has long been recognized as a key activity within HR and selection process draws upon various concepts of psychology.

The human factor is considered as the central point in the psychology of management, as its essence and a core. Being engaged in studying the person in the conditions of the concrete practical activities of psychology, managers constantly face the problems that need development both of the professional work, and of the person who carries it out. Among this variety of problems, Seyidov (2000) has given the greatest attention to four basic problems or fundamental questions of the psychology of management: motivation, leadership, interpersonal relations, selection of personnel.

Motivation - activity of the person, its formation in the process of its realization and satisfaction gained from the activity.

Leadership is one of the brightest and interesting phenomena arising in the course of group activity. The efficiency of any activity depends on its adequate understanding. According to Nemov(1998) the leader - an authoritative member of a social group, whose power and privileges are admitted voluntarily by other participants of the group, ready to listen to him and follow him.

Interpersonal relations are a part of the human nature. It is shown in the form of internal requirement in communicating and establishing the interpersonal relations.

Selection of personnel - Management and Psychology most closely intertwine among themselves in a question on selection of personnel. The psychology of people as concrete participants in the process of management is on the foreground and allows us to speak about the high practical importance of psychological factors in management. If the psychological aspect of selection is guided by revealing of necessary characteristics, features, qualities and abilities of the person for successful performance of this or that professional work by means of psychological methods and techniques then selection from the point of view of management is a search and revealing of people by means of requirements of the professional work. It is necessary to combine inherently and to supplement mutually the two approaches set forth above to select the people for the purpose of the most adequate and productive use of the available human resources providing achievement of the planned purposes.

Psychology in Marketing Management:

P&M fosters the exploration of marketing phenomena spanning the entire spectrum of offerings (products & services), price, promotion (advertising, publicity, public relations, and personal selling), place (channels and distribution), and politics (public opinion, law, and ethics), all revolving around the individual and collective psyche of consumers.

It takes some knowledge of basic psychology and human behavior to succeed at marketing. People buy things to either meet their needs or satisfy their wants and desires. As a marketer, you are looking not at what your product has to offer, but at what is motivating your target audience to buy your product or service.

For example, people aren't buying perfume because of the aroma. They are buying romance. The new exercise machine doesn't sell because of the latest features, but because the customer is buying a healthier, perhaps thinner look. The end result of a product or service is what it does for buyers — how it makes them feel, look, or act. Even children are looking to have the same games as their friends, *not* just to play with, but to be popular and fit in. Therefore, you need to keep broad motivational reasons in mind when planning your marketing campaign.

There is also a psychological aspect to establishing trust and forming a relationship. Most customers 'have been burned, treated badly, swindled, or disenchanted at least once. They will not necessarily jump at the opportunity to buy something unless they have a sense of confidence in the seller. In an age where people are tired of receiving spam and a glut of marketing materials, the modem consumer has become savvy and somewhat cynical. Only a company with a strong proven reputation will gain their trust. You, therefore, want to always build a level of trust through quality of service, and this should be reflected in your marketing.

Finally, there are practical factors that enter into marketing. If it is simply inconvenient for a customer to purchase from you or you simply cannot satisfy their needs with the product they are seeking, then don't attempt to fit a square peg into a round hole. Too many sales are lost by trying to do so. More importantly, you may risk ending a future relationship with the customer by losing their trust.

In the end you want to sell customers by gaining their trust and building a relationship based on customer satisfaction and by being honest and not trying to be everything to everyone.

Psychology in consumer Behavior:

"The study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society."

The study of consumers helps firms and organizations improve their marketing strategies by understanding issues such as how:

- The psychology of how consumers think, feel, reason, and select between different alternatives (e.g., brands, products);
- The psychology of how the consumer is influenced by his or her environment (e.g., culture, family, signs, media);
- The behavior of consumers while shopping or making other marketing decisions;

1.6 PRACTICE QUESTIONS

1. What do you mean by Psychology? Describe its nature.
2. Discuss the scope of psychology.
3. Explain the role of psychology in management.

1.7 SELF-HELP EXERCISE

1.What do you mean by Psychology?

Answer :Psychology:- the scientific study of behavior and the mind. This definition contains three elements. The first is that psychology is a scientific enterprise that obtains knowledge through systematic and objective methods of observation and experimentation. Second is that psychologists study behavior, which refers to any action or reaction that can be measured or observed—such as the blink of an eye, an increase in heart rate, or the unruly violence that often erupts in a mob. Third is that psychologists study the mind, which refers to both conscious and unconscious mental states. These states cannot actually be seen, only inferred from observable behavior.

2. What is the primary focus of psychology?

Answer: a. Biological processes
b. Behavior and mental processes
c. Physics and chemistry
d. Social structures
Answer: b.

1.8 SUGGESTED READINGS

Bingham, W.V., and M. Freud. Procedures in Employment Psychology, 1989
Moore, B.V., and G.W. Hartmann Readings in Industrial Psychology, 1967

MBA-DE(Second Year)
Semester-IV
Lesson No. 2

IP (411)
INDUSTRIAL PSYCHOLOGY
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INDUSTRIAL PSYCHOLOGY ITS RELATIONSHIP WITH SOCIOLOGY, SOCIAL PSYCHOLOGY, ADVERTISING, PERSONNEL MANAGEMENT, MARKETING MANAGEMENT.

STRUCTURE

2.0 Objectives
2.1 Introduction
2.2 Definition of Industrial Psychology
2.3 Industrial Psychology and Social Psychology
2.4 Industrial Psychology and sociology
2.5 Industrial Psychology and Personnel Management
2.6 Psychology and Advertising
2.7 Industrial Psychology and Marketing
2.8 Industrial Psychology and Marketing Research
2.9 Practice Questions
2.10 Self-Help Exercise
2.11 Suggested Readings

2.0 OBJECTIVES

After reading this chapter, the student should be able to:

- Understand the meaning of Industrial Psychology
- Know the relationship between Industrial Psychology and Sociology.
- Understand the role of Industrial Psychology in Personnel and marketing management

2.1 INTRODUCTION

The term industrial psychology refers to the science of psychology and its application to the workplace. Because of the high demand for industrial psychologists, the field has become on.e of the most lucrative within psychology. Those trained in industrial psychology can find work in a variety c>f fields ranging from research to the upper echelons of corporations. Specific tasks involve solving problems with employees on a broad scale, with their work affecting every level of an organization. Industrial and organizational psychology (I/O) applies psychological concepts and methods to optimize human potential in the workplace. Personnel psychology, a subfield of 1/ O psychology, applies the methods and principles of psychology in selecting and evaluating workers. I/O psychology's other subfield, organizational psychology, examines the effects of work environments and management styles on worker motivation, job satisfaction, and productivity.

2.2 INDUSTRIAL/ORGANIZATIONAL PSYCHOLOGY DEFINITION

Industrial/Organizational (I/O) psychology studies human behavior as it occurs in a business or industrial/organizational setting. It is a branch of psychology that applies the principles of psychology to the workplace. It is the scientific study of the relation between man and the world of work. Specifically, the social and psychological climate of the work place is studied.

2.3 INDUSTRIAL PSYCHOLOGY AND SOCIAL PSYCHOLOGY

Industrial psychology is concerned with people at work. Industrial psychologists investigate such matters as how to make jobs more rewarding or how to improve workers' performance. They also study personnel selection, leadership, and management. Organizational psychology is a closely related field.

Social psychology studies the social behavior of individuals and groups, with special emphasis on how behavior is affected by the presence or influence of other people. Social psychologists concentrate on such processes as communication, political behavior, and the formation of attitudes. It consists of -

Learning: as a field of psychology, examines how lasting changes in behavior are caused by experience, practice, or training. The psychologists who study learning are interested in the importance of rewards and punishment in the learning process. They also explore how different individuals and species learn, and the factors that influence memory.

Motivation: as a field of psychology, is the study of what conscious and unconscious forces cause human beings and other animals to behave as they do. Motivational psychologists focus on bodily needs, sexual drives, aggression, and emotion.

Perception: in psychology, is the study of how an organism becomes aware of objects, events, and relationships in the outside world through its senses. Psychologists in the field of perception analyze such topics as vision, hearing, taste, smell, touch, and movement.

- **Personality:** refers to the characteristics that make individuals different from one another and account for the way they behave. Personality psychologists investigate how an individual's personality develops, the chief personality types, and the measurement of personality traits.

Physiological psychology: examines the relationship between behavior and body structures or functions, particularly the workings of the nervous system. Physiological psychologists explore the functions of the brain, how hormones affect behavior, and the physical processes involved in learning and emotions

2.4 INDUSTRIAL PSYCHOLOGY AND SOCIOLOGY

Industrial psychology is a Held of applied sociology, and has grown mainly out of interests in such issues as productivity, motivation, and unionization. Industrial sociologists have had a better understanding of the process of supervision and the role of the foreman since the concept of leadership, taken from other areas, has been introduced.

Sociologists' work has a greater focus on the behavior of the group, and thus examines such phenomena as interactions and exchanges at the micro-level, group dynamics and group development, and crowds at the macro-level. Sociologists are interested in the individual and group, but generally within the context of larger social structures and processes, such as social roles, race, class, gender, ethnicity, and socialization. They use a combination of qualitative research designs and quantitative methods, such as procedures for sampling and surveys.

Sociologists in this area are interested in a variety of demographic, social, and cultural phenomena. Some of their major research areas are social inequality, group dynamics, social change, socialization, social identity, and symbolic interactionism. Psychologists who study social psychology are interested in such topics as attitudes, social cognition, cognitive dissonance, social influence, and interpersonal behaviors such as altruism, aggression and persecution

2.4.1 SELF-HELP EXERCISE

1. What is the basic difference between Industrial psychology and sociology?

2.5 INDUSTRIAL PSYCHOLOGY AND PERSONNEL MANAGEMENT

Industrial Psychology and Personnel Management focuses on the theory and the practice in four domains: work psychology, organizational psychology, personnel management, and consumer psychology.

The objectives are:

- Getting to know the scientific theoretical basis on individual, group, organizational and societal level concerning: the relation behavior and work, organizational behavior, human resources management, and consumer behavior;
- Learning to apply the scientific insights in a diversity of practice settings. For example, man-machine-interaction (work psychology), job satisfaction (organizational psychology), selection (personnel management), and buying motives (consumer psychology);
- Gain skills of the practitioner. For example, observation of task performance (work psychology), analysis of organizational culture (organizational psychology), evaluation interview (personnel management), and depth-interview (consumer psychology);
- Getting to know and to use the ethical codes for interaction with individuals, groups, organizations, and society as a whole. This for scientific research as well as practice.

2.6 PSYCHOLOGY AND ADVERTISING

The principles of advertising are largely based on cognitive psychology and the psychological processes of attention, perception, association and memory to bring out the complete impact or uses of a product or *brand\ Any advertisement will have to first focus on the attention that it is able to capture of the consumers. Strong messages, strong visuals and glaring colors are sometimes used on hoardings and billboards. For commercials, attention catching clothes and attractive models are sometimes used.

Once the attention is drawn with the colors and the sounds or words, the focus is on retaining consumer interests by using ‘association’. Themes or products which a particular segment of customers could associate with are used thus for baby food, mothers and babies are featured so association would have more to do with relevance or context of the advertisement. Certain colors also have associative value and certain brands and companies use a specific color to promote their products. For exampleeasygroup uses orange and Vodafone uses red as standard color for all advertising. The company logo or symbol is also a part of developing a brand and helps in giving identity to a brand and has a strong associative value.

The association should be such that it not only serves the purpose of quick understanding and perception of the consumers but is also retained in their memory for a long time. Thus memory or retention is an important aspect of the psychology of advertising as only an advertisement that consumers can easily remember for a long time for its novelty or use of words, colors and figures will be the most effective.

The development of a 'brand' is just as effective because a brand helps in driving attention, in developing association (for example, we associate Coca Cola with youth, celebration and a soft drink popular for all occasions) and in memory or retention of any image associated with a service or product. So branding is vital in advertisements as brands help in giving a name and distinct identity of a product. So a Gucci bag or a Sony camera is known for the brand rather than the product.

A brand is recognized in terms of its name, its quality and its reputation with advertisements these days highlighting the uniqueness of brands. For example, HSBC recent advertisements across airports around the world focus on the differing points of view and different likes and preferences of people across cultures. So when you see such advertisements showing two different perspectives for the same thing, you know this is HSBC. Certain brands develop taglines or motto that sets the brand apart and gives it a distinct character.

2-7 INDUSTRIAL PSYCHOLOGY AND MARKETING

The study of consumers helps firms and organizations improve their marketing strategies by understanding issues such as how

- The psychology of how consumers think, feel, reason, and select between different alternatives (e.g., brands, products);
- The psychology of how the consumer is influenced by his or her environment (e.g., culture, family, signs, media);
- The behavior of consumers while shopping or making other marketing decisions;
- Limitations in consumer knowledge or information processing abilities influence decisions and marketing outcome;
- How consumer motivation and decision strategies differ between products that differ in their level of importance or interest that they entail for the consumer; and
- How marketers can adapt and improve their marketing campaigns and marketing strategies to more effectively reach the consumer.

2.8 PSYCHOLOGY AND MARKETING RESEARCH

Market research: is often needed to ensure that we produce what customers really want and not what we think they want.

Primary vs. secondary research methods: There are two main approaches to marketing. Secondary research involves using information that others have already put together. For example, if you are thinking about starting a business making clothes for tall people, you don't need to question people about how tall they are to find out how many tall people exist—that information has already been published by the U.S. Government. Primary research, in contrast, is research that you design and conduct yourself. For example, you may need to find out whether consumers would prefer that your soft drinks be sweater or tarter.

Research will often help us reduce risks associated with a new product, but it cannot take the risk away entirely. It is also important to ascertain whether the research has been complete. For example, Coca Cola did a great deal of research prior to releasing the New Coke, and consumers seemed to prefer the taste. However, consumers were not prepared to have this drink replace traditional Coke.

Secondary Methods: For more information about secondary market research tools and issues.

Primary Methods: Several tools are available to the market researcher—e.g., mail questionnaires, phone surveys, observation, and focus groups.

2.8.1 SELF-HELP EXERCISE

2 . What is the main goal of conducting a focus group in marketing research?

a. Collecting quantitative data
b. Exploring in-depth insights and opinions
c. Analyzing market trends
d. Assessing employee satisfaction

2.9 PRACTICE QUESTIONS

1. Define Industrial Psychology.
2. What is the relationship between Industrial Psychology and Sociology and Social Psychology?
3. Discuss the role of Industrial Psychology in Personnel and Marketing Management.

2.10 SELF-HELP EXERCISE

1. What is the basic difference between Industrial psychology and sociology?

ANSWER: Industrial psychology concentrates on understanding and improving individual and group behavior within the workplace, sociology has a broader focus on societal structures and human behavior in diverse social contexts.

2.What is the main goal of conducting a focus group in marketing research?

a. Collecting quantitative data
b. Exploring in-depth insights and opinions
c. Analyzing market trends
d. Assessing employee satisfaction**ANSWER : b.**

2.11 SUGGESTED READINGS

- Gosh P. K, Ghorpade M.B, Industrial Psychology, Fourth edition, Himalaya Publishing House, Mumbai, 2008
- McCormick E.J, llgen D., Industrial Psychology, Seventh Edition, Prentice-Hall of India Pvt Ltd, New Delhi, 1984

INDIVIDUAL DIFFERENCES

STRUCTURE

3. Objectives
3.1 Introduction
3.2 Meaning of Individual Differences
3.3 Importance of Individual Differences
3.4 Individual Differences and Individual Behavior
3.5 Basic elements of individual behavior in organizations
3.6 Practice Questions
3.7 Self-Help Exercise
3.8 Suggested Readings

3.0 OBJECTIVES

After reading this chapter, the student should be able to:

- Understand the meaning and importance of Individual Differences
- Know how these individual differences impact individual behavior.
- Understand basic elements of individual behavior.

3.1 INTRODUCTION

Individual differences are a cornerstone subject area in modern psychology. In many ways, it is the “classic” psychology that the general public refers to - it refers the psychology of the person - the psychological differences between people and their similarities.

Plato stated more than 2000 years ago:

“No tv/o persons are born exactly alike; but each differs from the other in natural endowments, one being suited for one occupation and the other for another.”

Individual difference psychology examines how people are similar and how they differ in their thinking, feeling and behavior. No two people are alike, yet no two people are unlike. So, in the study of individual differences we strive to understand ways in which people are psychologically similar and particularly what psychological characteristics vary between people.

In the Western psychology approach to individual differences, it is generally assumed that:

- People vary on a range of psychological attributes
- It is possible to measure and study these individual differences
- individual differences are useful for explaining and predicting behavior and performance

We can classify people psychologically, according to their intelligence and personality characteristics, for example, with moderate success, however people are complex and much is still left unexplained. There are multiple and often conflicting theories and evidence about individual difference psychology.

'Human beings have been aware of individual differences throughout history, e.g. Gender differences -

hunters=men, gatherers-=women

- Intelligence differences - caste, class, education, etc.
- Personality differences - job specializations

3.2 INDIVIDUAL DIFFERENCES: MEANING

Individual differences are considered to be part of Differential Psychology because researchers in this area study the ways in which individual people differ in their behavior. This is distinguished from other aspects of psychology in that although psychology is ostensibly a study of individuals, modern psychologists often study groups or biological underpinnings of cognition. For example, in evaluating the effectiveness of a new therapy, the mean performance of the therapy in one group might be compared to the mean effectiveness of a placebo (or a well-known therapy) in a second, control group. In this context, differences between individuals in their reaction to the experimental and control manipulations are actually treated as errors rather than as interesting phenomena to study. This is because psychological research depends upon statistical controls that are only defined upon groups of people. Individual difference psychologists usually express their interest in individuals while studying groups by seeking dimensions shared by all individuals but upon which individuals differ.

3.2.1 SELF-HELP EXERCISE

1. What is the term used to describe the variations among individuals in terms of their cognitive abilities, personality traits, and other characteristics?

a. Social dynamics
b. Individual differences
c. Collective behavior
d. Normative standards

3.3 IMPORTANCE OF INDIVIDUAL DIFFERENCES

The study of individual differences is essential because important variation between individuals can be masked by averaging. For example, a researcher is interested in resting metabolic rate in humans. The researcher gathers a sample of men, women, and children, measures their (metabolic/rate and gets a single average. The researcher then tells the whole population that they should be eating 1,900 calories a day. What's wrong with this study? The researcher has neglected individual differences in activity level, body size, sex, age, and other factors that influence metabolic rate. The average reported based -on the results is masking multiple dimensions that should be used to determine daily caloric intake. Therefore, his or her conclusions are misleading if not outright false. This is an extreme example to make a point, but it illustrates the problems that can arise by averaging across groups.

Individual differences research typically includes personality, motivation, intelligence, ability, IQ, interests, values, self-concept, self-efficacy, and self-esteem (to name just a few). There are few remaining “differential psychology” programs in the United States, although research in this area is very active. Current researchers are found in a variety of applied and experimental programs, including educational psychology, industrial psychology, personality psychology and social psychology programs

3.4 INDIVIDUAL DIFFERENCES AND INDIVIDUAL BEHAVIOR

Individual Behavior is the study and application of knowledge about how people, individuals, act in organizations. It does this by taking a system approach. That is, it interprets people-organization relationships in terms of the person, whole group, whole organization, and whole social system. Its purpose is to build better relationships by achieving human objectives, organizational objectives, and social objectives.

3.5 BASIC ELEMENTS OF INDIVIDUAL BEHAVIOR IN ORGANIZATIONS

Understanding Individuals in Organization

(a) Psychological Contract - the overall set of expectations held by an individual with respect

(i) Contributions - what the individual provides to the organization

(ii) Inducements - what the organization provides to the individual

(b) The Person-Job Fit - the extent to which the contributions made by the individual match the inducements offered by the organization.

{c} The Nature of Individual Difference ~ personal attributes that vary from one person to another Personality and Individual Behavior

(a) Personality — the relatively permanent set of psychological and behavioral attributes that distinguish one person from another.

(b) The "Big Five" Personality Traits - a popular personality framework based on five key traits:

(i) Agreeableness - a person's ability to get along with others

(ii) Conscientiousness - the number of goals of which a person focuses

(in) Negative emotionality - extent to which a person is poised, calm, resilient and secure

(iv) Extraversion - a person's comfort level with relationships

(v) Openness - a person's rigidity of beliefs and range of interests

c. The Myers-Briggs Framework - approach to understanding personalities in organizations. It describes personality in terms of:

(i) Extraversion (E) vs. Introversion (I)

(ii) Sensing (S) vs. Intuition (N)

(iii) Thinking (T) vs. Feeling (F)

(iv) Judging (J) vs. Perceiving (P)

d. Other Personality Traits at Work

(i) Locus of control - the degree to which an individual believes that his or her behavior has a direct impact on the consequences of that behavior

(ii) Self-efficacy - an individual's beliefs about her or his capabilities to perform a task

(iii) Authoritarianism - the extent to which an individual believes that power and status differences are appropriate within hierarchical social system like organizations

(iv) Machiavellianism - behavior directed at gaining power and controlling the behaviors of others

(v) Self-esteem - the extent to which a person believes that he or she is a worthwhile and deserving individual

(vi) Risk-propensity - the degree to which an individual is willing to take chances and make risky decisions.

(e) Emotional Intelligence (EQ) - the extent to which people are self-aware, can manage their emotions, can motivate themselves, express empathy for others and possess social skills. It includes: Self-awareness, managing emotions, motivating oneself, empathy and social skills •

Attitudes and Individual Behavior:

(a) Attitudes - complexes of beliefs and feelings that people have about specific ideas, situations or other people.

(b) Cognitive dissonance - caused when an individual has conflicting attitudes. Work-related Attitudes

(a) Job satisfaction or dissatisfaction - an attitude that reflects the extent to which an individual is gratified by or fulfilled in his or her work (b| Organizational Commitment'- an attitude that reflects an individual's identification with and attachment to the organization itself

(c) Affect and Mood in Organizations

(i) Positive affectivity - a tendency to be relatively upbeat and optimistic, have an overall sense of well-being, see things in a positive light and seem to be in a good mood.

(ii) Negative affectivity - a tendency to be generally downbeat and pessimistic, see things in a negative way and seem to be in a bad mood.

Perception and Individual Behavior:

(a) Basic Perceptual Processes

(i) Perception - set of processes by which an individual becomes aware of and interprets information about the environment.

(ii) Selective perception — process of screening out information that we are uncomfortable with of that contradicts our beliefs .

(iii) Stereotyping - process of categorizing or labeling people on the basis of a single attribute

(b) Perception and Attribution

Attribution - process of observing behavior and attributing causes to it.

Stress and Individual Behavior

(a) Stress ~ an individual's response to a strong stimulus which is called a stressor

(i) General Adaptation Syndrome (GAS) general cycle of the stress process

(ii) Type A - Individuals, who are extremely competitive, very devoted to work and have a strong sense of time urgency

(iii) Type B - individuals, who are less competitive, less devoted to work and have weaker sense of time urgency

(b) Causes and Consequences of Stress

(i) Causes of Stress

- Task demands
- Physical demands
- Role demands
- Interpersonal demands

(ii) Consequences of Stress

Burnout - a felling of exhaustion that may develop when some one experiences too much stress for an extended period of time

(c) Managing Stress

Creativity in Organizations

. (a) Creativity - the ability of an individual to generate new ideas or to conceive of new perspectives on existing ideas

(b) The Creative Individual

(i) Background Experiences and Creativity

(ii) Personal Traits and Creativity

(iii) Cognitive Abilities and Creativity

|c) The Creative Process

(i) Preparation

(ii) Incubation

(iii) Insight

(iv) Verifications

(d) Enhancing Creativity in Organizations

Types of Workplace Behavior - pattern of action by the members of an organization that directly or indirectly influences organizational effectiveness

(a) Performance behaviors - total set of work-related behaviors that the organization expects the individual to display

(b) Withdrawal Behaviors- Absenteeism and turnover

(c) Organizational citizenship - behavior of individuals that makes a positive overall contribution to the organization

(d) Dysfunctional behaviors - those that detract from, rather than contribute to, organizational performance.

3.5.1 SELF-HELP EXERCISE

2.The term "burnout" is often associated with:

a. Healthy work habits
b. Job satisfaction
c. Prolonged and chronic work-related stress
d. Effective time management

3. What is the term for the total set of work-related behaviors that the organization expects an individual to display?

a. Withdrawal behaviors

b. Dysfunctional behaviors

c. Performance behaviors

d. Organizational citizenship

3.6 PRACTICE QUESTIONS

1. What do you mean by Individual Differences and what is its importance?
2. Discuss the role of individual differences in behavior of individuals.
3. Explain the various elements of individual behavior in organizations.

3.7 SELF-HELP EXERCISE

1. What is the term used to describe the variations among individuals in terms of their cognitive abilities, personality traits, and other characteristics?

a. Social dynamics
b. Individual differences
c. Collective behavior
d. Normative standards**ANSWER: b.**

2.The term "burnout" is often associated with:

a. Healthy work habits
b. Job satisfaction
c. Prolonged and chronic work-related stress
d. Effective time management**ANSWER: c.**

3. What is the term for the total set of work-related behaviors that the organization expects an individual to display?

a. Withdrawal behaviors

b. Dysfunctional behaviors

c. Performance behaviors

d. Organizational citizenship **ANSWER: c.**

3.8 SUGGESTED READINGS

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MBA-DE(Second Year) **IP 1411)**
Semester-IV **INDUSTRIAL PSYCHOLOGY**
Lesson No. 4 **AUTHOR : Dr. SIMRANJEET KAUR**

HUMAN NEEDS AND THEIR IMPLICATIONS FOR A WORK ORGANIZATION STRUCTURE

4. Objectives
4.1 Introduction
4.2 What is a System?
4.3 Thinking about organizations as systems
4.4 System Needs
4.5 Maslow's hierarchy of needs
  4.5.1 Physiological Needs
  4.5.2 Safety
  4.5.3 Social Needs
  4.5.4 Esteem
4.6 Open Systems Theory
4.7 Summary
4.8 Practice Questions
4.9 Glossary
4.10 Self-Help Exercise
4.11 Suggested Readings

4.1 INTRODUCTION

An organization, by its most basic definition, is an assembly of people working together to achieve common objectives through a division of labor. An organization provides a means of using individual strength*; within a group to achieve more than can be accomplished by the aggregate efforts of group members working individually. Business organizations are formed to deliver goods or services to consumers in such a manner that they can realize a profit at the conclusion of the transaction. Over the years, business analysts, economists, and academic researchers have pondered several theories that attempt to explain the dynamics of business organizations, including the ways in which they make decisions, distribute power and control, resolve conflict, and promote or resist organizational change. As Jeffrey Pfeffer summarized in New Directions for Organization Theory, organizational theory studies provide 'an interdisciplinary focus on a) the effect of social organizations on the behavior and attitudes of individuals within them, b) the effects of individual characteristics and action on organization, ...c) the performance, success, and survival of organizations, d) the mutual effects of environments, including resource and task, political, and cultural environments on organizations and vice versa, and e} concerns with both the epistemology and methodology that undergird research on each of these topics."

Of the various organizational theories that have been studied in this realm, the open-systems theory has emerged as perhaps the most widely known, but others have their proponents as well. Indeed, some researchers into organizational theory propound a blending of various theories, arguing that an enterprise will embrace different organizational strategies in reaction to changes in its competitive circumstances, structural design, and experiences.

4 .2 WHAT IS A SYSTEM?

A system is a collection of parts (or subsystems) integrated to accomplish an overall goal (a system of people is an organization). Systems have input processes, outputs and outcomes, with ongoing feedback among these various parts. If one part of the system is removed, the nature of the system is changed.

Systems range from very simple to very complex. There are numerous types of systems. For example, there are biological systems (the heart, etc.), mechanical systems (thermostat, etc.), human/mechanical systems (riding a bicycle, etc.), ecological systems (predator/prey, etc.), and social systems (groups, supply and demand, friendship, etc.).

4.3 THINKING ABOUT ORGANIZATIONS AS SYSTEMS

The effect of this systems theory in management is that writers, educators, consultants, etc. are helping managers to look at organizations from a broader perspective. Systems theory has brought a new perspective for managers to interpret patterns and events in their organizations. In the past, managers typically took one part and focused on that. Then they moved all attention to another part. The problem was that an organization could, e.g., have wonderful departments that operate well by themselves but don't integrate well together. Consequently, the organization suffers as a whole.

Recently, management studies have come to view organizations from a new perspective: a systems perspective. This systems perspective may seem quite basic. Yet, decades of management training and practices in the workplace have not followed from this perspective. Only recently, with tremendous changes facing organizations and how they operate, have educators and managers come to face this new way of looking at things. This interpretation has brought about a significant change (or paradigm shift) in the way management studies and approaches organizations.

Background:

Modem organization theory is rooted in concepts developed during the beginnings of the Industrial Revolution in the late 1800s and early 1900s. Of import during that period was the research of German sociologist Max Weber (1864-1920), Weber believed that bureaucracies, staffed by bureaucrats, represented the idea! organizational form. Weber based his model bureaucracy on legal and absolute authority, logic, and order. In Weber's idealized organizational structure, responsibilities for workers are clearly defined and behavior is tightly controlled by rules, policies, and procedures.

Weber's theories of organizations, like others of the period, reflected an impersonal attitude toward the people in the organization. Indeed, the work force, with its personal frailties and imperfections, was regarded as a potential detriment to the efficiency of any system. Although his theories are now considered mechanistic and outdated, Weber's views on bureaucracy provided important insight into the era's conceptions of process efficiency, division of labor, and authority.

Researchers began to adopt a less mechanical view of organizations and to pay more attention to human, influences in the 1930s. This development was motivated by several studies that shed light on the function of human fulfillment in organizations. The best known of these was probably the so-called Hawthorn Studies. These studies, conducted primarily under the direction of Harvard University researcher Elton Mayo, were conducted in the mid-1920s and 1930s at a Western Electric Company plant known as the Hawthorn Works. The company wanted to determine the degree to which working conditions affected output.

Surprisingly, the studies failed to show any significant positive correlations between workplace conditions and productivity. In one study, for example, worker productivity escalated when lighting was increased, but it also increased when illumination was decreased. The results of the studies demonstrated that innate forces of human behavior may have a greater influence on organizations than do mechanistic incentive systems. The legacy of the Hawthorn studies and other organizational research efforts of that period was an emphasis on the importance of individual and group interaction, humanistic management skills, and social relationships hi the workplace.

The focus on human influences in organizations was reflected most noticeably by the integration of Abraham Maslow's "hierarchy of human needs" into organization theory'. Maslow's theories introduced two important implications into organization theory. The first was that people have different needs and therefore need to be motivated by different incentives to achieve organizational objectives. The second of Maslow's theories held that people's needs change over time, meaning that as the needs of people lower in the hierarchy are met, new needs arise. These assumptions led to the recognition, for example, that assembly-line workers could be more productive if more of their personal needs were met, whereas past theories suggested that monetary rewards were the sole, or primary, motivators.

4.4 HUMAN NEEDS

All systems have needs, whether the systems be people, families, communities, cities, economics or ecosystems. System needs are complex, exist simultaneously, and must be addressed systemically and holistically, rather than via narrow selection and "targeting". Satisfaction cf those needs is the central meaning of Sustainable Development. Unsatisfied needs indicate the existence of poverties.

4.5 MASLOW'S HIERARCHY OF NEEDS

Abraham Maslow developed the Hierarchy of Needs model in 1940-50's USA, and the Hierarchy of Needs theory remains valid today for understanding human motivation, management training, and personal development. Indeed, Maslow's ideas surrounding the Hierarchy of Needs concerning the responsibility of employers to provide a workplace environment that encourages and enables employees to fulfill their own unique potential (self-actualization) are today more relevant than ever.

If motivation is driven by the existence of unsatisfied needs, then it is worthwhile for a manager to understand which needs are the more important for individual employees. In this regard, Abraham Maslow developed a model in which basic, low-level needs such as physiological requirements and safety must be satisfied before higher-level needs such as self-fulfillment are pursued. In this hierarchical model, when a need is mostly satisfied it no longer motivates and the next higher need takes its place. Maslow's hierarchy of needs is shown in the following diagram:

Maslow's Hierarchy of Needs:

Self - Actualization

Esteem Needs

Social Needs

Safety Needs

Physiological Needs

4.5.1 Physiological Needs:

Physiological needs are those required to sustain life, such as:

- air
- water
- nourishment
- sleep

According to Maslow's theory, if such needs are not satisfied then one's motivation will arise from the quest to satisfy them. Higher needs such as social needs and esteem are not felt until one has met the needs basic to one's bodily functioning.

4.5.2 Safety:

Once physiological needs are met, one's attention turns to safety and security in order to be free from the threat of physical and emotional harm. Such needs might be fulfilled by:

- Living in a safe area
- Medical insurance
- Job security
- Financial reserves

According to Maslow's hierarchy, if a person feels that he or she is in harm's way, higher needs will not receive much attention.

4.5.3 Social Needs;

Once a person has met the lower level physiological and safety needs, higher level needs become important, the first of which are social needs. Social needs are those related to interaction with other people and may include:

- Need for friends
- Need for belonging
- Need to give and receive love

4.5.4 Esteem:

Once a person feels a sense of "belonging", the need to feel important arises. Esteem needs may be classified as internal or external. Internal esteem needs are those related to self-esteem . such as self respect and achievement. External esteem needs are those such as social status and recognition. Some esteem needs are:

- Self-respect
- Achievement
- Attention
- Recognition
- Reputation

Maslow later refined his model to include a level between esteem needs and self- actualization: the need for knowledge and aesthetics.

4.5.5 Self-Actualization:

Self-actualization is the summit of Maslow's hierarchy of needs. It is the quest of reaching one's full potential as a person. Unlike lower level needs, this need is never fully satisfied; as one grows psychologically there are always new opportunities to continue to grow.

Self-actualized people tend to have needs such as:

- Truth
- Justice
- Wisdom
- Meaning

Self-actualized persons have frequent occurrences of peak experiences, which are energized moments of profound happiness and harmony. According to Maslow, only a small percentage of the population reaches the level of self-actualization.

Implications for Management:

If Maslow's theory holds, there are some important implications for management. There are opportunities to motivate employees through management style, job design, company events, and compensation packages, some examples of which follow:

- Physiological needs: Provide lunch breaks, rest breaks, and wages that are sufficient to purchase the essentials of life.
- Safety Needs: Provide a safe working environment, retirement benefits, and job security.
- Social Needs: Create a sense of community via team-based projects and social events.
- Esteem Needs: Recognize achievements to make employees feel appreciated and valued. Offer job titles that convey the importance of the position.
- Self- Actualization: Provide employees a challenge and the opportunity to reach their full career potential.

However, not all people are driven by the same needs - at any time different people may be motivated by entirely different factors. It is important to understand the needs being pursued by each employee. To motivate an employee, the manager must be able to recognize the needs level at which the employee is operating, and use those needs as levers of motivation.

Limitations of Maslow's Hierarchy:

While Maslow's hierarchy makes sense from an intuitive standpoint, there is little evidence to support its hierarchical aspect. In fact, there is evidence that contradicts the order of needs specified by the model. For example, some cultures appear to place social needs before any others. Maslow's hierarchy also has difficulty explaining cases such as the "starving artist" in which a person neglects lower needs in pursuit of higher ones. Finally, there is little evidence to suggest that people are motivated to satisfy only one need level at a time, except in situations where there is a conflict between needs.

Even though Maslow's hierarchy lacks scientific support, it is quite well-known and is the first theory of motivation to which many people they sire exposed. To address some of the issues of Maslow's theory, Clayton Alderfer developed the ERG theory, a needs-based model that is more consistent with empirical findings.

Norwood (1999) proposes that Maslow's hierarchy can be used to describe the kinds of information that individual's seek at different levels. For example, individuals at the lowest level seek coping information in order to meet their basic needs. Information that is not directly connected to helping a person meet his or her needs in a very short time span is simply left unattended. Individuals at the -safety level need helping information. They seek to be assisted in seeing how they can be safe and secure. Enlightening information is sought by individuals seeking to meet their belongingness needs. Quite often this can be found in books or other materials on relationship development. Empowering information is sought by people at the esteem level. They are looking for information on how their ego can be developed. Finally, people in the growth levels of cognitive, aesthetic, and self-actualization seek edifying information. While Norwood does not specifically address the level of transcendence, I believe it safe to say that individuals at this stage would seek information on how to connect to something beyond them or to how others could be edified.

Maslow published his first conceptualization of his theory over 50 years ago (Maslow, 1943) and it has since become one of the most popular andoften cited theories of human motivation. An interesting phenomenon related to Maslow's work is that in spite of a lack of evidence to support, his hierarchy, it enjoys wide acceptance (Wahba &Bridgewell, 1976; Soper, Milford & Rosenthal, 1995).

The few major studies that have been completed on the hierarchy seem to support the proposals of William James (1892/1962) and Mathes (1981) that there are three levels of human needs. James hypothesized the levels of material (physiological, safety), social (belongingness, esteem), and spiritual. Mathes proposed the three levels were physiological, belonginess, and self- actualization; he considered security and self-esteem as unwarranted. Alderfer (1972) developed a comparable hierarchy with his ERG (existence, relatedness, and growth) theory. His approach modified Maslow's theory based on the work of Gordon Allport (1960, 1961) who incorporated concepts from systems theory into his work on personality.

Alderfer's Hierarchy of Motivational Needs:

Level of Need	**Definition**	**Properties**
Growth	Impel a person to make creative or productive effects on himself and his environment	Satisfied through using capabilities in engaging problems; creates a greater sense of wholeness and fullness as a human being
Relatedness	Involve relationships with significant others	Satisfied by mutually sharing thoughts and feelings; acceptance, confirmation, under-standing, and influence are elements
Existence	Includes all of the various forms of material and psychological desires	When divided among people one person's gain is another's loss if resources are limited

Maslow recognized that not all personalities followed his proposed hierarchy. While a variety of personality dimensions might be considered as related to motivational needs, one of the most often cited is that of introversion and extroversion. Reorganizing Maslow's hierarchy based on the work of Alderfer and considering the introversion/extraversion dimension of personality results in three levels, each with an introverted and extroverted component. This organization suggests there may be two aspects of each level that differentiate how people relate to each set of needs. Different personalities might relate more to one dimension than the other. For example, an introvert at the level of Other/Relatedness might be more concerned with his or her own perceptions of being included in a group, whereas an extrovert at that same level would pay more attention to how others value that membership.

A Reorganization of Maslow's and Alderfer's Hierarchies:

Level	**Introversion**	**Extroversion:**
Growth	Self-Actualization (development of competencies [knowledge, attitudes, and skills] and character) unknown, unknowable)	Transcendence (assisting in the development of others' competencies and character; relationships to the
Other (Relatedness)	Personal identification with group, significant others (Belongingness)	Value of person by group (Esteem)
Self (Existence)	Physiological, biological (including basic emotional needs) Connectedness, security needs}	

At this point there is little agreement about the identification of basic human needs and how they are ordered. For example, Ryan & Deci (2000) also suggest three needs, although they are not necessarily arranged hierarchically: the need for autonomy, the need for competence, and the need for relatedness. Thompson, Grace and Cohen (2001) state the most important needs for children are connection, recognition, and power. Nohria, Lawrence, and Wilson (2001) provide evidence from a sociobiology theory of motivation that humans have four basic needs: (1) acquire objects and experiences; (2) bond with others in long-term relationships of mutual care and commitment ; (3) learn and make sense of the world and of ourselves; and (4) to defend ourselves, our loved ones, beliefs and resources from harm. The Institute for Management Excellence (2001) suggests there are nine basic human needs: (1) security, (2) adventure, (3) freedom, (4) exchange, (5) power, (6) expansion, (7) acceptance, (8) community, and (9) expression.

Notice that bonding and relatedness are a component of every theory. However, there do not seem to be any others that are mentioned by all theorists. Franken (2001) suggests this lack of accord may be a result of different philosophies of researchers rather than differences among human beings. In addition, he reviews research that shows a person's explanatory or attributional style will modify the list of basic needs. Therefore, it seems appropriate to ask people what they want and how their needs could be met rather than relying on an unsupported theory. For example, Waitley (1996) advises having a person imagine what life would be like if time and money were not an object in a person's life. That is, what would the person do this week, this month, next month, if he or she had all the money and time needed to engage in the activities and were secure that both would be available again next year. With some follow-up questions to identify what is keeping the person from happening now, this open-ended approach is likely to identify the most important needs of the individual.

There is much work still to be done in this area before we can rely on a theory to be more informative than simply collecting and analyzing data. However, this body of research can be very important to parents, educators, administrators and others concerned with developing and using human potential. It provides an outline of some important issues that must be addressed if human beings are to achieve the levels of character and competencies necessary to be successful in the information age.

* Douglas McGregor contrasted the organization theory that emerged during the mid-1900s to previous views. In the 1950s, McGregor offered his renowned Theory X and Theory Y to explain the differences. Theory X encompassed the old view of workers, which held that employees preferred to be directed, wanted to avoid responsibility, and cherished financial security above all else.

McGregor believed that organizations that embraced Theory Y were generally more productive. This theory held that humans can learn to accept and seek responsibility; most people possess a high degree of imaginative and problem-solving ability, employees are capable of effective self-direction; and that self-actualization is among the most important rewards that organizations can provide its workers.

4.5.6 SELF-HELP EXERCISE

1. According to Maslow's Hierarchy of Needs, which of the following needs must be satisfied first before an individual is motivated by higher-level needs?

a. Esteem needs
b. Safety needs
c. Physiological needs
d. Love and belongingness needs

2. Maslow's Hierarchy of Needs is often depicted as a pyramid with how many levels or tiers?
a. Three
b. Four
c. Five
d. Six

4.6 OPEN-SYSTEMS THEORY

Traditional theories regarded organizations as closed systems that were autonomous and isolated from the outside world. In the 1960s, however, more holistic and humanistic ideologies emerged. Recognizing that traditional theory had failed to take into account many environmental influences that impacted the efficiency of organizations, most theorists and researchers embraced an open-systems view of organizations.

The term “open systems” reflected the newfound belief that all organizations are unique— in part because of the unique environment in which they operate—and that they should be structured to accommodate unique problems and opportunities. For example, research during the 1960s indicated that traditional bureaucratic organizations generally failed to succeed in environments where technologies or markets were rapidly changing. They also failed to realize the importance of regional cultural influences in motivating workers.

Environmental influences that affect open systems can be described as either specific or general. The specific environment refers to the network of suppliers, distributors, government agencies, and competitors with which a business enterprise inter-acts. The general environment encompasses four influences that emanate from the geographic area in which the organization operates. These are:

- Cultured values, which shape views about ethics and determine the relative importance of various issues.
- Economic conditions, which include economic upswings, recessions, regional unemployment, and many other regional factors that affect a company’s ability to grow and prosper. Economic influences may also partially dictate an organization’s role in the economy.
- Legal/political environment, which effectively helps to allocate power within a society and to enforce laws. The legal and political systems in which an open system operates can play a key role in determining the long-term stability and security of the organization’s future. These systems are responsible for creating a fertile environment for the business community, but they are also responsible for ensuring— via regulations pertaining to operation and taxation— that the needs of the larger community are addressed.
- Quality of education, which is an important factor in high technology and other

industries that require *an* educated work force. Businesses will be better able to fill such positions if they operate in geographic regions that feature a strong education system.

The of open-systems theory also assumes that all large organizations are comprised of multiple subsystems, each of which receives inputs from other subsystems and turns them into outputs for use by other subsystems. The subsystems are not necessarily represented by departments in an organization, but might instead resemble patterns of activity.

*AT,*important distinction between open-systems theory and more traditional organization theories is that the former assumes a subsystem hierarchy, meaning that not all of the subsystems are equally essential. Furthermore, a failure in one subsystem will not necessarily thwart the entire system. By contrast, traditional mechanistic theories implied that a malfunction in any part of a system would have an equally debilitating impact.

4.6.1 SELF-HELP EXERCISE

3. According to Open Systems Theory, an open system:
a. Has no interaction with its environment
b. Is closed off from external influences
c. Interacts with and adapts to its environment
d. Operates independently of external factors

4.7 SUMMARY

Maslow's hierarchy can be used to describe the kinds of information that individual's seek at different levels. For example, individuals at the lowest level seek coping information in order to meet their basic needs. Information that is not directly connected to helping a person meet his or Vier needs in a very short time span is simply left unattended. Individuals at the safety level need helping information. They seek to be assisted in seeing how they can be safe and secure. Enlightening information is sought by individuals seeking to meet their belongingness needs.

4.8 PRACTICE QUESTIONS

- What do you mean by System ?
- Explain what are system needs?

4.9 GLOSSARY

- **Actualization:-**To realize in action or make real
- **Introversion:-**The act of turning or directing inward, physically or mentally

4.10 SELF-HELP EXERCISE

1. According to Maslow's Hierarchy of Needs, which of the following needs must be satisfied first before an individual is motivated by higher-level needs? a. Esteem needs
b. Safety needs
c. Physiological needs
d. Love and belongingness needs**ANSWER : c.**

2. Maslow's Hierarchy of Needs is often depicted as a pyramid with how many levels or tiers?
a. Three
b. Four
c. Five
d. Six**ANSWER: c**.

3. According to Open Systems Theory, an open system:
a. Has no interaction with its environment
b. Is closed off from external influences
c. Interacts with and adapts to its environment
d. Operates independently of external factors**ANSWER: c.**

4.11 SUGGESTED READINGS

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MBA-DE{Second Year)
Semester-IV
Lesson No. 5

IP (411)
INDUSTRIAL PSYCHOLOGY

AUTHOR : Dr. SIMRANJEET KAUR

PSYCHOLOGY OF CONUMERS IN MARKETING, CONSUMER BEHAVIOUR, SELLING AND ADVERTISEMENT

STRUCTURE

5.0 Objectives
5.1 Introduction
5.2 Various steps in selling
5.3 Methods of sale dialogue
5.4 Psychological bases of the appeal of advertisement
5.5 What makes an effective advertisement?
5.6 Essentials of a Good Advertisement
5.7 Consumer Behavior: The Psychology of Marketing
5.7.1 Summary
5.7.2 Practice Questions
5.10 Glossary
5.11 Self-Help Exercise
5.12 Suggested Readings

5. OBJECTIVES

- To understand the psychological bases of the appeal of advertisement.
- To study the consumer behavior and selling in pretext to marketing.

5.1 INTRODUCTION

hi the modern context psychology plays a vital role in the sphere of buying and selling because it has been established that “buying and selling are based more on psychological than on economic factors’. Both buying and selling are modes of behavior and since all forms of behavior obey certain rules it is possible to discover the laws applicable in this case and to control buying and selling. Since he is a human being, the individual is influenced by psychological laws. Hence, if the seller knows what he should do to awaken a specific response in the buyer he can do his job much better.

In the field of marketing the psychological importance of motivation, research, analysis of concepts, developing of the methods of introducing goods, improvement in questions, evaluation of verbal reactions, consumption, effective advertisement of indirect evidence, the evaluation of its effect, group information, etc., has been discovered. Besides, efforts have been made to discover, through research, the effect produced on consumers by particular forms of behavior.

5.2 VARIOUS STEPS IN SELLING

The manufacturer's task does not end with the manufacture of an article because the customer must be aware of a particular article that the needs and also of the place where he can procure it. In addition to this, conveying this information to the customer will not suffice because numerous other similar or even identical products are marketed by many other manufacturers and are available in market. The customer is attracted to one such product but not towards another. The answer to this lies in advertisement. Advertisement is the science of attracting the attention of the people since it informs the customer about the goods available and the distinctive qualities of each. This is the first step in selling. In the second stage the manufacturer aims at interesting the customer in his product. If the interest is lacking the customer will not buy the product, but if it is present, he can at least be induced to inspect and examine it. Once interest is established, the desire to buy it follows. But the act of buying occurs only after the individual has examined the article. The confidence that the customer would get on first hand examination of the article is created by the manufacturer through advertisement, his own credit and through the gift of the gab, ability to talk and to convince the customer. If the article is dependable, the customer decides to purchase it. The seller convinces him and removes his doubts, and finally the customer's decision to buy it translated into action. After the actual purchase, if the customer is satisfied with the performance of the article, he talks of it to other people and if need be returns to buy it a second time. This mental satisfaction is an essential step in the process of selling.

5.2.1 SELF-HELP EXERCISE

1. What does the AIDA model stand for in the context of the selling process?

a. Attention, Interest, Decision, Action
b. Awareness, Interest, Desire, Action
c. Approach, Interaction, Decision, Agreement
d. Analysis, Introduction, Discussion, Agreement

5.3 METHODS OF SALE DIALOGUE

The process of going from the first to final steps, outlines above, in the business of selling, is facilitated by psychological laws. People who pay heed to psychological laws and apply them in practice find it easier to sell their product. People who do not, does it face considerable difficulty in selling. The method and the nature of this sales interview or sales talk changes with any change in the seller, the customer or the product being sold. For this reason it is not possible to be s successful salesman merely by reading books. Nevertheless, it is possible to formulate a rudimentary pattern for sales dialogues in most conditions. This work has been done very successfully in recent years by psychologists. Laboratory experiments have been conducted to determine the validity of the various prevalent methods of sale dialogue. The more prevalent methods of sales dialogue includes exhibition through use, verbal descriptions, lengthy inducements to buy, brief inducements of a similar nature, serious lecturing or free and informal approach. A brief description of the methods now follows:

1. **Practical demonstration:-**Most people have seen salesman actually operating a new article in his shop in order to attract the customer. Most manufacturers try to arrange such practical and operational exhibition of their products in shops and markets. When the customer sees the article in actual use, he is more easily satisfied about its utility and efficiency. But this method cannot be applied to the selling of all objects. For example, it is not possible to display objects of food, medicines, or objects concerned with the feelings, in this way. Hence, for such commodities other methods are applied.
2. **Verbal descriptions:-**The shopkeeper or the salesman used the method of verbal description either when a practical demonstration is not possible or when it does not suit him to arrange such a demonstration. In this method the salesman describes the article, its qualities and its utility in many ways so that the buyer may be convinced. It is desirable that the description should be psychological. And even if there is an element of deception in this description it should be mentioned in such a way that the buyer does not suspect it.
3. **Entreaty to buy after mentioning facts:-**In this method salesman starts by mentioning facts about the article he wants to sell and he requests, begs or entreats the customer to buy it. This entreaty to buy is made in many ways. Some people talk enthusiastically but seriously about the merits of the article in question. Some salesmen adopt a very rude manner while others assume a friendly manner to win the confidence of the customer. Such salesmen try to convince each customer that they are concerned only with the customer's welfare and their aim is not to earn money but to serve the customer by fulfilling his demands. They create the impression that their objective in selling is to provide satisfaction to the customer.

The advantages and disadvantages of each of the above selling methods can be understood by comparing them. One experienced salesmen adopted each of these sales techniques. It was found that the method of practical demonstration was better than verbal description. A factual description was found better than a simply entreaty or request to buy. It was felt that a friendly manner during the sales talk was better than the blunt or rude manner. But the enthusiastic and the very serious and grave descriptions were found to be equally effective.

S.4 PSYCHOLOGICAL BASES OF THE APPEAL OF ADVERTISEMENT

Most of the consumers are influenced either directly or indirectly through advertising and selling. Currently with the rapid expansion of the electronic media scope of advertisement for the sale and promotion of the different goods has increased immensely. It is fact that people react in varying ways to the different advertisement in radios and TVs and try to avoid particularly boring, exaggerated and extremely colorful advertisements made without the use of brain and intellect. Some however like to view the advertisements with strong visuals when they are novel and prepared to touch the both brain and the heart, the intellect and the emotion.

This being th e position of advertisement today, it has been a novel branch particularly to influence consumer's psychology. Advertisement is ordinarily defined as any paid form of nonpersonal presentation and promotion of ideas, goods as services by some identified sponsor. The media of advertising includes newspapers, magazines, catalogues, billboards, various programmes in between theatres and movies, placards, pamphlets, radio and television etc. Similarly sign boards, bill boards, neon signs, loud speakers propagate messages which can be named as advertisement. The purpose of advertisement is to influence people in their decision to purchase consumer goods. The advertisement is usually designed in a careful way to influence the decision of people in a competitive market.

Advertisement as a means to influence the psychology of consumers have gained high place in the western world compared to India. The advertisement should be such that it must knack for picking one's brain without knowing it. Advertisement should also be done in a scientific, systematic and creative manner so that it can touch the emotion of the consumers in a favourable direction

Objectives of Advertisement:

The following are the main objectives of advertisement:

1. **DRAWING ATTENTION:-**The first and foremost aim of advertisement is to draw the attention of the person towards a particular thing or service. In the cities, on big railway junctions and on busy squares one finds the world USHA in red light, and at another place there is TATA in moving light. Electric bulbs are used to draw attention. Big signboards draw more attention than smaller ones. Figures, colors', headlines, form, light, etc., all the different advertisement aim at drawing the attention.
2. **Creating Interest;-**Generally speaking, only that object draws attention which is interesting. Why do you find the pictures of film actresses in the advertisement of Lux toilet soap? Have you seen the day-by-day of Rexona soap? What is the secret for the success of advertisement? The answer is that it lies in creating interest. A successful advertiser takes cognizance of the interest of the buyers because interest and attention are closely related.
3. **Creating belief:-**Mere knowledge of the existence of a thing or mere introduction with its

qualities is not sufficient for its being sold. The main problem is to create belief among buyers that it has these particular types of qualities. This can be done in a variety of ways. One way is to seek recommendations from eminent leaders, film actors and actresses etc. Certificates from eminent physicians are helpful in the advertisement of medicines,

4, **Remembering:-**Advertisement should influence memory because a person does not need a thing while he reads its advertisement. The advertisement should be able to recall its name and the firm manufacturing it.

5. **Creating a desire to buy:-**In the end, the main purpose of the advertisement is to create a desire among persona to buy it. It is hence that advertisers check the influence of advertisement on sales. The success of an advertisement is correlated to the success in sales.

5.5 WHAT MAKES AN EFFECTIVE ADVERTISEMENT?

Intensive and rigorous research have been done to look into the different elements of an advertisement, how these elements are stretched to their greatest potential of creating an effective advertisement and the different media that is the most appropriate for different advertisements, it has been realized that there is no absolute or universal method of creating the most effective advertisement. An effective advertisement would generally refer to an advertisement that is able to interest, intrigue and inspire a viewer, persuade the consumer that a certain product is worth buying and in turn generate more sales for the manufacturer successfully.

Thus, an effective advertisement is not one that is specified to the various elements of an advertisement, but rather, is able to function because of the appropriate elements manipulated in the advertiser's favour and how all the elements are able to combine and conjure an effective advertisement. In other words, a perfect picture would be nothing without a witty tagline, the best portrayed images would be nothing without matching background music and the most eye-catching colours used in an advertisement would mean nothing without appropriate movement that is employed to reiterate the point. Many things come into play when creating an advertisement and many of these elements can contribute to the creativity by which advertisers can place in the advertisement.

Therefore, it is important for advertisers to note how to break an advertisement down into its elements, what elements to choose for the particular product to focus on and how to build the advertisement up again to create the most effective one that can cater to its target group and serve its purpose making use of the elements and methods available. There is no one hard and fast way for advertising and this is exactly what makes it so interesting and complex at the same time.

5.6 ESSENTIALS OF A GOOD ADVERTISEMENT

Use a dominant element:

Use a large picture or headline to insure quick visibility. Photographs and realistic drawings have about equal attention-getting value, but photographs of real people win more readership. So do action pictures. Photographs of local people or places also have high value. Use good art work. It will pay off in extra readership.

Make your copy complete:

Sizes and colors available are important, pertinent information. The copy should be enthusiastic, sincere. A block of copy written in complete sentences is easier to read than one composed of phrases and random words. In designing the layout of a copy block, use a boldface lead-in. Small pictures in sequence will often help readership. Don’t be too clever, or use unusual or difficult words.

Make your ads easily recognizable:

Advertisements which are distinctive in their use of art, layout techniques and type faces usually enjoy higher readership than run-of-the-mill advertising. Make your account’s ads distinctively different in appearance from the advertising of competitors. Then keep the ad’s appearance consistent. This way, readers will recognize your account’s ads even before they read them

Use a prominent benefit headline:

The first question a reader asks of an ad is: “What’s in it for me?” Select the main benefit which the merchandise offers and feature it in a compelling headline. “How to” headlines encourage full copy readership, as do headlines which include specific information or helpful suggestions. The headline will be easier to read if it is black-on-white and not printed over part of an illustration.

Specify branded merchandise:

If the item is a known brand, say so in the ad. Manufacturers spend large sums to sell their goods, and the retailer can capitalize on their advertising while enhancing the reputation of the retailer’s store by featuring branded items.

Use a simple layout:

The layout should carry the reader’s eye through the message easily and in proper sequence: from headline to illustration to explanatory copy to the store’s name. Avoid the use of to6 many different type faces, overly decorative borders and reverses. These devices are distracting and reduce the number of readers who receive the entire message.

Let white space work for you:

Don’t overcrowd the ad. White space is an important layout element in newspaper advertising. White space focuses the reader’s attention on the ad and will make the headline and illustration stand out. When a “crowded” ad is necessary such as for a sale, departmentalize the items so that the reader can find his way through them easily.

Urge your readers to buy now:

The ad should ask for the sale. Prompt action can be stimulated by using such phrases as "limited supply” or “this week only”. If mail order coupons are included in ads, provide spaces large enough for customers to fill them in easily. Don’t generalize; be specific at all times.

Understanding and Predicting Consumer Behavior:

Consumer psychologists study an individual’s psychological and behavioral responses during product consumption. Research in this area is used to explain, predict, and/or influence consumer behavior. Psychology and its application to the world of marketing responds to a broad range of questions: What motivates a person to make a purchase? Are buying patterns driven by emotion or reason—or both? How might skyrocketing gas prices, global geopolitics or the Dow Jones;Industrial Average, for instance, play in a person's individual buying habits? How can marketing campaigns use language, images or sound most effectively? How do consumers prioritize product quality and how do these priorities influence decisions between product alternatives and price points? How do consumers gather and process information about a product and what happens when gaps in knowledge exist? There are several academic journals dedicated to the psychology of marketing that focus on these questions—they're certainly worth checking out, and can give you a clearer idea of how psychology and marketing come together.

Psychology can be used to anticipate and strategize for individual buyer behavior or the behavior of a group, including trends in a particular consumer base (i.e. new mothers, teens or soda drinkers) or industry (commercial printing firms that choose to use only recycled paper).

5.6.1 SELF-HELP EXERCISE

2. What is the primary goal of a good advertisement?

a. Increasing production costs
b. Generating brand awareness
c. Reducing market competition
d. Decreasing consumer demand

5.7 CONSUMER BEHAVIOR: THE PSYCHOLOGY OF MARKETING

The study of consumers helps firms and organizations improve their marketing strategies by understanding issues such as how

The psychology of how consumers think, feel, reason, and select between different alternatives (e.g., brands, products);

The psychology of how the consumer is influenced by his or her environment (e.g., culture, family, signs, media);

The behavior of consumers while shopping or making other marketing decisions; Limitations in consumer knowledge or information processing abilities influence decisions and marketing outcome;

How consumer motivation and decision strategies differ between products that differ in their level of importance or interest that they entail for the consumer; and How marketers can adapt and improve their marketing campaigns and marketing strategies to more effectively reach the consumer.

One "official" definition of consumer behavior is "The study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society.[1]' Although it is not necessary to memorize this definition, it brings up some useful points:

- Behavior occurs either for the individual, or in the context of a group (e.g., friend's influence what kinds of clothes a person wears) or an organization (people on the job make decisions as to which products the firm should use).
- Consumer behavior involves the use and disposal of products as well as the study of how they are purchased. Product use is often of great interest to the marketer, because this may influence how a product is best positioned or how we can encourage increased consumption. Since many environmental problems result from product disposal (e.g., motor oil being sent into sewage systems to save the recycling fee, or garbage piling up at landfills) this is also an area of interest.
- Consumer behavior involves services and ideas as well as tangible products.
- The impact of consumer behavior on society is also of relevance. For example, aggressive marketing of high fat foods, or aggressive marketing of easy credit, may have serious repercussions for the national health and economy.

campaigns. For example, by understanding that consumers are more receptive to food advertising when they are hungry, we learn to schedule snack advertisements late in the afternoon. By understanding that new products are usually initially adopted by a few consumers and only spread later, and then only gradually, to the rest of the population, we learn that (1) companies that introduce new products must be well financed so that they can stay afloat until their products become a commercial success and (2) it is important to please initial customers, since they will in turn influence many subsequent customers' brand choices.

- A second application is public policy. In the 1980s, Accutane, a near miracle cure for acne, was introduced. Unfortunately, Accutane resulted in severe birth defects if taken by pregnant women. Although physicians were instructed to warn their female patients of this, a number still became pregnant while taking the drug. To get consumers' attention, the Federal Drug Administration (FDA) took the step of requiring that very graphic pictures of deformed babies be shown on the medicine containers.
- Social marketing involves getting ideas across to consumers rather than selling something. Marty Fishbein, a marketing professor, went on sabbatical to work for the Centers for Disease Control trying to reduce the incidence of transmission of diseases through illegal drug use. The best solution, obviously, would be if we could get illegal drug users to stop. This, however, was deemed to be infeasible. It was also determined that the practice of sharing needles was too ingrained in the drug culture to be stopped. As a result, using knowledge of consumer attitudes, Dr. Fishbein created a campaign that encouraged the cleaning of needles in bleach before sharing them, a goal that was believed to be more realistic.
- As a final benefit, studying consumer behavior should make us better consumers. Common sense suggests, for example, that if you buy a 64 liquid ounce bottle of laundry detergent, you should pay less per ounce than if you bought two 32 ounce bottles. In practice, however, you often pay a size premium by buying the larger quantity. In other words, in this case, knowing this fact will sensitize you to the need to check the unit cost labels to determine if you are really getting a bargain.

There are several units in the market that can be analyzed. Our main thrust in this course is the consumer. However, we will also need to analyze our own firm's strengths and Weaknesses and those of competing firms. Suppose, for example, that we make a product aimed at older consumers, a growing segment. A competing firm that targets babies, a shrinking market, is likely to consider repositioning toward our market. To assess a competing firm's potential threat, we need to examine its assets (e.g., technology, patents, market knowledge, and awareness of its brands) against pressures it faces from the market. Finally, we need to assess Conditions (the marketing environment). For example, although we may have developed a product that offers great appeal for consumers, a recession may cut demand dramatically.

It is now possible to assess the relative impact of a number of factors on the consumer's choice, e.g.

- What brand in a given product category was bought during the last, or a series of past, purchase occasions;

- Whether, and if so, how many times a consumer has seen an ad for the brand in question or a competing one;
- Whether the target brand (and/or a competing one) is on sale during the store visit;
- Whether any brand had preferential display space;
- The impact of income and/or family size on purchase patterns; and
- Whether a coupon was used for the purchase and, if so, its value.

5.7.1 SELF-HELP EXERCISE

3. What role do reference groups play in influencing consumer behavior?

a. They have no impact on consumer decisions
b. They serve as a source of information and social comparison
c. They only influence luxury purchases
d. They are limited to professional settings

5.8 SUMMARY

In the modem context Psychology plays a vital role in buying and selling. It has been established that buying and selling are based more on psychological than on economic factors.

Advertising aims at suggesting buying of a particular thing; advertisement is a science of drawing attention.

5.9 PRACTICE QUESTIONS

1. How far can psychology be an aid to effective advertising?
2. 'Buying and selling are based more on psychological than on economic factors." Discuss and point out various steps in selling.

5.10 GLOSSARY

- Entreat- An earnest request or petition; a plea.
- Demonstration' a method of teaching by example rather than simple explanation

5.11 SELF-HELP EXERCISE

1. What does the AIDA model stand for in the context of the selling process?

a. Attention, Interest, Decision, Action
b. Awareness, Interest, Desire, Action
c. Approach, Interaction, Decision, Agreement
d. Analysis, Introduction, Discussion, Agreement**ANSWER: b.**

2. What is the primary goal of a good advertisement?

a. Increasing production costs
b. Generating brand awareness
c. Reducing market competition
d. Decreasing consumer demand**ANWSER: b.**

3. What role do reference groups play in influencing consumer behavior?

a. They have no impact on consumer decisions
b. They serve as a source of information and social comparison
c. They only influence luxury purchases
d. They are limited to professional settings**ANSWER: b.**

5.12 SUGGESTED READINGS

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PERSONNEL SELECTION AND PSYCHOLOGICAL TESTING

STRUCTURE

6.0 Objectives
6.1 Introduction
6.2 Types of tests
  6.2.1 Aptitude or Potential Ability Tests
  6.2.2 Achievement or Proficiency Tests
  6.2.3 Personality Tests
  6.2.4 Interest Tests
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  6.3.4 Objectivity
6.4 Advantages of testing in industry
6.5 Summary
6.6 Practice Questions
6.7 Glossary
6.8 Self-Help Exercise
6.9 Suggested Readings

6. OBJECTIVES

After reading this chapter, the student should be able to:

- Understand the need and importance of testing in industry.
- Get an insight into the various psychological tests being used in industry.

6.1 INTRODUCTION

Individuals differ widely in their physical characteristics, temperamental qualities, mental abilities and the ways in which they behave and these differences form the very basis of industrial psychology. The significance and implications of these differences are so great that the study of individual differences and their proper evaluation assumes great importance in industrial psychology.

A critical function of personnel management is that of making decisions about assigning individuals to specific jobs or positions. The function basically is matching individuals to jobs, considering actual or potential qualifications of individuals on one hand and requirements of the job on the other. Any error in the choice of employees contributes to the weakness of the organization. The rationale of personnel selection is, therefore, to minimize these errors to a maximum possible extent by employing the available techniques of selection.

Many techniques of selection have been used, some of which are traditional like those of application blanks and interview. They have been in use over a long period as methods of employment. Some, like psychological tests, are relatively new and more sophisticated and are used with considerable accuracy and benefit that more or less completely lacked in the traditional methods of employment.

Psychological testing is the most outstanding contribution that comes solely from the efforts and constant research by psychologists. Its value is immense in the sense that tests are probably the most sophisticated tools of measuring human characteristics and individual differences that form the very basis of industrial psychology.

A psychological test is an objective and standardized measure of a sample of behaviour from which inferences about future behaviour and performance of the candidate are drawn.

6.2 TYPES OF *TESTS*

Tests may broadly be classified as follows:

6.2.1 Aptitude or Potential Ability Tests: These tests measure the latent ability or potential of a candidate to learn a new job or skill. Peculiarities or defects in a person's sensory or intellectual capacity can be detected through these tests. These focus attention on a particular type of talent such as reasoning, learning, mechanical bent of mind, etc. Such tests are of the following types:

a) **Mental or Intelligence Tests:** These tests measure the overall intellectual capacity (intelligence quotient) of a person. These reveal whether an individual has the capacity to deal with new problems. These help to determine a person's word fluency, memory, inductive reasoning, comprehension, speed of perception, and spatial visualization. Intelligence tests measure the ability to understand instructions and to make decisions. These tests are useful in selecting employees for a wide variety of jobs. But administration of these tests is cumbersome and expensive.

The uses of intelligence tests in industry are immense because the industrial jobs vary greatly in complexity and the higher we go in job hierarchy; higher levels of intelligence are usually required on the part of the persons manning the jobs. Some of the commonly used intelligence tests are discussed below:

- **The Stanford Binet Tests and the Weschler Scales:** These tests are used mostly on single individuals and require a person trained in their typical testing procedures and interpreting the performance of the individual. These intelligence tests give an overall IQ score.
- **The Otis Tests:** Though the adult form of these tests is used in industry for almost every conceivable type of job, these tests are extremely useful for lower level jobs.
- **The Wonderlic Personnel Test:** Another test which is abridged adaptation of the Otis Tests is known as the Wonderlic Personnel Test. The items of this test are so selected that they can differentiate between a poor and a good worker on the basis of industrial jobs. These tests have proved to be of great use particularly in the selection of clerical workers.

Besides these, there are a variety of intelligence tests available for industrial purposes such as D.A.T.(Differential Aptitude Tests); G.A-T.B.(General Aptitude Test Battery); FACT (Flanagan Aptitude Classification Test) etc.

b) **Mechanical Aptitude Tests:** These tests measure a person's capacity to learn a particular type of mechanical work. Capacity for spatial visualization, perceptual speed, manual dexterity, visual insights, specialized knowledge for techniques, problem-solving ability, technical vocabulary, etc. are judged in these tests. These are useful for selecting apprentices, machinists, mechanics, maintenance workers and mechanical technicians.

Thus, these tests are used for selecting lower level personnel who are entrusted with the job of operating machines. The mechanical aptitude can be measured with the help of a number of tests. They have been discussed below:

- **The Minnesota Spatial Relations Test:** This test consists of a series of four boards each of which has 58 cutouts of various shapes. The subject's task is to replace the cutouts in their correct holes. The evidence shows that persons engaged in mechanical operations score very high on this test than others.
- **The Benett Mechanical Comprehension Test:** This test presents mechanical problems in pictorial forms, The problem statement is given along with the picture and the subject has to choose his answer from two or three alternatives.

e SRA Mechanical Aptitude Test: This test is devised to measure mechanical information, form perception, spatial visualization, and solutions of problems in a (machine) shop,

c) **Psycho-motor or Skill Tests:** These tests measure a person's ability to perform a specific job. These help to determine mental dexterity or motor ability, and similar attributes involving muscular movements, control and coordination. These are primarily used for selecting workers who have to perform semi-skilled and repetitive jobs like assemble work, packing, testing and inspection.

6.2.2 Achievement or Proficiency Tests: These tests measure what a person can do. These tests determine the skill or knowledge already acquired through training and on the job experience. These tests are of two types:

a) **Job Knowledge Tests:** These tests are also known as trade tests. These are used to judge proficiency in typing, shorthand, and in operating, calculating, adding machines, dictating and transcribing machines or simple equipment. These can be both oral and written. Such tests are useful in the selection of stenographers, typists, office workers, mill supervisors, sales persons, public utility employees etc.

b) **Work Sample Tests:** In these tests, a candidate is given a piece of work to judge how efficiently he does it. For example, a typing test provides the material to be typed and notes the time taken and the mistakes committed,

6.2.3 Personality Tests: These are pen and paper tests used to judge the psychological make up of a person. These probe deeply to discover clues to an individual's value system, emotional reactions and maturity, and his characteristic mood. These help in assessing a person's motivation and interests, his ability to adjust himself to the stress of everyday life, his capacity for interpersonal relations and for projecting an impressive image of himself. These are expressed in terms of the relative significance of traits such as self-confidence, ambition, tact, emotional control, optimism, decisiveness, sociability, objectivity, conformity, patience, fear, distrust, initiative, judgement, dominance, sympathy, integrity etc. These tests are used to select supervisors and executives and for counseling people. These are widely used in industry as these provide an all-round picture of a candidate's personality. But these are criticized as superficial and misleading. These are of three types:

a) **Objective Tests:** These tests measure neurotic tendencies, self-sufficiency, dominance- submission and self-confidence. These traits are scored objectively. Some of the most widely used objective tests are:

- **The Minnesota Multiphasic Personality Inventory (MMPI):** created in 1942 (and updated in the early 1990s) with the goal of defining a "normal" personality and detecting specific deviances. The test outcomes help the examiner to determine the test taker's severity of impairment, outlook on life, approaches to problem solving, typical mood states, likely diagnoses, and potential problems in treatment. The MMP1-2 is used in a wide range of settings for a variety of procedures such as psychiatric assessments, differential diagnosis, outpatient evaluations, evaluation of candidates for employment in some fields, and in educational counseling.
- **Myers Briggs Type Indicator (MBTI):** This is a forced choice personality inventory based on Carl Jung's theory of Personality types. Its purpose is to make this comprehensive theory of personality practical and useful. The MBTI and psychological type enables one to use non-judgmental language to talk about some serious issues, both within an organization and for counseling people. People who complete MBTI are given a four letter code (e.g. ISTJ; ENFP; etc.) as their results which, when verified, indicate their personality preference as one of the 16 types.
- **16 Personality Factor (16 PF):** It is a tool devised by Dr. Raymond Catell in 1905. This tool is useful in a variety of settings to predict a wide range of life behaviours. Popular uses include selection, management development, team building, career counseling and research. This is a self-report assessment instrument that measures sixteen normal adult personality dimensions discovered by Dr. Catell in his landmark research. The scores enable interpreters to formulate personality models in useful industrial/organizational applications, clinical settings, counseling and predicting human behaviour.

b) **Projective Tests:** In these tests, a candidate is asked to project his own interpretation on to certain stimuli like ambiguous pictures, figures etc. The ways in which he responds to these stimuli reflect his own values, motives and personality. Projective tests attempt to measure personality based on the theory that individuals tend to project their own unconscious attitudes into ambiguous situations. The most commonly used projective tests are described below:

- **Rorschach's Ink Blot Test:** Best known of the projective tests is that of the Swiss psychiatrist Hermann Rorschach (1884-1922), who used a group of standardized inkblots and asked the client to relate what the pictures brought to mind. The basic principle underlying the test is that when faced with non-conventional, unstructured stimulus situations like an ink blot, the subject's responses reveal

  . some fundamental features of his personality without his knowing them.
- **The Thematic Apperception Test (TAT):** This test was developed by the American psychologist Henry A. Murray . It uses a standard series of provocative yet ambiguous pictures about which the client must tell a story. Each story is carefully analyzed to uncover underlying needs, attitudes, and patterns of reactions.

The other projective tests that are commonly used in the process of personnel selection include Word Association Test, Sentence Completion Test etc.

c) **Situation Tests:** These tests measure a candidate's reaction when placed in a peculiar situation, his ability to undergo stress and his demonstration of ingenuity under pressure. These usually relate to a leaderless group situation, in which some problems are posed to a group and its members are asked to reach some conclusions without the help of a leader. Group discussion and basket methods are used to administer these tests.

6.2.4 Interest Tests: These tests are inventories of a candidate's likes and dislikes in relation to work. These are used to discover a person's area of interest and to identify the kind of work that will satisfy him. These are generally used for vocational guidance. A well-designed questionnaire is used to assess the likes and dislikes. These are best exemplified by the two tests described below:

- **The Strong Vocational Interest Blank (The SVIB):** This inventory was developed by E.K.Strong and the present forms of SVIB contain 400 items dealing with likes and dislikes in various areas. The purpose of the inventory is to find the extent to which the individual's interests and preferences agree with those of successful persons in various specified fields.
- **The Kuder Preference Record (The KPR):** The KPR is another widely used interest scale and is of more recent origin. The major objective of this scale is to indicate relative interest, in a few broad areas rather than in specific occupations.

6.2.5 SELF-HELP EXERCISE

1. What do Achievement or Proficiency Tests measure?

a. Latent abilities
b. What a person can do
c. Potential abilities
d. Personality traits

2. What does the Test-Retest Method assess in terms of test reliability?

a. Consistency of scores over time
b. Consistency of scores between two forms of the test
c. Division of the test into two parts
d. Administration of the test under standard conditions

6.3 CHARACTERISTICS OF A GOOD TEST

6.3.1 Validity: Validity means the degree to which a test measures what it is designed to measure. A test cannot be called valid unless it measures with reasonable accuracy the future job performance of a candidate. Validity of a test can be specified in four ways:

(a) **Content Validity:** It implies the extent to which the contents of a test are related to the job requirements. If the sample tasks covered in the test are representative of the probable job assignments, the test is said to have content validity.

(b) **Predictive Validity:** It implies the degree to which test scores determine the future job behaviour of a candidate. It is most important for the purpose of employee selection.

(c) **Concurrent Validity:** It means the extent to which there is a positive correlation between job performance and test scores of present employees. In other words, high performing employees should score higher than low performers,

(d) **Construct Validity:** It means the extent to which the test measures psychological quality such as intelligence or introversion which it is supposed to measure.

6.3.2 Reliability: Test reliability means the ability of a test to give consistent results. Test reliability is the consistency of scores obtained by the same person when re-tested again and again. If a person scores significantly different on the same test at two different points of time, test cannot be considered reliable. Several methods can be applied to judge reliability:

(a) **Test -Retest Method:** Under this method, the same test is administered to an individual or group at two different time periods and the scores are compared. If the scores at two points of time are similar, the test is said to be reliable.

(b) **Alternative Form Method:** In this method, two similar forms of test are given and the degree to which the two sets of scores coincide indicates test reliability.

(c) **Split Halves Method:** This method divides the whole test into two similar and equal parts and a high association between the scores on the parts is used as an indicator of reliability.

6.3.3 Standardization: A test must be standardized so that test scores become comparable. It should be administered under standard conditions to a representative sample of persons.

6.3.4 Objectivity: A test must be constructed in such a way that two or more persons can score the responses in the same way.

6.4 ADVANTAGES OF TESTING IN INDUSTRY

When used appropriately under a well planned testing programme, testing can lead to a number of positive benefits to the company. The various advantages of testing in industry are:

1. A good contribution of the selection based on testing is that it can reduce up to a certain extent the labour turnover, which in turn may result in reduced costs of training.
2. It may increase production because better workers are employed.
3. It results in increased job satisfaction of employees because they are placed on the job in which they are most competent and interested.
4. It results in reduced absenteeism, reduced rate of accidents and increased morale of the workers.

6.4.1 SELF-HELP EXERCISE

3. Which of the following is NOT mentioned as an advantage of testing in industry? a. Increased job satisfaction
b. Reduced labor turnover
c. Increased absenteeism
d. Increased morale

6.5 SUMMARY

The chapter deals with the importance of testing in personnel selection in industry. Today, thousands of psychological tests are available to measure almost every conceivable psychological characteristic but very few of them can pass the stringent tests of reliability and validity. Thus, the tests to be used should be reliable, valid, standardized and objective. Various tests such as intelligence tests, aptitude tests, achievement tests, personality tests and interest tests have been discussed.

6.6 PRACTICE QUESTIONS

1. Discuss the need and importance of psychological testing in industry.
2. Discuss the various types of psychological tests being used in industry for personnel selection.

6.7 GLOSSARY

Reliability: - the ability of a test to give consistent results.

Validity: - the degree to which a test measures what it is designed to measure.

6.8 SELF-HELP EXERCISE

1. **What do Achievement or Proficiency Tests measure?**
   a. Latent abilities
   b. What a person can do
   c. Potential abilities
   d. Personality traits**ANSWER: b.**
2. **What does the Test-Retest Method assess in terms of test reliability?**
   a. Consistency of scores over time
   b. Consistency of scores between two forms of the test
   c. Division of the test into two parts
   d. Administration of the test under standard conditions**ANSWER: a.**
3. **Which of the following is NOT mentioned as an advantage of testing in industry?**
   a. Increased job satisfaction
   b. Reduced labor turnover
   c. Increased absenteeism
   d. Increased morale**ANWSER: c.**

6.9 SUGGESTED READINGS

- Gupta C.B., Human Resource Management, Sultan Chand and Sons, New Delhi, 8th Edition, 2007.
- RaoV.S.P., Human Resource Management , Excel Books, New Delhi, 2nd Edition, 2005.
- Ghosh P.K. and Ghorpade M.B.,Industrial Psychology, Himalaya Publishing House, Delhi, 4th Edition, 2007.

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TRAINING AND DEVELOPMENT

STRUCTURE

7.0 Objectives
7.1 Introduction
  7.1.1. Definition of training
  7.1.2. Objectives of training
7.2 Types Of training
7.3 Methods or techniques of training
  7.3.1 On-the-job Training
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7.10 Self-Help Exercise
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7.0 OBJECTIVES

After reading this, chapter, the student should be able to:

- Understand the meaning and importance of employee training and development.
- Understand the various types of techniques used to train and develop employees.

7.1 INTRODUCTION

7.1.1. Definition of. training:

Training is a process of learning a sequence of programmed behavior. It is application of knowledge. It can be defined as a process of increasing the knowledge and skills for doing a particular job. The purpose of training is basically to bridge the gap between job requirements and present competence of an employee.

7.1.2. Objectives of training:

The various objectives of training can be explained as follows:

(a) **To increase productivity:** Instruction can help employees increase their level of performance on their present assignment. Increased human performance often directly leads to increased operational productivity and increased company profit.

(b) **To Improve quality:** Better-informed employees are less likely to make operational mistakes. Quality increases may be in relationship to a company product or service or in reference to the intangible organizational employee atmosphere.

(c) **To help the organization fulfill its future personnel needs:** Organizations which have a good internal educational programme will have to make less drastic manpower changes and adjustments in the event of sudden personnel alternations. When the need arises, organizational vacancies can be more easily staffed from internal sources if a company initiates and maintains an adequate instructional program for both its supervisory and managerial employees.

(d) **To improve organizational climate:** An endless chain of positive reactions results from a well-planned training program. Production and product quality may improve; financial incentives may then be increased, internal promotions become stressed, less supervisory pressure ensure and base pay rate increases result. Increased morale may be due to many factors, but one of the most important of these is the currentstate of an organization's educational endeavor.

(e) **To improve health and safety:** Proper training can help prevent industrial accidents. A safer work environment leads to more stable mental attitudes on the part of employees. Managerial mental state would also improve if supervisors know that they can better themselves through company-designed development programs.

(f) **Obsolescence prevention:** Training and development programs foster the initiative and creativity of employees and help to prevent manpower obsolescence, which may be due to age, temperament or motivation or the ability of a person to adapt to technological changes.

(g) **Personal growth:** Employees on a personal basis gain individually from their exposure to educational experiences. Also, Management development programs give participants a wider awareness, an enlarged skill and enlightened altruistic philosophy and personal growth.

7.2 TYPES OF TRAINING

Training is required for several purposes. Accordingly, training programs may be of the following types:

(a) **Orientation Training:** This is also called Induction training. It seeks to adjust newly appointed employees to the work environment. Every new employee needs to be made fully familiar with the job, his superiors and subordinates and with the rules and regulations of the organization. Induction creates self-confidence in the employees and is generally brief and informative.

(b) **Job Training:** The training provided with a view to increase the knowledge and skills of an employee for improving performance on the job is referred to as Job training. Employees may be taught the correct methods of handling equipment and machines used in a job. This type of training helps to reduce accidents, waste and inefficiency in the performance of the job.

(c) **Safety Training:** This type of training is provided to minimize accidents and damage to the machinery. It involves instruction in the use of safety devices and in safety consciousness.

(d) **Promotional Training:** This training is imparted to existing employees to enable them to perform higher-level jobs. This involves selecting employees with potential and giving them training before promotion. This is done to ensure that employees do not face difficulties while shouldering higher responsibilities of the new positions to which they are promoted.

'**(e) Refresher Training:** This type of training is provided when existing techniques become obsolete due to the development of better techniques and employees are trained for the use of new methods and techniques. Short-term refresher courses have become popular due to rapid changes in technology and work methods. Thus, refresher training is conducted to avoid obsolescence of knowledge and skills.

7.2.1 SELF-HELP EXERCISE

1. What is another name for Orientation Training?
a. Job Training
b. Safety Training
c. Promotional Training
d. Induction Training

7.3 METHODS OR TECHNIQUES OF TRAINING

The methods used for providing training can be described as under:

7.3.1 On-the-job Training (OJT):

In this technique, the trainee is placed on a regular job and taught the skills necessary to perform it. The trainee learns under the guidance and supervision of the superior or an instructor. The trainee learns by observing and handling the job. Thus, it is called learning by doing.

Several methods are used to provide on-the-job training e.g. coaching, job rotation, committee assignments etc. A popularform of OJT is Job instruction Training (JIT) or step-by-step learning. It is suitable for acquisition or improvement of motor skills and routine and repetitive operations. The JIT involves the following steps:

(a) Preparing the trainee for instruction i.e. putting him at ease,

(b) Presenting job instructions in terms of what the trainee is required to do on the actual job. The trainee is put at work site and each step of the job is explained to him clearly.

(c) Applying and trying out the instructions to judge the extent to which the trainee has grasped the instructions.

(d) Following up the training to identify and correct the deficiencies if any.

JIT method provides immediate feedback and permits quick correction of errors. But it needs skilled trainers and preparation in advance.

Some of the major advantages of On-the-job training are:

a) The trainee learns on the actual machine in use and in the real work environment.

b) It is economical because no additional space, equipment, personnel or other facilities are required for training.

c) The trainee also learns the rules, regulations and procedures by observing day-to- day applications.

d) It is very useful for training unskilled and semi-skilled jobs like machinist, clerical and sales jobs.

On the other hand, this method also suffers from some limitations. Firstly, trainee might find it difficult to concentrate due to noise on the workplace. Secondly, this method is often haphazard and unorganized. Thirdly, the trainee may cause damage to costly equipment and materials.

7.3.2 Vestibule Training:

In this method, a training center called vestibule is set up and actual job conditions are duplicated or simulated in it. Expert trainers are employed to provide training with the help of equipment and machines,

a) The trainee can concentrate on learning without disturbance of the workplace noise.
b) The interest and motivation of the trainee is high as actual job conditions are simulated.
c) This method is essential where on-the-job training might cause serious injury or damage to the costly equipment and material e.g. aeronautical industry.
d) It is very effective for training a large number of employees of the same kind of work at the same time.

However, some of the demerits are that it is expensive due to additional investment required in classroom, equipment and expert trainers, the training situations are somewhat artificial and real feel of the workplace is missing.

7.3.2.1 SELF-HELP EXERCISE

2. Vestibule Training creates an environment where trainees can concentrate on learning without __________.

7.3.3 Apprenticeship training:

For training in crafts, trades and in technical areas, apprenticeship training is the oldest and most commonly used method, especially when proficiency in a job is the result of a relatively long training period. Theoretical instruction and practical learning are provided to the trainees in the training institutes for technical training under this method. For example, there are Industrial Training Institutes (ITIs) in India for providing this type of training. Under the Apprenticeship Act, 1962 employers in specific industries are required to train the prescribed number of persons in 'designated trades'. The field in which apprenticeship training is offered are numerous like the job of draughtsman, a machinist, a printer, a toolmaker, carpenters, weavers, jewelers, engravers, etc

Some of the merits of this method are-

(a) A skilled workforce is maintained.
(b) Immediate returns can be expected and workmanship is also good.
(c) It combines both theory and practical.
(d) The loyalty of employees is increased and opportunities for growth are frequent.
(e) The hiring cost is lower because of reduced turnover and lower production costs. But

apprenticeship training is time consuming and expensive and many persons leave the training program midway due to long training period.

7.3.4 Classroom Training:

Under this method, training is provided in company classrooms or in educational institutions. Lectures, case studies, group discussions and audio visual aids are used to explain knowledge and skills to the trainees. This type of training is very useful for teaching concepts, problem- solving skills and for orientations and safety training programs. Classroom training is very important part of training software professionals for teaching new software technologies.

7.3.5 Internship:

Internship training involves training college or university pass outs on practical aspects of their study. It provides an opportunity to students to practice the theoretical concepts learnt during the course of their study. Thus it provides balance between theory and practice. For example, doctors have one-year internship program where they learn practical aspects of the concepts of their medical studies. This method is very useful for training professional work like CA, Company Secretaries, MBBS and so on.

7.4 EXECUTIVE DEVELOPMENT

Executive development or management development is a systematic process of learning and growth by which managerial personnel gain and apply knowledge, skills, attitudes and insights to manage the work in their organizations effectively and efficiently.

It consists of all the means by which the executives learn to improve their behavior and performance. It is designed to improve the effectiveness of managers in their present jobs and to prepare them for higher jobs in future.

According to Flippo, "Management development includes the process by which managers and executives acquire not only skills and competence in their present jobs but also capabilities for future managerial tasks of increasing difficulty and scope*.

7.5 OBJECTIVES OF EXECUTIVE DEVELOPMENT

1. To improve the performance of managers at alt levels in their present jobs.
2. To sustain good performance of managers throughout their careers by exploiting their full potential.
3. To ensure availability of required number of managers with the needed skills as and when required.
4. To prevent obsolescence of executives by exposing them to the latest concepts and techniques in their respective area of specialization.
5. To replace elderly executives who have risen from the ranks by highly competent avid academically qualified professionals.
6. To provide opportunities to executives to fulfill their career aspirations.
7. To ensure the optimum utilization of the managerial resources of the organization.

7.6 METHODS AND TECHNIQUES OF EXECUTIVE DEVELOPMENT

Management development programmes help in acquiring and developing different types of managerial skills and knowledge. Different types of techniques are used to acquire and develop various types of managerial skills and knowledge.

7.6.1 Decision-making skills;

The main job of a manager is to make both strategic and routine decisions. His ability to take effective decisions can be enhanced by developing decision making skills through various techniques as discussed below:

(ft) In-basket exercise:

In this method, the participant is given a number of business papers such as memoranda, reports and telephone messages that would typically cross a manager's desk. The papers, presented in n.o particular sequence, call for actions ranging from urgent to routine handling. The participant is required to act on the information contained in the papers and make his own recommendations on the problem situation. The recommendations of different participants are compared and conclusions are arrived at. These are put down in the form of a report. [1]

W Case study:

Under this method, a real or hypothetical business problem or situation demanding solution is presented in writing to the trainees. They are required to identify and analyze the problem, suggest and evaluate alternative courses of action and choose the most appropriate solution. The trainer guides the discussion and ensures that no relevant fact is overlooked.

(c) Business games:

Management or business games are designed to be representatives of real life situations. "These simulations attempt to duplicate selected factors in a specific situation, which are then manipulated by the participants. These involve two or more hypothetical organizations competing in a given product market. The participants are assigned various roles. They make decisions affecting price levels, production volumes and inventory levels etc. The results of their decisions are manipulated by a computer programme with the results simulating those of an actual business situation. Participants are able to see how their decisions affect the other groups and vice versa.

7.6.2 Interpersonal Skills:

A manager can achieve results only when he is able to put individuals on the right track. He must interact with people actively and make them work unitedly. Managerial skills in the area of inter-personal relations can be enhanced through the following techniques:

(a) Role Play:

This is a technique in which some problem - real or imaginary * involving human interaction is presented and then spontaneously acted out. Participants may assume the roles of specific organizational members in a given situation and then act out their roles. The actions of the participants then provide the basis for discussion and comments by the groups.

(b) Sensitivity training:

This is a method of changing behavior through unstructured group interaction. Sensitivity training is sought to help individuals towards better relations with others. The primary focus is on reducing interpersonal friction. This method is also called T-group training and laboratory training. The trainees are brought together in a free and open environment wherein participants discuss themselves. The discussion is lightly directed by a behavioural expert who creates the opportunity to express their ideas, beliefs and attitudes.

7.6.2.1 SELF-HELP EXERCISE

3. What is the primary focus of Sensitivity Training?
a. Decision-making skills
b. Interpersonal relations
c. Job knowledge
d. Organizational knowledge

7.6.3 Job knowledge:

In addition to decision making skills and interpersonal skills, the managers should also possess job knowledge to perform their jobs effectively. Trainers acquire job knowledge through on-the-job experience, behaviour modeling, coaching and understudy.

(a) On-the-job experience:

These are the most widely used techniques. In these techniques, the location of the learner is not an artificial one but the actual workplace. The success of these techniques depends on the immediate supervisor and his teaching abilities. These techniques are especially useful for certain groups like scientific and technical personnel.

(b) Behaviour modeling:

This is an approach that demonstrates desired behaviour, gives trainees the chance to practice and role-play those behaviors and receive feedback. The basic behaviour modeling involves the following steps:

Learning points: stating the essential goals, objectives or a sequence of sought behaviors **Modelling:**

Role playing: trainees participate in extensive rehearsal of the behaviours shown by the models.

Social reinforcement; the trainer offers reinforcement in the form of praise and constructive feedback.

Transfer of learning: the trainees are encouraged to apply their new skills when they return to their jobs.

(c) Coaching:

In this method, the superior guides and instructs the trainee as a coach. The coach or counselor sets mutually agreed upon goals, suggests how to achieve these goals, periodically reviews the trainee's progress and suggests changes required in behavior and performance.

(d)Understudy:

An understudy is a person who is in training to assume the full responsibility of the position currently held by his superior, at a future time. In this way, a fully trained person becomes available to replace a manager during his long absence or illness, on his retirement, transfer, promotion or death. An understudy is usually chosen by the head of a particular department. The head then teaches him what his job involves. The superior involves him in decision making by discussing the daily operating problems as well.

7.6.4 Organizational knowledge:

In addition to job knowledge, managers should also possess knowledge of various jobs, products, markets, finances, creditors of the organization, etc. this is imparted through job rotation and multiple management.

(a) Job rotation

The transferring of executives from one job to another and from one department to another in a systematic manner is called job rotation. The idea behind this is to give them the required diversified skills and a broader outlook, which are very important at upper management levels.

(b) Multiple Management:

It is a system in which permanent advisory committees of managers study problems of the company and make recommendations to higher management. These committees discuss the actual problems and different alternative solutions after which the decisions are taken.

7.6.4.1 SELF-HELP EXERCISE

4. Job rotation involves the transferring of executives from one job to another in an unsystematic manner.

True / False

7.6.5 General Knowledge:

In addition to job and organizational knowledge, the managers should also possess general knowledge, as the external environment interacts with and influences the business. General knowledge can be acquired through the following methods:

(a) Special courses:

Specialcourses like the workshops or executive development programmes organized by the institutes, universities and colleges help the trainees to acquire general knowledge.

(b) Special meetings:

Special meetings organized in Consumers' Forums, Voluntary organizations, etc. help the trainees develop their general knowledge.

(c) Specific readings:

Specific articles published by various journals, specific portions of important books are provided to the trainees to improve their general knowledge.

7.6.6 Specific Individual Needs:

Some trainees may be weak in some areas. Such trainees are provided with special facilities for development. These include:

(a) Special projects:

In this method, a trainee is put on a project closely related to the objectives of his department. The project will give a first hand experience of the problems and prospects related to the job of the trainee.

(b) Committee assignments:

In this method, an ad hoc committee is appointed to discuss, evaluate and offer suggestions relating to an important aspect of business.

7.7 SUMMARY

The chapter deals with the importance of training and development of employees in an organization. Training and development helps an organization to increase productivity, improve quality, fulfill its future personnel needs, improve organizational climate, improve health and safety of employees, prevent obsolescence of personnel and above all, ensures optimum utilization of human resources. The various techniques of training and development have been discussed in the chapter.

7.8 PRACTICE QUESTIONS

1. Discuss the various objectives of training and techniques used by organizations to train employees.
2. ‘Executive development is an important function of the HR department’. Discuss.

7.9 GLOSSARY

Training: - a planned programme designed to improve performance and bring about measurable changes in knowledge, skills, attitude and social behaviour of employees.

Development: - broadening an individual’s knowledge, abilities and skills for future responsibilities.

7.10 SELF-HELP EXERCISE

1. What is another name for Orientation Training?
a. Job Training
b. Safety Training
c. Promotional Training
d. Induction Training
ANSWER: d.

2. Vestibule Training creates an environment where trainees can concentrate on learning without __________. (Disturbance)

3. What is the primary focus of Sensitivity Training?
a. Decision-making skills
b. Interpersonal relations
c. Job knowledge
d. Organizational knowledge
ANSWER: b.

4. Job rotation involves the transferring of executives from one job to another in an unsystematic manner.

- True / False**(False)**

7.11SUGGESTED READINGS

- Gupta C.B., Human Resource Management, Sultan Chand and Sons, New Delhi, 8th Edition, 2007.
- RaoV.S.P., Human Resource Management , Excel Books, New Delhi, 2nd Edition, 2005.

Lesson No. 8 ' **AUTHOR : SHILPI GOYAL**

PERFORMANCE APPRAISAL: TECHNIQUES AND PROBLEMS

STRUCTURE

8.0 Objectives
8.1 Introduction
8.1.1 Definition of Performance Appraisal
8.2 Objectives of performance appraisal
8.3 Techniques of performance appraisal
8.3.1 Traditional Methods
8.3.2 Modern Methods
8.4 Problems in performance appraisal
8.4.1 Errors in rating
8.4.2 Lack of reliability
8.4.3 Incompetence
8.4.4 Negative approach
8.4.3 Multiple objectives
8.4.6 Resistance
8.5 Summary
8.6 Practice Questions
8.7 Glossary
8.8 Self-Help Exercise
8.9 Suggested Readings

8.10 OBJECTIVES

After reading this chapter, the student should be able !o;

- Understand the need and techniques of performance appraisal of the employees in an organization.
- Get an insight into the various problems or errors in performance appraisal.

8.11 INTRODUCTION

Once an employee has been selected for a job, has been trained to do it and has worked on it for a period of time, his performance should be evaluated. Performance evaluation or appraisal is the process of deciding how employees do their lobs.

8.1.1 Definition of Performance Appraisal:

Performance appraisal is the method of evaluating the behaviour of employees in the workplace, normally including both, the qualitative and the quantitative aspects of job performance. It is systematic and objective way of evaluating both work-related behaviour and potential of employees. According to Flippo. “Performance appraisal is the systematic, periodic and an impartial rating of an employee’s excellence in matters pertaining to his present job and his potential for a better job”. It is the process of obtaining, analyzing and recording information about the relative worth of an employee.

8.12 OBJECTIVES OF PERFORMANCE APPRAISAL

The main objectives of performance appraisal are ;is follows:

(i) To provide feedback to employees
(ii) To provide a valid database for personnel decisions concerning placements, pay, promotion, transfer, etc.
(iii) To diagnose the strengths and weaknesses of individuals so as to identify further training needs
(iv) To provide coaching, counseling, career planning and motivation „to subordinates
(v) To develop positive superior-subordinate relationships and thereby reduce grievances
(vi) To test the effectiveness of recruitment, selection, placement and induction programmes

8.3 TECHNIQUES OF PERFORMANCE APPRAISAL

The techniques of evaluating employee performance may be classified into two broad categories as follows:

Performance Appraisal

I "1

Traditional Methods:

- Confidential Report
- Essay Evaluation
- Straight Ranking
- Paired Distribution
- Forced Distribution
- Graphic rating scales
- Checklist method
- Critical Incidents

Modern Methods:

- Assessment Centre
- Human Resource Accounting
- Human Resource Accounting
- Behaviorally Anchored Rating Scales
- Appraisal through MBO
- 360 Degree appraisal

8.3.1 Traditional Methods:

The traditional methods of performance appraisal include:

(a) Confidential report:

It is mostly used in government organizations. It is a descriptive report, prepared generally at the end of every year, by the employee's immediate superior. The report highlights the strengths and weaknesses of the. subordinate. The impressions of the superior about the subordinate are recorded. It does not offer any feedback to the appraisee. The appraisee is not very sure about why his ratings have fallen despite his best efforts, why others are rated high when compared to him, how to rectify his mistakes, if any; on what basis he is going to be evaluated next year, etc. Since the report is generally not made public and. hence no feedback is available, its credibility is very low. In recent years, due to pressure from courts and trade unions, the details of a negative confidential report are given to the appraisee.

(b) Essay evaluation:

Under this method, the rater is asked to express the strong as well as weak points of the employee's behavior. This technique is normally used with a combination of the graphic rating scale because the rater can elaborately present the scale by substantiating an explanation for his

rating. While preparing the essay on the employee, the rater considers the following factors: (i) Job knowledge and potential of the employee; (ii) Employee's understanding of the company's programmes, policies, objectives, etc.; (iii) The employee's relations with co-workers and superiors;
(iv) The employee's general planning, organizing and controlling ability; (v) The attitudes and perceptions of the employee, in general.

Essay evaluation is a non-quantitative technique. This method is advantageous in the sense that essay provides a good deal of information about the employee and also reveals more about the evaluator. The essay evaluation method however, suffers from the following limitations:

- It is highly subjective; the supervisor may write a biased essay.
- The quality of the appraisal depends on the writing ability of the evaluator rather than on employee performance.
- It is a very time consuming method of performance appraisal.
- It is not possible to compare two essay appraisals due to variations in their length and contents.

(c) Straight ranking method:

This method involves ranking employees from best to worst on a particular trait, choosing highest, then lowest until all are ranked. Since it is easier to distinguish between the worst and best employees, straight ranking is quite popular. First, all subordinates to be rated are listed. Then the employee who is the highest on the characteristic being measured and also the one who is lowest is indicated. The process continues till all the employees are ranked on similar fashion. Though this method is easy, simple and time saving, it suffers from certain weaknesses:

- It involves bias and snap judgement because the appraisal is not based on specifically defined measures of job-related performance.
- Ranking becomes difficult when a large number of persons are to be rated.
- This method only indicates how a person stands in relation to others in the group but does not tell how much better or worse he is than the others.

(d) Paired comparison method:

Ranking becomes more reliable and easier under the paired comparison method. Each employee is compared with all other employees in pairs, one at a time. The number of times an employee is judged better than the other determines his rank. Comparison is made on the basis of overall performance. The number of comparisons to be made can be decided on the basis of the following formula: N (N-l)/2, where N is the number of persons to be compared.

This method is easier and simpler than the ranking method. But it is subjective and it becomes cumbersome when the number of employees to be rated is large.

(e) Forced distribution method:

Forced distribution method is similar to grading on a curve. In this technique, the rater is required to distribute his ratings in the form of a normal frequency distribution. The rater is asked to appraise the employees according to a predetermined distribution scale. The purpose is to eliminate rater's bias of central tendency. The employees are placed between the two extremes of 'good' and 'bad' performance. For instance, the rater may be asked to distribute the employees as follows:

15% for outstanding performance, 20% for good performance, 30% for average performance, 20% for bad performance and the rest 15% for poor performance.

This method is simple to understand and easy to use. It also helps to reduce the rater's bias but it also suffers from certain limitations:

- The employees are placed in a certain category and not ranked within a category.
- The rater does not explain why an employee is placed in a particular category.
- Specific job related performance criteria are not used in ratings.

(f) Graphic rating scale:

This is the most commonly used method of performance evaluation. It is also one of the oldest methods of evaluation in use. Under this method, a printed form is used to evaluate the performance of an employee. A variety of traits may be used in these types of rating devices, the most common being the quantity and quality of work. The rating scales can also be adapted by including traits that the company considers important for effectiveness on the job. From the graphic rating scales, excerpts can be obtained about the performance standards of employees. For instance, if the employee has serious gaps in technical-professional knowledge (knows only rudimentary phases of job); lacks the knowledge to bring about an increase in productivity; is reluctant to make' decisions on his own (on even when he makes decisions they are unreliable and substandard); declines to accept responsibility; fails to plan ahead effectively; wastes and misuses resources; etc., then it can safely be inferred that the standards of the performance of the employee are dismal and disappointing.

The rating scale is the most common method of evaluation of an employee's performance today. One positive point in favor of the rating scale is that it is easy to understand, easy to use and permits a statistical tabulation of scores of employees. When ratings are objective in nature they can be effectively used as evaluators. The graphic rating scale may however suffer from certain limitations:

- ■ It may be arbitrary and the rating may be subjective.
- Each characteristic is equally important in evaluation of the employee's performance.
- The descriptive words used in rating scales may have different *meanings to* different raters.

(g) Checklists and weighted checklists:

Another simple type of individual evaluation method is the checklist. A checklist represents, in its simplest form, a set of objectives or descriptive statements about the employee and his behavior. If the rater believes strongly that the employee possesses a particular listed trait, he checks the item; otherwise, he leaves the item blank. A more recent variation of the checklist method is the weighted list. Under this, the value of each question may be weighted equally or certain questions may be weighted more heavily than others. The following are some of the sample questions in the checklist.

(a) Is the employee really interested in the task assigned? Yes/No

(b) Is he respected by his colleagues (co-workers) Yes/No

(c) Does he give respect to his superiors? Yes/No

(d) Does he follow instructions properly? Yes/No

(e) Does he make mistakes frequently? Yes/No

A rating score from the checklist helps the manager in evaluation of the performance of the employee. The checklist method has some serious limitations:

- The rater may be biased in distinguishing the positive and negative questions.
- This method is expensive and time consuming.

- It is difficult for the manager to assemble, analyze and weigh a number of statements about the employee's characteristics, contributions and behaviors.

In spite of these limitations, the checklist method is most frequently used in the employee's performance evaluation.

(h) Critical incident technique:

Under this method, the manager prepares lists of statements of very effective and ineffective behavior of an employee. These critical incidents or events represent the outstanding or poor behavior of employees on the job. The manager maintains logs on each employee, whereby he periodically records critical incidents of the workers behavior. At the end of the rating period, these recorded critical incidents are used in the evaluation of the workers' performance.

This method provides an objective basis for conducting a thorough discussion of an employee's performance. This method suffers however from the following limitations:

- Negative incidents may be more noticeable .than positive incidents.
- The supervisors have a tendency to unload a series of complaints about incidents during an annual performance review session.
- It results in very close supervision which may not be liked by the employee.
- The recording of incidents is a time consuming and cumbersome process for the manager concerned.

Most frequently, the critical incidents technique of evaluation is applied to evaluate the performance of superiors rather than of peers or subordinates.

8.3.1 SELF-HELP EXERCISE

1. What is the primary purpose of a Confidential Report in performance appraisal?

- a) To provide immediate feedback to the appraisee
- b) To highlight strengths and weaknesses of the subordinate
- c) To rank employees based on specific traits

e)To eliminate rater's bias of central tendency

2. What is a limitation of the Essay Evaluation method?

- a) Subjectivity of the supervisor
- b) Quick and time-saving
- c) Objective and quantitative
- d) Easily comparable across employees

3. The Critical Incident Technique is most frequently used to evaluate the performance of subordinates. (True/False)

8.3.2 Modern Methods:

In order to overcome the weaknesses of the traditional methods, some new techniques of performance appraisal have been developed. These are discussed as follows;

(a) Assessment centre:

An assessment centre typically involves the use of methods like social/informal events, tests and exercises, assignments being given to a group of employees to assess their competencies to take higher responsibilities in the future. Generally, employees are given an assignment similar to the job they would be expected to perform if promoted. The trained evaluators observe and evaluate employees as they perform the assigned jobs and are evaluated on job related characteristics.

The major competencies that are judged in assessment centre are interpersonal skills, intellectual capability, planning and organizing capabilities, motivation, career orientation etc. Assessment centre method is also an effective way to determine the training and development needs of the targeted total value added (in monetary terms). The difference between the cost and the contribution will be the performance of the employees. Ideally, the contribution of the employees should be greater than the cost incurred on them.

(c) Behaviorally anchored rating scales (BARS):

This is a relatively new technique which combines the graphic rating scale and critical incidents method. It consists of predetermined critical areas of job performance or sets of behavioral statements describing important job performance qualities as good or bad (for example, the qualities like inter personal relationships, adaptability and reliability, job knowledge etc.). These statements are developed from critical incidents. The critical incidents serve as anchor statements on a scale and the rating form usually contains six to eight specifically defined performance dimensions. In this method, an employee's actual job behaviour is judged against the desired behaviour by recording and comparing the behaviour with BARS. Developing and practicing BARS requires expert knowledge. BARS method suffers from some limitations:

- It is very time consuming and expensive to develop BARS for every job. e
Behaviours used are more activity-oriented than results-oriented.

(d) Management by Objectives (MBO):

MBO represents a modem method of evaluating the performance of personnel. There is a growing feeling nowadays that it is better to make the superior work with subordinates in fixing goals. This would inevitably enable subordinates to exercise self-control over their performance behaviors. The concept of management by objectives is actually the outcome of the pioneering work of Peter Drucker. Management by objectives can be described as "a process whereby the superior and subordinate managers of an organization jointly identify its common goals, define each individuals' major areas of responsibility in terms of results expected of him and use these measures as guides for operating the unit and assessing the contributions of each of its members". MBO thus represents more than an'evaluationprogramme and process. Practicing management scientists and pedagogues view it as a philosophy of managerial practice; it is a method by which managers and subordinates plan, organize, control, communicate and debate. In other words, MBO involves appraisal of performance against clear, time bound and mutually agreed job goals.

(e) 360 Degree appraisal:

This system involves evaluation of a manager by everyone above, alongside and below him. Structured questionnaires are used to collect responses about a manger from his bosses, peers and subordinates. Several parameters relating to performance and behaviour are used in the questionnaire. The responses are presented collectively to the managers in the form of charts and graphs. Comments and interpretations are presented later.

8.3.2.1SELF-HELP EXERCISE

4. Behaviorally Anchored Rating Scales (BARS) combine the ________ and ________ methods.

5. In the 360 Degree Appraisal, evaluation involves feedback from everyone above, alongside, and below the manager. (True/False)

8.4 PROBLEMS IN PERFORMANCE APPRAISAL

The main problems involved in performance appraisal are as follows:

8.4.2 Errors in rating:

Performance appraisal may not be a valid indicator of performance and potential of employees due to the following types of errors:

(a) Halo Effect: It is the tendency to rate an employee consistently high or low on the basis of overall

(b) Stereotyping: This implies forming a mental picture of a person on the basis of his age, gender, caste or religion. It results in an over simplified view and blurs the assessment of job performance.

(c) Central Tendency: It means assigning average ratings to all the employees in order to avoid commitment or involvement. This is adopted because the rater has not to justify or clarify the average ratings. As a result, the ratings are clustered around the midpoint.

(d) Constant Error: Some evaluators tend to be lenient while others are strict in assessing performance. In the first case, performance is overrated (leniency error) while in the second case, it is underrated (strictness error).

(e) Personal Bias: Performance appraisal may become invalid because the rater dislikes an employee. Such bias or prejudice may arise on the basis of regional or religious beliefs, habits or interpersonal conflicts. Recent experience or first impression of the rater may affect the evaluation.

(f)Spill over Effect: This arises when the past performance affects assessment of present performance. For instance, recent behaviour or performance of an employee may be used to judge him.

8.4.3 Lack of reliability:

Reliability means stability and consistency in measurement. Lack of consistency over time and among different raters may reduce the reliability of performance appraisal.

8.4.4 Incompetence:

Raters may fail to evaluate performance accurately due to lack of knowledge and experience. Post appraisal interview is often handled ineffectively.

8.4.5 Negative approach:

Performance appraisal loses most of its value when the focus of management is on punishment rather than on development of employees.

8.4.6 Multiple objectives:

Raters may get confused due to too many objectives or unclear objectives of performance appraisal.

8.4.7 Resistance:

Trade unions may resist performance appraisal on the ground that it involves discrimination among its members.

8.5 SUMMARY

The chapter focused on the need and various techniques of appraising the performance of employees in an organization. The traditional techniques include confidential reports, essay evaluation, straight ranking method, graphic rating scales, paired distribution, forced distribution and critical incident method. Among the modem techniques are: assessment centre, human resource accounting, behaviorally anchored rating scales, management by objectives and 360 degree appraisal. The various problems that occur in the process of performance appraisal have also been discussed.

8.6 PRACTICE QUESTIONS

1. Why is meant by performance appraisal? Discuss the traditional and modern methods of performance appraisal used by organizations.
2. Discuss the various errors that occur in the performance appraisal process.

8.7 GLOSSARY

Performance appraisal: - a systematic and objective way of evaluating both work related behaviour and potential of employees.

Constant error: - tendency to rate people relative to other people rather than to performance standards.

Central tendency: - the reluctance to use the extremes of a rating scale and thereby fail to adequately differentiate employees being rated.

8.8 SELF-HELP EXERCISE

1. What is the primary purpose of a Confidential Report in performance appraisal?

- a) To provide immediate feedback to the appraisee
- b) To highlight strengths and weaknesses of the subordinate
- c) To rank employees based on specific traits
- d) To eliminate rater's bias of central tendency**ANSWER: b.**

2. What is a limitation of the Essay Evaluation method?

- a) Subjectivity of the supervisor
- b) Quick and time-saving
- c) Objective and quantitative
- d) Easily comparable across employees**ANSWER: a.**

3. The Critical Incident Technique is most frequently used to evaluate the performance of subordinates. (True/False)

ANSWER : False

4. Behaviorally Anchored Rating Scales (BARS) combine the _______ and _______ methods.

ANSWER :Graphic rating scale, Critical incidents

5. In the 360 Degree Appraisal, evaluation involves feedback from everyone above, alongside, and below the manager. (True/False)

ANSWER: True

8.9 SUGGESTED READINGS

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MBA-DE(Second Year)
Semester-IV
Lesson No. 9

IP (411)
INDUSTRIAL PSYCHOLOGY
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JOB SATISFACTION AND ITS MEASUREMENT

STRUCTURE

9.0 Objectives
9.1 Introduction
 9.1.1 Meaning of Job Satisfaction
9.2 Determinants of Job Satisfaction
 9.2.1 Organizational factors
 9.2.2 Group factors
 9.2.3 Personal factors
9.3 Measuring job satisfaction
 9.3.1 Rating scales
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 9.3.3 Interviews
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9.5 Summary
9.6 Practice Questions
9.7 Glossary
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9.9 Suggested Readings

9.0 OBJECTIVES

After reading this chapter, the student should be able to:

- Understand the concept of job satisfaction and its various determinants.
- Outline the various methods to measure job satisfaction of employees.

9.1 INTRODUCTION

Job satisfaction is the end feeling of a person after performing a task. To the extent that a person's job fulfils his dominant needs and are consistent with his expectations and values, the job will be satisfying. The feeling would be positive or negative depending upon whether need is satisfied or not.

9.1.1 Meaning of Job Satisfaction:

Job satisfaction is a specific subset of attitudes held by the organization members. It is the attitude one has towards his or her job. When the attitude of an employee towards his job is positive, there exists job satisfaction. Dissatisfaction exists when the attitude is negative.

Job satisfaction is often a collection of attitudes about specific factors of the job. Employees cav» be satisfied with, some elements of the job while simultaneously dissatisfied with others. Different types of satisfaction will lead to different types of intentions and behaviour. An employee might complain to the supervisor when dissatisfied with low pay but he may be satisfied with his

co-workers.

In the words of Keith Davis, “Job Satisfaction is the favorableness or unfavorableness with which employees view their work.”

Job satisfaction is important for management as it has impact on turnover, productivity, absenteeism, and other job related aspects.

9.1.1.1 SELF-HELP EXERCISE

1. What is job satisfaction?

- a) An individual's job title
- b) A person's emotional response to their job
- c) The number of tasks in a job
- d) The salary associated with a job

9.2 DETERMINANTS OF JOB SATISFACTION

The various factors influencing job satisfaction may be classified into three categories:

1. Organizational factors
2. Group factors
3. Personal factors

9.2.1 Organizational Factors:

There are five major organizational factors which contribute to an employee’s attitude towards his or her job: wages, opportunities for promotions, the nature of work, policies of the organization and working conditions.

a) **Wages:** Wages play a significant role in influencing job satisfaction. This is because of two reasons. First, money is an important instrument in fulfilling one’s needs; and two, employees often see pay as a reflection of management’s concern for them.

Employees want a pay system which is simple, fair, and in line with their expectations. When pay is seen as fair, based on job demands, individual skill level, and community pay standards, satisfaction is likely to result. What is important is that it is not the absolute amount paid that matters, rather it is one’s perception of fairness.

b) **Promotions:** Promotional opportunities affect job satisfaction considerably. The desire for promotion is generally strong among employees as it involves change in job content, pay, responsibility, independence, status and the like. An average employee in a typical government organization can hope to get two or three promotions in his entire service, though the chances of promotion are better in the private sector. The employees take promotions as the ultimate achievement in their career and when it is realized, they feel extremely satisfied.

c) **Nature of work:** Most employees crave for intellectual challenges on the job. They tend to prefer being given opportunities to use their skills and abilities and being offered a variety of tasks, freedom and feedback on how well they are doing. These characteristics make jobs mentally challenging. Jobs that have too little challenge create boredom. On the other hand, too much challenge creates frustration and a feeling of failure. Under conditions of moderate challenge, employees experience satisfaction.

d) **Organisational policies and procedures:** Organizational policies include basis for effecting promotions (seniority or merit), transfer of people, foreign assignments, layoff and retrenchment, appraisal and reward system, motivational methods, skill based versus job based pay, and the like.

e) **Working conditions:** Working conditions that are compatible with an employee’s physical comfort and that facilitate doing a good job contribute to job satisfaction. Temperature, humidity, ventilation, lighting and noise, hours of work, cleanliness of the workplace, and adequate tools and equipment are the features that affect job satisfaction.

9.2.2 Group factors:

Group factors wielding influence on satisfaction include group size and supervision.

a) **Size:** The larger the size of the group, the lesser is the level of satisfaction. As the size of the group increases, the opportunities for participation and social interaction decrease, so also the ability of the members to identify with the group's performance. More members means dissension, conflict and groups within groups. All these factors affect job satisfaction of the employees.

b) **Supervision:** Perceived quality of supervision is another determinant of job satisfaction. Satisfaction tends to be high when people believe that their supervisors are more competent, have their best interest in mind, and treat them with dignity and respect. Communication is another aspect of supervision. Satisfaction of employees tends to be high when they are able to communicate easily with their supervisor.

9.2.3 Personal factors:

The personal life of an individual exercises a significant influence on his job satisfaction. The main elements of personal life are:

a) **Age:** Some research studies reveal a positive correlation between age and job satisfaction. Workers in the advanced age group tend to be more satisfied probably because they have adjusted with their job conditions. However, there is a sharp decline after a point perhaps because an individual aspires for better and more prestigious jobs in the later years of his life.

b) **Gender:** Some studies reveal that women workers are less satisfied than men due to fewer job opportunities for females. But female workers may become more satisfied due to their lower occupational aspirations.

c) **Educational level:** Generally, more educated employees tend to be less satisfied with their jobs probably due to their higher job aspirations. However, research does not yield conclusive relationship between these variables.

d) **Marital status:** The general impression is that married employees and employees having more dependents tend to be more dissatisfied due to their greater responsibilities. But such employees may be more satisfied because they value their jobs more then the unmarried workers.

e) **Experience:** Job satisfaction tends to increase with increasing years of experience. But it may decrease with twenty years of experience particularly among people who have not realized their job expectations.

9.2.4 SELF-HELP EXERCISE

2. **Which of the following is NOT an organizational factor influencing job satisfaction?**
   - a) Wages
   - b) Promotions
   - c) Group size
   - d) Working conditions

9.3 MEASURING JOB SATISFACTION

Job satisfaction survey is conducted by management in order to get information for making sound decisions. This survey is also known as survey of morale, opinion, attitude, climate or quality of work life. A job satisfaction survey is a procedure by which employees report their feelings towards th'jir jobs and work environment. The responses are then combined and analyzed. There are various ways of measuring job satisfaction. The most common ways of measurement include rating scales, critical incidents, interviews, and action tendencies.

9.3.1 Rating scales:

for a particular setting or a project. The second set comprises standardized sales, which, before their use, have been developed to establish group norms on the scales and to ensure reliability and validity of the measuring instruments. It is the tailor made scales which are frequently used in practice.

One of the most popular standardized scales is the Job Descriptive Index (JDI) developed by Smith, Kendall and Hulin. In the earlier versions of the scale, individuals were asked to describe the job they would most like to have (their "best job") and the one they would least like to have (their "worst job"). Responses thus elicited were used in an item analysis to identify those items which tended to be most discriminating; such items were then included in the final scale.

In its final form, the scale measures attitudes in five areas: work, pay, promotion, supervision and co-workers. The scale consists of a series of adjectives or statements for each of these categories, and the individual is asked to mark each one as yes (Y), no (N), or cannot decide (?) as it relates to his or her job. For example,

Work:

____ Fascinating
Routine
Frustrating

Supervision:

Hard to please
Praises good work
____ Stubborn

Pay:

____ .Adequate for normal expenses
____ Less than I deserve

Promotions:

____ Promotion on ability
____ Dead-end job

Co-workers:

Stimulating
____ Talk too much

Although the scale actually "describes" one's job, the "description" implies the individual's evaluation of it. Scores based on this scale have been found to be related to other measures of job satisfaction.

Another scale for measuring job satisfaction is the "Faces" Job Satisfaction Scale. This scale was developed by Kunnin.This consists of a series of drawings of people's faces with varying expressions, including variations in the curvature of the mouth ranging from a broad smile to a deep frown. The respondent simply marks that face which best expresses how he feels about his "job in general".

9.3.2 Critical Incidents:

The critical incidents approach to the measurement of job satisfaction was developed by Herzberg and his associates in their research on two factor theory of motivation. Employees were asked to describe incidents on their job when they were particularly satisfied or dissatisfied. These incidents were then content analyzed in determining which aspects were closely related to positive and negative attitudes.

9.3.3 Interviews:

Personal interviews are yet another method of measurement of job satisfaction. Employees are interviewed individually and the responses reveal their satisfaction or dissatisfaction.

9.3.4 Action tendencies:

These represent the inclinations people have to avoid or approach certain things. By gathering information about how they feel like acting with respect to their jobs, the job satisfaction can be measured. Some examples of action tendencies are given below:

1. When you wake up in the morning, do you feel reluctant to go to work?
2. Do you ever feel reluctant to go home from work at night because of the enjoyment you are getting from the job?
3. Do you often feel like going to lunch at work sooner than you do?
4. Do you feel like taking coffee break more often than you should?
5. Do you ever wish you could work at your job on evenings or weekends?

9.3.5 Likert Scale:

This method of standardized survey was developed by Likert in 1932 and is widely used even today. In this, an individual is asked to indicate agreement or disagreement with job factors. The individual is also required to state how strongly he or she agrees or disagrees with a statement. This is normally done on a 5-point scale, though it is possible to use a 7-point scale also. The normal practice is to incorporate the various statements in a questionnaire. The subject is asked to respond to these statements, indicating the extent of his or her agreement or disagreement.

A value may be given to each response category in order to produce a numerical score, and the different scores in each category may be added together to arrive at a total score. A high overall score can be viewed as positive, whereas a low score indicates negative.

9.3.6 Use of existing information:

Before conducting any formal satisfaction survey, managers do well to examine two other methods of assessing employee feelings - daily contacts and existing data. Managers are in contact with their employees through constant interaction and communication. This is a practical and timely method of determining job satisfaction. Besides, there are a number of indicators already available in the organization, and their collection in the form of reports will throw much light on the degree of employee satisfaction or dissatisfaction. Some of the available data relate to turnover, absenteeism, performance, suggestions, accidents, grievances and the like.

9.3.7 SELF-HELP EXERCISE

3. What is the "Faces" Job Satisfaction Scale?

- a) A scale based on job descriptions
- b) A drawing-based scale with varying facial expressions
- c) A Likert scale
- d) A critical incidents approach

4. Group size has a positive correlation with job satisfaction.

- True / False

5. The Job Descriptive Index (JDI) measures attitudes in five areas: work, pay, promotion, supervision, and co-workers.

- True / False

BENEFITS OF JOB SATISFACTION STUDY

a) These surveys give management an indication of general levels of satisfaction in a company. Survey also indicates specific areas of satisfaction or dissatisfaction and particular groups of employees.

b) These surveys help to improve communication.

c) These also help to improve employee attitudes.

d) The job satisfaction survey can help discover the causes of indirect productivity problems, such as absenteeism, turnover and poor quality of work.

e) Another benefit of satisfaction surveys is that they help management assess training needs of the employees.

f) A job satisfaction survey is an indicator of the effectiveness of organizational reward system.

g) One of the best uses of job satisfaction surveys is in the evaluation of the impact of organizational changes on employee attitudes.

9.8 SUMMARY

The chapter focused on the concept, importance and the methods of measuring job satisfaction. The various determinants of job satisfaction are organizational factors, group factors and personal factors. The methods of measurement of job satisfaction include the use of rating scales, interviews, critical incidents, action tendencies etc. conducting a job satisfaction survey helps an organization to get an insight into the general levels of satisfaction in the organization, improve attitudes and communication, assess training needs of the employees and evaluate the impact of organizational changes on employee attitudes.

9.6 PRACTICE QUESTIONS

1. Why is job satisfaction? What are the determinants of job satisfaction?
2. Discuss the various methods of measuring job satisfaction.

9.7 GLOSSARY

Job satisfaction: - a collection of attitudes about specific factors of the job.

Job Descriptive Index (JDI): - a standardized scale developed by Smith used to measure job satisfaction

9.8 SELF-HELP EXERCISE

1. **What is job satisfaction?**

a) An individual's job title
b) A person's emotional response to their job
c) The number of tasks in a job
d) The salary associated with a job**ANSWER: b.**

2. **Which of the following is NOT an organizational factor influencing job satisfaction?**

a) Wages
b) Promotions
c) Group size
d) Working conditions**ANSWER : c.**

3. **What is the "Faces" Job Satisfaction Scale?**

a) A scale based on job descriptions
b) A drawing-based scale with varying facial expressions
c) A Likert scale
d) A critical incidents approach**ANSWER : b.**

4. **Group size has a positive correlation with job satisfaction.**

- True / False**FALSE**

5. **The Job Descriptive Index (JDI) measures attitudes in five areas: work, pay, promotion, supervision, and co-workers.**

- True / False**TRUE**

9.9 SUGGESTED READINGS

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Lesson No. 10 **AUTHOR : DEEPIKA JINDAL**

CREATIVITY AT WORK IN BUSINESS DEVELOPMENT

STRUCTURE

10.1 Introduction
10.2 Concept Of Creative Talent
10.3 Rise Of The Creative Business
10.3.1 Product and Project Formulation:
10.4 Elements Of Project Formulation
10.5 Selection Of Ownership Form
10.5.1 Location and Layout of the Unit:
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10.5.3 Designing Financing Scheme:
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10.5.5 Preparation of Project Report:
10.6 Importance Of Creative Talent
10.7 Features Of Creative Talent
10.7.1 Creative & purposeful Activity:
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10.8.1 Calculated Risk taker:
10.8.2 Innovator:
10.8.3 Organizer:
10.8.4 Creative:
10.8.5 Achievement motivated:
10.8.6 Technically competent:
10.8.7 Self confident:
10.8.8 Socially Responsible:
10.8.9 Optimistic:
10.8.10 Equipped with capability to drive:
10.8.11 Blessed with Mental Ability:
10.8.12 Human Relation ability:
10.8.13 Communication Ability:
10.8.14 Decision Making:
10.8.15 Business Planning:
10.8.16 A Venture Capitalist:
10.9 Summary
10.10Practice Questions
10.11Glossary
10.12 Self-Help Exercise
10.13Suggested Readings

10.1 INTRODUCTION

'Creative Talent' is the tendency of a person to organize a business of his own and to run it profitably using all the qualities of the leadership, decision making and managerial caliber etc. It can be considered as an innovation function. It involves a wide range of areas on which sources of decisions are required. It implies a commitment to expand and grow which is also one of the major determinants of business development. It can play an important role not only in the industrial sector of a country but in the farm and semi sector also. It brings various factors of production together. Most common attributes of the 'Creative Talent' can be courage, good judgment, initiative, skillful, competent, perseverance and emotional stability, which are also important for the development of business as a risk taking ability. These all help in the business plans to rise in the business in this era of competition. So, no one can establish the business u it of his own without having the 'Creative Talent' in him. In this article we are trying to analyze the implementation of various features of 'Creative Talent' for the proper implementation and establishment of a successful business.

10.2 CONCEPT OF CREATIVE TALENT

Creative talent is the tendency of a person to organize a business of his own and to run it profitably using all the qualities of leadership, decision making and managerial caliber etc. Creative talent can be defined as a propensity of mend to take calculated risks with confidence to achieve a predetermined his new or industrial activities. Those points out the risk taking ability coupled with decision making.

According to Joseph. A. Schumpeter a famous Economist defines Creative talent as a creative activity or it is an innovation function. The process of innovation may be in the form of:

1. Introduction of new product
2. Use of a new method of production
3. Opening of new market
4. The conquest of new source of supplying raw material
5. A new form of organization

Creative talents involves a wide range of areas on which source of decisions are required which can be grouped into three categories

- Perception of an opportunity
- Organizing an industrial unit and
- Running the industrial unit as a profitable, going and growing concern.

One can safely conclude that creative talent implies a commitment to expand and grow which is also one of major determinants of industrial development James opines that, "some think of creative talented primarily as innovations, some chiefly as managers of an enterprise, some as bearers of risk and other place major emphasis on this function as mobilisers and allocators of capital. Some of the essentials of creative talent is as:

Visionary: He must be visionary like J.R.D. Tata, Dhirubhai Ambani, Narayanamwithy, Aziz Premji etc. He must have vision for growth, commitment to constructive change, persistence to gather necessary resources and energy to achieve results.

Entrepreneurs make significant differences: The differences make by them are significant. They have their own style of dealing with various problems, set back and uncertainties.

Ability to spot and exploit opportunities: This Crafts or Carve out opportunities for themselves. Their perceptions differ from non-entrepreneurs. There are very few persons who are inventors. And entrepreneur at the same time.

Courage to Face Adversities: He faces the adversities holds and bravely. They refuse to be beaten and become tougher during adverse situations.

10.2 SELF-HELP EXERCISE

1. What is the definition of 'Creative Talent' according to Joseph A. Schumpeter?

- a. A managerial activity
- b. A financial function
- c. An innovation function
- d. A marketing strategy

10.3 RISE OF THE CREATIVE BUSINESS

The afore said qualities must be in a person to raise a business of his own. It is a whole complex of activities involved in using resources to gain benefit^. The business plans includes various features which are as follows:

- It has clear and specific objective
- There are times and financial constraints
- It requires team work of different experts and their collaborated and coordinated efforts
- It involves high degree risk and uncertainty.

Decision to be self employed. An educated person has to decide between two options i.e. either to work for others as an employee or to work for himself as an entrepreneur. This decision is not an easy decision and he is to ponder over various factors before taking any final decision. In case he possesses the right type of knowledge, skill, experience and aptitude, the best option for him is to set up his own enterprise.

An enterprise originates and operates within the business environment. An enterprise has to remain in touch with the business environment for the sake of its existence, success and future.

The interaction between an enterprise and environment helps in the understanding of the business which facilitates taking of various strategic and operational decisions helping in the growth and success of the venture.

10.3.1 Product and Project Formulation:

An entrepreneur has to identify or select the product based on marketing research. He has to identify both the short and long term potentials and prospects of the product. Before deciding about the product one should find answers for the following important questions.

Who will buy the product?
When they will buy?
How much they will buy?
At what price they will buy?
From where they will buy?
What is their expectation from our product?
Who are our competitors and how they are performing?
How to advertise and sell?

Project formulation refers to the step by step investigation of resources and development of project idea. Project formulation is defined as taking a first look carefully and critically at a project idea by an entrepreneur to build up an all round beneficial project after carefully weighing its various components.

10.4 ELEMENTS OF PROJECT FORMULATION

Project formulation is an important management aid which enables the entrepreneur to decide the most effective and profitable project ideas identified by him in the pre investment phase. Project formulation stage contains various elements which are highly useful for project decision making and these are:

1. Feasibility Analysis
2. Techno Economic Analysis
3. Project Design And Network Analysis
4. Input Analysis
5. Financial Analysis
6. Social Cost - Benefit Analysis
7. Project Appraisal.

10.5 SELECTION OF OWNBR8HIP FORM

The form of ownership for business unit can be sole proprietorship, partnership family ownership and private limited company. The role proprietorship and family ownership are difficult to differentiate as these two categories are practically family concerns by virtue of ownership and management.

10.5.1 Location and Layout of the Unit:

Decision about location of the unit is very important and can have bearing on the working or future of the enterprise. The choice of a location for the place of business is one of the early and most important problems facing the entrepreneur.

10.5.2 Layout of the Plant or Factory Building:

Plant layout may be defines as a technique of locating machines, processes and plant services within the factory so as to achieve the greatest possible output of high quality at the lowest possible *total* cost of manufacturing. Plant layout ideally involves the allocation of space and the arrangement of equipments in such a manner the overall operating costs is minimized. Poor layout results in high material handling costs, high labour requirements and cost, idle machinery, large in process inventories and excessive apace requirement.

10.5.3 Designing Financing Scheme:

After deciding about the location the next important consideration is financing. An entrepreneur is to property assess his financial requirements and take necessary steps for raising the requisite financial resource. The adequate availability of financial resources on easier terms and conditions can be one of the important factors for success of an enterprise. An entrepreneur can depends on various sources for financing his enterprise and these are:

1. Own funds
2. Borrowings from friends and relatives
3. Loans from commercial banks for working capital.

’ 4. Term loans from financial institutions and state finance corporations (Sac’s)

10.5.4 Acquiring Manufacturing Know-How:

There are certain projects wherein sophisticated manufacturing know-how is required. Many institutions of government, research and development divisions of giant industries and certain consultancy agencies provide the manufacturing know how.

10.5.5 Preparation of Project Report:

Project report is a proposal for creation of productive capacities for manufacturing goods or providing services. Project report is a written statement of what an entrepreneur proposes to take up. Preparation of project report clarifies to the entrepreneurs various processes which are necessary for setting up a managing a new business venture.

10.6 IMPORTANCE OF CREATIVE TALENT

Creative Talent being an intangible factor is the moving force and development is the consequence. In has an important role in the context of a developing nation like India which is confronted with major Socio-economic problem. Creative Talent can play an important role not only in the industrial sector of a country but in the farm and semi sector also.

India is being attacked by baffling problems of over population, unemployment, underemployment, poverty and the like. Creative Talent is consistently equated with the establishment and management of small business enterprises and setting up these units is the solution to these baffling problems.

Concentration of economic power, regional imbalance exploitation by monopolists, and many other giant problems find their solution in the development of creative talent in the developing countries Mahatma Gandhiji also asserted the same. The factors which retard the success of entrepreneurship in India are inadequate infrastructural facilities, shortage of capital, technical knowledge and transport, absence of cheap and good quality raw material and shortage of power etc. the government has been taking significant steps to encourage creative talent as it is only solution to various problem of developing countries. An American magazine, "The Economics (1999) recently put it, "Innovation has become the industrial religion of the late 20th century.''

10.7 FEATURES OF CREATIVE TALENT

Creative talent is the tendency of a persons to organize the business of own and to run it profitably, using various traits like leaderships, decision making, innovation, managerial caliber etc. the main features of creative talent are as follows:

Economic Activity: It is primarily becoming on economic function because it involves creation and operation of an enterprise. It has also involves conscious decision making about resource allocations. It also implies seeking the best opportunities for using resources for their highest commercial yields.

It is a continuous economic process which recognizes the need to change and is a key person to initiate any change.

Innovation Activity: Innovation is the process of doing new things. Creative talent is innovation where new-products, services, ideas and information is provided, new efficient production techniques are introduced by the firms, new market opportunities are identified and better ways of meeting existing demands are looked into. When even a new idea occur, entrepreneurial efforts are essential to cover the idea into practical application. Thus, in this was it may include into innovative activity.

Innovation

Transforming an idea into

Resulting in new products, services & processes.

10.7.1 Creative & purposeful Activity:

Creative is, "the ability to bring something new into existence." Creative talent is virtually a creative and a purposeful activity. It passes through the five stages viz. idea germination, preparation, invitation, illumination & verification. Earning profit is never the sole objective. But to introduce something new and creative is the purpose of creative talent.

An organizing function: It is an organizing function whereby the creative talents brings together various factors of production, ensures the continuing management and renders risk- bearing function as well. He is one who combines the land of one, the labour of another, and capital of yet another and thus produces a product. By selling the product in the market, he pass interest on capital, rent on land wages to labourers and what remains is his profit. Thus it is organizing function.

A function of risk-bearing: It is person who buys things at a certain price and sells them at an uncertain price. Then he makes decisions about obtaining and using resources while consequently assuming the risk of enterprise of creative talented. Example is of a farmer. The farmer pays out contractual incomes which are certain to the landlords and labourers and sells at prices that are uncertain. It is illustrated as follows:

Investment	Transformation	Profit / loss

He buys farm products at certain prices He repacks and transport farm product to the market. He sells farm produce farm produce at uncertain prices in the city.

10.7.1.1 SELF-HELP EXERCISE

2. The function of risk-bearing in entrepreneurship can be illustrated as:

- a. Investment → Transformation → Profit
- b. Investment → Transformation → Loss
- c. Investment → Loss → Transformation
- d. Transformation → Loss → Investment

10.8 CHARACTERISTICS OF A CREATIVE TALENTER

Creative Talenter should possess all such characteristics with the help of which he can perform a successfully. Most common attributes can be courage, good judgment. Initiative, skillful, competent, perseverance and emotional stability. Let us discuss these characteristics in detail.

10.8.1 Calculated Risk taker;

He should be calculated risk taker. Risk can be stated as, "a condition in which there is a possibility of adverse deviation from a derived out come that is expected or hoped for. Excitement of challenge but he

10.8.2 Innovator:

An innovator is the one who utilizes discoveries & inventions. Innovation may occur in the following form:-

1. The introduction of new goods
2. The introduction of new methods of production
3. The opening of a new market
4. The conquest of a new source of supply of raw material
5. The carrying out of new form of organization of any industry.

As the creative talenter locates ideas & puts them into effect in the process of economic development.

10.8.3 Organizer:

He has to bring together various factors of production, minimize loans and reduce the cost or production initially, he may take all the decisions but as the enterprise grows, he starts delegating the authority. He produces that best results as an organizer.

10.8.4 Creative:

Creativity, as a field knowledge, seeks to explain how humans, either individually or collectively, reach solutions that are both novel & useful. One of the most important requirements of an entrepreneur is to be creative as creativity may be taken as the cause & successful innovator as the effect.

10.8.5 Achievement motivated:

Achievement Motivation is a drive to over come challenges, to advance and to grow. He is achievement oriented person not 'Money hungry'. He works for his derive for challenge, accomplishment & service to other.

10.8.6 Technically competent:

One who has a high level of administrative ability, mental ability, communication ability, human relations ability and technical knowledge can be more successful than a person with low level of there ability.

10.8.7 Self confident:

It is necessary for talent creator to be self confident. He should have faith in himself, only then he can trust others.

10.8.8 Socially Responsible:

He acts in full awareness of social reperfusions f his actions. His ability may creative jobs for other. He may invent new products & new manufacturing methods. He may innovate new way of doing things.

10.8.9 Optimistic:

He should approach his task with a hope of success and optimistic attitude. He attempts any task with the hope that he will succeed rather than with a factor of failure.

10.8.10 Equipped with capability to drive:

Drive is a person's motivation towards a task. It comprises of such personality traits as responsibility, vigour, initiative, persistence and ambition.

10.8.11 Blessed with Mental Ability:

He must bless with overall intelligence i.e., IQ, creative thinking ability and analytical thinking ability, and must be intelligent adaptable, creative and he must be able to engage in analysis of various problems & situations.

10.8.12 Human Relation ability:

He must have good relations with his employees, customers etc. He must be aware of the needs and motivations of customers if he is to adequately train his employees to maintain good customer relations.

10.8.13 Communication Ability:

He must possess the quality of communicating effectively in written and oral communication. Good communication also means that both the sender and receiver understand and are being understood.

10.8.14 Decision Making:

He must be a liar and creative when it comes to decision making. He must believe in himself and should be possessing ability to take decision effectively.

10.8.15 Business Planning;

He is the knowledgeable person to write business plan. It should include background and information about the product & services being offered. Business planning being begins the moment you decide to open business, to the years you are actively engaged in business.

10.8.16 A Venture Capitalist:

A pavid silver, a successful capitalist and creative talent person as 'energetic', 'single- minded', having a mission and a clear vision'. He or she intends to create out of this vision a product or source in a field which may have determined is important to improve the lives of millions.

10.9 SUMMARY

Creative Talent in Business Development:

- **Definition:** Creative talent is the inclination of a person to organize and run a business profitably, utilizing leadership, decision-making, and managerial skills. It involves innovation and spans various decision-making areas.
- **Importance:** Essential for industrial development; contributes to economic growth and addresses socio-economic challenges.
- **Features:** Courage, good judgment, initiative, skill, perseverance, and emotional stability.
- **Entrepreneurial Process:** Involves the identification of opportunities, organization of industrial units, and sustainable management.

10.10 PRACTICE QUESTIONS

1. Explain the concept of Creative Talent in business development.
2. How does Creative Talent contribute to the rise of creative businesses?
3. Discuss the elements of project formulation in entrepreneurship.
4. What are the characteristics of a Creative Talenter?
5. Elaborate on the importance of Creative Talent in the context of developing nations.

10.11 GLOSSARY

- **Creative Talent:** The tendency of a person to organize and run a profitable business, involving leadership, decision-making, and managerial skills.
- **Innovation:** Introduction of new products, methods of production, markets, sources of raw material, or organizational forms.
- **Project Formulation:** Step-by-step investigation of resources and development of a project idea.
- **Risk-Bearing:** Assuming the uncertain outcomes of buying and selling goods or services.
- **Feasibility Analysis:** Assessing the practicality and viability of a project.

10.12 SELF-HELP EXERCISE

1. **What is the definition of 'Creative Talent' according to Joseph A. Schumpeter?**
   a. A managerial activity
   b. A financial function
   c. An innovation function
   d. A marketing strategy**ANSWER: c.**
2. **The function of risk-bearing in entrepreneurship can be illustrated as:**
   a. Investment → Transformation → Profit
   b. Investment → Transformation → Loss
   c. Investment → Loss → Transformation
   d. Transformation → Loss → Investment**ANSWER: a.**

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Lesson No. 11 **AUTHOR : SH1LP1 GOYAL**

OCCUPATIONAL STRESS AND BURNOUT

STRUCTURE

11.0 Objectives
11.1 Introduction
11.2 Meaning of Stress
11.3 Three Stage Reactions to Stress
11.4 Sources of Stress
11.4.1 Organizational Factors
11.4.2 Individual / Personal Factors
11.4.3 Environmental factors
11.5 Occupational Role Stress
11.6 Defining Burnout
11.7 Causes of Burnout
11.8 Warning Signs and Symptoms of Burnout
11.8.1 Physical signs and symptoms of burnout
11.8.2 Emotional signs and symptoms of burnout
11.8.3 Behavioral signs and symptoms of burnout
11.9 Recovering From Burnout
11.10 Summary
11.11 Practice Questions
11.12 Glossary
11.13 Self-Help Exercise
11.14 Suggested Readings

11.0 OBJECTIVES

After reading this chapter, the student should be able to:

- Understand the concept of occupational stress and burnout.
- Outline the various factors causing stress and methods to cope with the problems of stress and burnout,

11.1 INTRODUCTION

Stress is an inevitable part of today's fast life. In this age of globalization and liberalization of the economy, competition among the organizations has increased. Managers attempt to outperform one another to reach the top. Therefore, modern organizations are facing the problems of executive stress and burnout. Individuals and organizations have to pay economic and human cost due to these problems. Stress is the order of the day and it is impossible to be entirely without stress.

11.2 MEANING OF STRESS

According to Webster (1981) stress means constraining force or influence as a force exerted when one body or body part presses on, pulls on, pushes against, or tends to compress or twist another body or body part, the deformation caused on a body by such a force, a physical, chemical or emotional in factors that causes bodily or mental tension and may be a factor disease causation, a state resulting from factors that tend to alter an existent equilibrium.

According to Stephens Robbins, an Organizational Behaviour Scholar (2003), "Stress is a dynamic condition in which an individual is confronted with an opportunity, constraint (forces that prevent individuals from doing what they desire), or demand (the loss of something desired) related to what he or she desires and for which the outcome is perceived to both uncertain and important".

11.2.1 SELF-HELP EXERCISE

1. What is stress according to Webster (1981)?

a) A state resulting from factors that alter an existing equilibrium
b) A constraining force exerted on a body or body part
c) The three-stage response to stress
d) A positive form of stress called eustres

11.3 THREE STAGE REACTIONS TO STRESS

Hans Selye (1956), one of the foremost authorities on stress has found that the body has a three-stage reaction to stress:

- **a)** The alarm stage
- **b)** The resistance stage
- **c)** The exhaustion stage

Selye called this three-stage response the General Adaptation Syndrome, or G.A.S. In alarm stage, the body recognizes the stressor, such as an argument; the body reacts to the stressor by preparing for the fight or flight. The body's reactions are complex and numerous, the body sends messages from the brain (hypothalamus) to the pituitary gland to release its hormones. These hormones trigger the adrenal glands to release adrenaline. Adrenaline increases the rate of breathing and heartbeat, increases perspiration, raises blood sugar level, dilates the pupils and slows digestion. The process results in a huge burst of energy, better hearing and vision and greater muscular strength - all reaction that increase a person's capabilities to fight or flee.

In the second stage, the resistance stage, the body seeks to return to homeostasis. During this stage the body repairs any damage caused by the stressors and may adapt to such stressors as hard physical labour or extreme cold. Most stressors result in the body going only through the stages of alarm and repair. However, if the body remains in a state of high stress for an extended period the body is unable to repair the damage. Eventually the third stage of exhaustion occurs. If exhaustion continues, a person is apt to develop one or more of the diseases of stress, such as high BP or ulcers etc.

But not all stress is bad. There is also a positive, pleasant side of stress, caused by good things and this form of stress is called eustress. A certain amount of stress is good for us in a number of situations. Stress can stimulate us to achieve peak performance for important jobs.

But the kind of stress which is harmful is called distress. Distress results when the stressors are prolonged and the third stage of exhaustion occur. Long-term distress generally results in the development of a stress related physical disorder.

11.3.1 SELF-HELP EXERCISE

2. According to Hans Selye (1956), what is the first stage in the body's reaction to stress?

a) Resistance stage
b) Exhaustion stage
c) Alarm stage
d) Recovery stage

11.4 SOURCES OF STRESS

v

Stephen Robbins (2003) divided the sources of stress on the basis of the following factors:

1. Organisational Factors
2. Individual/ Personal factors
3. Environmental Factors

The sources of stress falling under each factor have been discussed in detail below:

11.4.1 Organisational Factors:

a) **Work overload:** Overload has deservedly received much attention as an important stressor. The job demands are such as to exceed the individual's perceived ability to meet the demands. Work overload stressors can be quantitative overload, qualitative workload and a combination of quantitative and qualitative workload.

b) **Role ambiguity:** This condition exists when the individual has sufficient information to perform his job satisfactorily

d) **Role conflict:** This condition exists when the job of the individual contains roles or responsibilities which may directly conflict with each other. Differences of view of superiors or problems related to conflicts with personal, professional or societal values.

e) **High degrees of specialization:** Some jobs in the industry call for a high degree of specialization the goal of which is innovation, increased efficiency and improved quality of work. However, overspecialization can lead to occupational frustration. The individual may feel that he is too far removed from the end product.

f) **Poor career development guidance:** This is one of the major sources of stress. The individual not only needs an opportunity to use pre-existing occupational skills but also an opportunity to develop new appropriate skills, the acquisition of which may contribute to increased reinforcement in the work environment.

I) **Poor communication:** Frustration may result if the only communication channel open is in the downward direction from top management.

g) **Scientific developments:** Computers and other technological advances are contributing to increased efficiency in a variety of work functions from top- level management decisions to office processes. Jobs may became obsolete and new training may be required; clearly some level of adaptation will be necessary and involve stress reactions.

h) **Promotion:** Promotion almost certainly will lead to important changes in job function which may involve increased responsibility for people and production.

i) **Relocation:** Changing to a new residential environment, following promotion, may evoke stressful responses because of the severing of interpersonal relationships, the physical problems of moving possessions and of finding a suitable home, the adjustment needed to a new area and possibly culture, new interpersonal relationships and different socioeconomic conditions.

j) **Organizational Structuring:** Company takeovers and mergers mean new management styles and thus resulting in insecurity and apprehensions.

11.4.2 Individual / Personal Factors:

The individual factors that lead to stress can be family, economic or even ones personality.

a) **Family factors:** Every one holds the family and personal relationships. Marital difficulties, the breaking off of a relationship, death, and worries about children are the examples which create stress for employees that aren't left at the front door when they arrive at work.

b) **Economic factors:** Economic problem created by individuals overextending their financial resources is another set of personal troubles that can create stress for employees and distract their attention from their work.

c) **Personality:** The individual's personality also determines the stress one takes on himself. There are number of traits in us which makes us different from all others. It is called 'Individual Differences'. The individual difference arises due to one's level of experience, locus of control and self-efficacy.

11.4.3 Environmental factors:

Number of environmental factors can also take individual under stress. Changes in the business cycles create economic uncertainties. When the economy is contracting, for example, people become increasing anxious about their job security. Political uncertainties, terrorism can also be some of the environmental factor leading to stress.

11.5 OCCUPATIONAL ROLE STRESS

The following are the role stressors identified by Udai Pareek.

- **Inter-rote distance (IRD):** It is experienced when there is a conflict between organizational and non-organisational roles. For example, the role of an executive vs. the role of a husband/wife.
- **Role stagnation (RS):** It is the feeling of being stick in the same role. Such a type of stress results in perception that there is no opportunity for the furthering or progress of one's career.
- **Role expectation conflicts (REC):** This type of stress is generated by different expectations by different significant persons, i.e. superiors, subordinates and peers, about the same roles and the role occupant's ambivalence as to whom to please.
- **Role erosion (RE):** This type of role stress is the function of the role occupant's feeling that some functions which should properly belong to his/her role are transferred to/or performed by some other role. This can also happen when the functions are performed by the role occupant but the credit for them goes to someone else. Another manifestation is in the form of underutilization in the role.
- **Role overload (RO):** When the role occupant feels that there are too many expectations from the significant roles in his/her role set, he/she experiences role overload. There are two aspects of this stress: quantitative and qualitative. The former refers to having too much to do, while the latter refers to things being too difficult and the accountability in the role.
- » **Role isolation (RI):** This type of role stress refers to the psychological distance between the occupant's role and other roles in the same role set. It is also defined as role distance which is different from inter-role distance (IRD), in the sense that while IRD refers to the distance among various roles occupied by the same individual, role isolation (Rl) is characterized by the feelings that others do not reach out easily, indicative of the absence of strong linkages of one's role with other roles. This can be geographic or systemic.
- **Personal inadequacy (PI):** It arises when the role occupant feels that he/she docs not have the necessary skills and training for effectively performing the functions expected from his/her role. This is bound to happen when the organizations do not impart periodic training to enable the employees to cope with the fast changes both within and outside the organization.
- **Self-role distance (SRD):** When the role a person occupies goes against his/her self-concept, then he/she feels self-role distance type of stress. This is essentially a conflict arising out of a mismatch between the person and his/her job.
- **Role ambiguity (RA):** It refers to the lack of clarity about the expectations regarding the role which may arise out of lack of information or understanding. It may exist in relation to activities, responsibilities, personal styles and norms and may operate at three stages:

(a) When the role sender holds his/her expectations about the role,
(b) When he / she sends it, and
(c) When the occupants receives those expectations.

- **Resource inadequacy (RIn):** This type of stress is evident when the role occupant feels that he/she is not provided with adequate resources for performing the functions expected from his/her role.

11.6 DEFINING BURNOUT

The phenomenon of burnout is highlighted because of the increasing attention in the organization. Burnout is a troublesome outcome of stress. It is a state of mind resulting from prolonged exposure to intense emotional stress. It manifests through emotional exhaustion and a combination of negative attitudes. The attitudinal characteristics of burnout include:

- Fatalism
- Boredom
- Discontent
- Cynicism
- Inadequacy
- Failure
- Overwork
- Nastiness
- Dissatisfaction
- Escape

Burnout occurs due to prolonged exposure to stress and that too in phases. The three key phases of burnout are emotional exhaustion, depersonalization and a feeling a lack of personal accomplishment.

Emotional exhaustion is due to a combination of personal, job and organizational stressors. People who expect a lot for themselves and the organization in which they work tend to create more intense stress, which in turn, leads to emotional exhaustion. Similarly, emotional exhaustion is fueled by having too much work to do, by role conflict and by the type interpersonal interactions encountered at work.

Overtime, emotional exhaustion leads to depersonalization, which is the state of psychologically withdrawing from one's job. This finally results in a feeling of being unappreciated, ineffective or inadequate. The additive effect of these three phases is a host of negative attitudinal and behavioural outcomes.

11.6.1 SELF-HELP EXERCISE

3 . Burnout is a state of mind resulting from prolonged exposure to intense ____________ stress.

11.7 CAUSES OF BURNOUT

Job burnout can result from:

- **Lack of control:** When the individual is unable to influence decisions that affect his/her job, such as the working hours or the assignments he/she gets. When the individuals are unable to control the amount of work that comes in, burnout results.
- **Unclear job expectations:** The unclear expectations from the job also contribute to burnout. Examples include uncertainty over what degree of authority one has and not having the necessary resources to do one's work.

- **Dysfunctional workplace dynamics:** Examples are working with an office bully, being undermined by colleagues or having a boss who micromanages work.
- **Mismatch in values:** If the values of an individual differ from the way his/her company does business or handles employee grievances, it will wear on the individual.
- **Poor job fit:** Working in a job that doesn't fit one's interests and skills is certain to become more and more stressful over time.
- **Extremes of activity:** When a job is always monotonous or chaotic, an individual needs constant energy to remain focused, leading to energy drain and job burnout.

11.8 WARNING SIGNS AND SYMPTOMS OF BURNOUT

Burnout is a gradual process that occurs over an extended period of time. It doesn't happen overnight, but it can creep up if one is not paying attention to the warning signals. The signs and symptoms of burnout are subtle at first, but they get worse and worse as time goes on.

11.8.1 Physical signs and symptoms of burnout:

- Feeling tired and drained most of the time
- Lowered immunity, feeling sick a lot
- Frequent headaches, back pain, muscle aches
- Change in appetite or sleep habits

11.8.2 Emotional signs and symptoms of burnout:

- Sense of failure and self-doubt
- Feeling helpless, trapped, and defeated
- Detachment, feeling alone in the world
- Loss of motivation
- Increasingly cynical and negative outlook
- Decreased satisfaction and sense of accomplishment

11.8.3 Behavioral signs and symptoms of burnout

- Withdrawing from responsibilities
- Isolating from others
- Procrastinating, taking longer to get things done
- Using food, drugs, or alcohol to cope
- Taking out frustrations on others
- Skipping work or coming in late and leaving early

11.9 RECOVERING FROM BURNOUT

Sometimes it's too late to prevent burnout - one is already past the breaking point. If that's the case, it's important to take burnout very seriously. Trying to push through the exhaustion and continue as before, it will only cause further emotional and physical damage. The following strategies can help an individual cope with the burnout:

- Start the day with a relaxing ritual
- Adopt healthy eating, exercising, and sleeping habits
- Set boundaries
- Take a daily break from technology
- Nourishing one's creative side
- Learn how to manage stress

- Slow down
- Get support of family and friends
- Reevaluation of one's goals and priorities
- Actively address problems - Take a proactive approach
- Clarifying one's job description
- Ask for new duties
- Take time off

11.10 SUMMARY

The chapter focused on the concept and causes of occupational stress and burnout. Stress is the result of response to environment and it is ah inevitable part of life. Stress arises due to various factors such as organizational factors, individual/ personal factors and environmental factors. Burnout is the physical and emotional breakdown due to overwork. Various strategies like increasing creativity, asking for new duties, being proactive, clarifying job description etc. help to overcome the problem of burnout.

11.11 PRACTICE QUESTIONS

1, Why is occupational stress? What are the various factors that cause stress on the job?
2. What is burnout? Discuss various causes and strategies to cope with burnout.

11.12 GLOSSARY

Stress:-a mental, emotional or physical reaction resulting from the individual's response to environmental pressures and similar stimuli.

Burnout:-a syndrome wherein a person breaks down physically and emotionally due to continuous work over a long period of time.

11.13 SELF-HELP EXERCISE

1. What is stress according to Webster (1981)?

a) A state resulting from factors that alter an existing equilibrium
b) A constraining force exerted on a body or body part
c) The three-stage response to stress
d) A positive form of stress called eustress**ANSWER: b.**

2. According to Hans Selye (1956), what is the first stage in the body's reaction to stress?

a) Resistance stage
b) Exhaustion stage
c) Alarm stage
d) Recovery stage**ANSWER: c.**

3. Burnout is a state of mind resulting from prolonged exposure to intense ______________ stress.

(Emotional)

11.14 SUGGESTED READINGS

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MBA-DE(Second Year) **IP (411)**
Semester-IV **INDUSTRIAL PSYCHOLOGY**

Lesson No. 12 **AUTHOR : Ms. DEEPIKA JINDAL**

WOMEN MANAGERS AND GENDER BIASNESS IN INDIAN ORGANISATIONS

STRUCTURE

12.1 Introduction
12.1.1 The Cult of True Womanhood
12.2 Women in Business and Management During the Late Nineteenth and Early Twentieth Centuries
12.2.1 Women in Business and Management in the 1920s and 1930s
12.3 Predictors for women's progress at workplace
12.4 Barriers to Mobility and Alternative Routes for women in Management
12.5 Promoting the Causes of women at workplace
12.6 Corporate Programs for Women
12.6.1 Women as Expatriate Managers in Multinational Corporations
12.7 Sources and Outcomes of Stress
12.7.2 Organizational Sources
12.8 Participant Dynamics in Romantic Relationships at work
12.9 Women Centric Vision
12.9.1 Variety of Reasons
12.9.2 Women Call the Shots
12.10 Summary
12.11 Self-Help Exercise
12.12 Suggested Readings

12.1 INTRODUCTION

Globalization, Liberalization, and Privatization are the recent trends in newly emerging markets of the world. New innovations are taking place in the trade, business and industry.

There has been considerable focus recently in the media and society at large on the emergence of women in leadership positions in the Indian corporate world. While women have played leading roles in medicine, education and arts, the growing prominence of women in corporate India is a relatively new phenomenon. So ,have women now come into their own in the workplace? Have we truly empowered women to enable them to rise to top positions based on merit and performance? Or is there still a glass ceiling?

The social status of a person is affected by his profession. The societal attitudes toward him are very important as the same have deep impact on him. For all the women who are working, the attitude of husband and other family members towards their job cannot be under estimated.

As one writer observed laconically: "Statistics show that women represent one third of the world's workforce, do two-thirds of the world's working hours, but they earn only one tenth of the world's income and own one-hundredth of the world's goods…. They hold less than one percent of the world's executive positions."

Women have become enduring figures in the workplace and in the management profession. In 1990, employed women constituted 45.6% of the labor force and, as of 1992, 41.5% mangers. Majority of the new entrants in the labor force are women and even more women will pursue management careers. Thus women are becoming an increasing segment of the labor force as a whole and the management profession in particular.

While women's numbers in the management profession are on the rise, women are still largely clustered in lower and, to a lesser extent, middle-level management positions. They have yet to make their mark in significant numbers in upper management levels. Women's membership in the management field has helped to bring new issues to force. Dual-career dilemmas, childcare concerns, and parental leaves have moved to centre stage now that many women are employed and increasing numbers of them have become managers. Women managers had an important impact on the nature of relationships at work and home and on the manner in which international business is conducted. They are helping to change the fabric of our society.

Women have always been major sources of service sector work, but they have not always been classified as engaged in service sector employment, because much of the work they typically perform comes into the category of unpaid labour, performed within the household or local community. The care economy dominates in such work; thus, all activities such as cooking and cleaning for household members, care of the young, the old and the sick, provisioning of necessary goods are typically seen as the responsibility of women members of the household in most Asian economies. It is only recently that women's involvement in paid services has increased across Asia. While there has been some increase in women's share of paid employment in the formal sector in general, women workers tend to be concentrated into the lower paid and more informal types of service activity.

Research has shown that established social or cultural attitudes and gender inequality in education, training and recruitment cause vertical and horizontal occupational sex segregation, and that this is the principal reason for the persistent gaps between men and women's earnings. Institutional barriers and social attitudes towards women's abilities also hamper the movement of professional women upward through occupational categories to increasingly responsible managerial jobs. High levels of vertical occupational segregation, where men and women work in the same job categories but men do the more skilled, responsible or better-paid work are considered to be a reason for the earning gaps between equally qualified male and female employees. Women remain concentrated in the lower levels of the job hierarchy: in the employment market, the company, and job category. However, these are not the only reasons women earn lower wages than men. Women are likely to have shorter careers than men of the same age because they do not necessarily work full-time throughout their working lives. Many tend either to leave their jobs or work part-time typically between the ages of 25 and 35 to raise children and return to full-time employment at a later stage. This leads to slower promotion and less pay. In addition, managerial positions require longer working hours, a certain amount of traveling, or even relocation. Many women tend to avoid such jobs because of their family commitments. Earning the same base rate of pay for doing the same job is only part of the equation. Differences in fringe benefits and bonuses offered to men and women also contribute to earnings gaps. The concept of equal remuneration for equal work does not necessarily include the same "perks" that are given to male managers such as access to company cars, mobile telephones and expense accounts, as well as allowances for specific skills, work-related travel, working in difficult conditions and compensation for working in distant or unpopular locations. Also, payments based on performance, bonuses, commissions, profit sharing, and negotiated retirement benefits are not necessarily a standard part of women's remuneration package although they may well be part of the terms of an overall package agreed by men during recruitment.

Some reasons presented for the earnings gaps were that: women continued to choose occupations and industries where there is more flexibility in order to balance the needs of work and family, which results in occupational segregation. Even when working as managers, the data showed that they were in positions that required less education and were lower paid. They tended to work in areas with fewer career development prospects. They were 50 percent less likely to have a college degree than their male counterparts, particularly in the finance sector. Also, when they opted for part-time work they lost healthcare, retirement and social security benefits but continued paying for part-time child care.

Glass Ceiling: Discriminatory Attitude Towards Female Executives

While the presence status of women in the work force have increased dramatically since the passage of the Civil Rights Act of 1964, there are still concerns about the relative absence of women in higher management ranks, which some have described as the “glass ceiling”. In 1995, the Federal Glass Ceiling Commission concluded that “today's American labour force is gender and race segregated - white men fill most top management positions in the corporations”.

The “glass ceiling* is a term coined in the 1970s to describe the invisible, artificial barriers created by attitudinal and institutional prejudices that prevent qualified individuals from advancing within their organizations and reaching full potential. Originally the term was almost exclusively used to describe a situation that women came up against. It was assumed that once women had the same education, experience, abilities and career ambitions as men and had entered the same fields; they could rise up the work place ladder in the same way as men. In fact, it is still evident today that ceilings and walls exist throughout most workplaces for women. Research shows that when all else is equal, women are still heavily under-represented in senior positions.

The social disadvantage of these glass ceilings is the inability of the most qualified employees to move in to the most important positions due to irrelevant criteria such as race or gender. The selection of a less qualified employee negatively impacts both the employer and ultimately the economy as a whole. The successful elimination of glass ceiling requires not just an effective enforcement strategies but the involvement of employers, employees and others in identifying and reducing attitudinal and other forms of organizational barriers encountered by minorities and women in advancing to higher level management potions in different workplace settings.

12.1.1 The Cult of True Womanhood:

While the aftermath of the Revolution opened up some educational possibilities for white middle-and upper class women, it had a paradoxical effect of limiting what was considered appropriate behavior for them. Historian Barbara Welter has described the pervasive set of beliefs surrounding white middle-and upper-class women of the early nineteenth century as “the cult of true womanhood.” Gift books, religious tracts, etiquette books and ladies’ magazines urged women to become “true women.” By cultivating the traits of purity, piety, domesticity, and submissiveness, women were promised the rewards of power and happiness. Women were to become ladies of leisure, status symbols, attesting to the success of their husbands.

12.2 WOMEN IN BUSINESS AND MANGEMENT DURING THE LATE NINETEENTH AND EARLY TWENTIETH CENTURIES

Women made inroads into office work during the labor shortage caused by the Civil War. The statistics show a very small percentage of women working as managers, the actual number of women doing managerial work is underestimated because of different definitions given to male and female work.

- **Entrepreneurial women:**

Some women were classified as entrepreneurs by taking added advantage of the new technology. The 20th century witnessed an increase of women entering business, but not at all the proprietor level, and not without societal reminders to middle* and upper-class women that they should focus primary attention on their domestic lives. Thus some advice given to women entering business reinforced traditional roles in the home as well as success outside the home.

- **Social Settlement House Work:**

One new occupation did develop for women, which of social settlement house worker. Settlement house workers not only provided tangible relief for city dwellers but also contributed statistical studies of factories and community sanitation needs. The term businesswoman has typically excluded administrators and government workers, although these careers have required extensive managerial skills.

12.2.1 WOMEN IN BUSINESS AND MANAGEMENT IN THE 1920s AND 1930s:

Meanwhile, throughout the 1920s and 1930s, attention continued to be paid to the position of women in the field of business. Ried illustrates the possibility of promotion for those few women who took the path to execute status by becoming private secretaries. Ried was one of the early beneficiaries of true promotion to execute power via the secretarial path. A few years after he said that advertising and sales were the two most promising fields for women to enter.

- **Women In Advertising and Sales:**

As one study argued, it was a relatively young field in which "prejudice is less pronounced. "Most advertisements in order to attract audience use illustrations depicting women. Media has long been presenting women as objects of beauty at best and as subjects of sex at worst. Advertising is so misleading and misrepresentative of women than if one were to assess the attributes of the female of human species from advertising of a period alone, one would conclude that a woman's body is her only reality and her mind is myth. Advertisers have been charged with portraying women in narrow, out of data and disparaging fashion, including criticism that women are under represented, that women are presented as sexual objects or inept housewives, and that women are portrayed as seeking approval for men. Overall the ads showing women in the role of mother and role of working women has been liked most. The reason for high liking is mother's role has its roots in Indian culture where such a role is worshipped.

12.3 PREDICTORS FOR WOMEN'S PROGRESS AT WORKPLACE

An optimistic scenario shared primarily by men interviewed in different countries concerning the possibilities for women in corporate management views the paucity of women, their concentration at the bottom of the managerial hierarchy, and their absence from positions of real authority as a passing stage. It predicts that, with time, as a result of a dynamic set in motion by current trends, women will break through to the managerial ranks and close the gender gap. These trends include the increase in women's labor force participation and in their educational achievements, the opportunities presented by the development of new industries and managerial specializations.

12.4 BARRIERS TO MOBILITY AND ALTERNATIVE ROUTES FOR WOMEN IN MANAGEMENT

"Think Manager, Think Male''

Probably the single most important hurdle for women in management in all industrialized countries is the persistent stereotype that associates management with being male. Whichever characteristics are considered important for managers, they appear to be the ones generally identified more closely with men than with women. Significant differences in cultural altitudes and expectations about the nature and responsibility of authority in management, the appropriate distribution of power, the role of expertise, and relevant time frames for fulfilling responsibilities help to explain misunderstandings experienced in business dealings between managers.

"Management Is a Full-Time Job":

Traditional conceptions of management duties and loyalties, in all industrialized countries, appear to be based on total commitment measured in terms of time spent at the workplace. Management is presumed to be full-time and continuous job that is incompatible with divided attention. This conception conflicts with women's biographies and traditional responsibilities ir. two ways. First, to balance their work inside and outside the home, many women have sought part-time arrangements. Second, women's biographies show interruptions for child bearing and child rising. Career breaks, it is believed, indicate lack of commitment, making reentry problematic.

The requirement of continuous employment is another characteristic of career that conflicts with women's family roles in every country. It has been argued that, contrary to the stereotype, turnover rates are not significantly higher for women than for men, but women and men leave for different reasons: men to pursue career options or further training, women to care for the family.

12.5 PROMOTING THE CAUSEOF WOMEN AT WORKPLACE

A number of different arguments contributed to the discourse on women at workplace in the 1980s and provided employers with a rationale for adopting more women-friendly personnel policies.

The Competitive Advantage Argument; Economic and demographic arguments dominated discussion about the need for more women at workplace. Better use of *women* affects productivity and efficiency in the workplace and makes business more competitive in the global community. In other words, business community simply cannot afford not to tap women as a valuable resource.

The Demographic Argument: In countries such as the Federal Republic of Germany, Switzerland and France, where the birthrates have particularly been low, demographic arguments are raised. Companies are advised to include women in their recruitment pools because of the anticipated shortage of highly qualified males in the 1990s that will result from the smaller cohorts of the "baby-bust" generation.

The Feminine Leadership Argument: Academics, consultants and managers themselves proclaim the "new qualities needed" needed today, linking them explicitly to the strengths they believe are characteristic of women: cooperativeness and the ability to integrate people, to listen to them and to motivate them through no monetary incentives.

The entitlement argument: The ethical logic is the one that has been used least over the past decades, in contrast with the significant role women's claim to equal opportunity as a civil right played in launching the debate about equal opportunity as a civil right played in the United States.

12.6 CORPORATE PROGRAMS FOR WOMEN

Organizations in the private sector have undertaken a variety of equal opportunity initiatives. Motivated by an interest in making better use of women's human potential, in enhancing their public image, or in responding to external and internal pressures to do so, a growing number of companies report pioneering programs for promoting women in management. Most aim to assist women to balance the demands of home and employment; some, to enhance women's career opportunities within the organization. The BBC, for example, runs a women-only engineering course.

The Role of Multinational Corporations:

MNC have affected the opportunities for women on an international scale in several ways. First, they appear to be making a positive contribution in recruiting women to management by introducing equal opportunity policies in their subsidiaries abroad. For example, U.S multinationals committed to affirmative action, such as IBM played a pioneering role in encouraging the introduction of equal opportunity policies. This step raised the issue in many countries where equal opportunity had not yet been addressed locally. Second, particularly in Japan, foreign firms are reportedly more willing to "risk" taking on women managers than are local firms. A third-and as yet underdeveloped-avenue by which multinational corporations can increase the opportunities for women is through international assignments. International management is a new frontier for women.

12.6.1 Women as Expatriate Managers la Multinational Corporations:

Women constitute only a negligible portion of the expatriate managerial population.

Why So Few? Typical Reasons and Research Results:

Motivation: Women deselect themselves from serious consideration for overseas assignment either by not available jobs or by turning down positions when offered.

Availability: The "women are not available" argument is premised on the formal requisites for international assignment-namely, rank and specialization. Expatriates are disproportionately chosen from the ranks of middle and senior management.

Suitability: Stereotypical thinking and the double standard are especially evident when corporations discuss women's marital status. Whether single or married, the female family status is presumed to be problematic Male managers tend to believe that a single woman, away from the social controls qf her home, is more vulnerable to harassment and other dangers than a man.

Management is a challenging occupation for anyone, male or female, with many demands and stresses. Yet, women may experience additional on-the-job stresses unique to them and, likewise, possess different ways of interpreting and coping with both uniquely femaleand male- shared stresses.

12.7 SOURCES AND OUTCOMES OF STRESS

12.7.1 Social Systemic Sources:

Both persons and employing organizations exist within a larger socio-cultural system of values, practices, expectations, and stereotypes defining appropriate roles for men and women.

Career-family interface: Although a potential source of stress for both women and men managers, conflict between career and family roles can be particularly high for women managers. Women managers consistently report significantly higher job/family role strain accompanied by higher mental and physiological outcomes than men managers. The more job-family conflicts women report, the greater their irritation, anxiety and depression. Women managers report greater stress due to conflicts with their partners, childbearing, and other home conflicts. The extra burdens of managing career and family that women face may result in negative mental and physiological health outcomes.

Off-the job support. It may be provided by family, friends, neighbors and community. Support from family and friends have been positively associated with psychological well-being and negatively associated with stress for women workers. A great deal of research documents that those with social support show better psychological adjustment to stressful events, have reduced risks of mortality from certain diseases, and show fast recovery from diagnosed illness. In fact, women from a mixed occupational sample reported that off-the-job support was the most effective moderator of life and job stress.

Altitude towards women and sex discrimination: Sex typing of the social roles and the resulting normative expectations appear to have great influence on women's advancement in male-dominated professions. The belief that women are less suited for management than men engenders discrimination, which is a great barrier to women's mobility and a significant source of stress for them. Although legislation has reduced the degree of overt discrimination, a subtle yet debilitating form still exists informally.

12.7.2 Organizational Sources:

By its very nature, management is a diverse occupation. Two managers with the same title in the same organization may do very different work under very different circumstances. Stress in women managers may well relate not only to societal pressures and personal characteristics brought by the manager to the job but also to the nature of tasks involved and the circumstances under which these tasks are performed.

Power differences: Increase in the number of women at work do not necessarily mean equal jobs at equal pay. Most of today's managerial women are in lower-level positions with less authority and less pay. Women often occupy les central 'positions in organizational networks, giving them less access to the main power holders in the organization. As a result, they typically have been shown to have les upward influence than men.

Sexual Harassment: One by-product of unequal power between women and men is sexual harassment, which both expresses male power and keeps women in subordinate positions. Tangri, Burt, and Johnson found that42% of women and 15%of men reported being sexually harassed at work during the prior two years. Other surveys have produced prevalence rates for women of more than 90%. Sexual harassment is not limited to women in low level positions. On positive side, organizations rated by women as pursuing equal employment opportunities have been shown to have significantly fewer reports of harassment than low opportunity companies.

Sex discrimination: Once hired, women are more likely to experience sex discrimination and pay inequity than men managers. Such women are more likely to report greater mental and physical stress as a consequence. Women middle and senior managers with high perceived sex discrimination have reported high anxiety, depression, intent to turnover, and low job satisfaction. Discrimination may cause women to perceive that stress is beyond woman's control.

12.8 PARTICIPANT DYNAMICS IN ROMANTIC RELATIONSHIPS AT WORK

More so than ever before, women and men are meeting, dating, and marrying spouses whom they met in their workplaces. Current incidence rates for offices romances at work are reported to be surprisingly high. In 1988 Newsweek poll, 78% of respondents reported they knew or worked with employees who were involved in an intimate relationship with another co worker in their firm. These are questioning those concern corporate women who are considering a romantic relationship at work. Although there are many different types of relationships in which women and men can be involved at work- that is, friendship, competitive coworker relationships, and the like- this chapter will focus on the complexities that concern romantic relationships between male and female mangers.

These areas will provide a framework for the issues detailed in this chapter. First, the literature on office romance will be reviewed to determine common issues and concerns. Second, a model of the power dynamics for couple who became involved in such relationship will be advanced. Third, the implications of these relationships for management practice, and for women, will close the chapter. This review will cover office romance, that is, relationships that occur between single male and female employees that are

a) Characterized by mutual sexual attraction and
b) Made known to others through the participants action.

Sexual harassment occurs when mutuality of interest does not exist. Office romance, on the other hand, takes place between willing parties who consciously make the decision to act upon their attraction out of their own free choice.

12.9 WOMEN-CENTRIC VISION

Women are often firmly tethered to their homes, children, environment and their place and this rooted ness influences and outcome of development programmes. Putting women squarely at the centre of the development process can rectify 'maldevelopment'. The phenomenal success of women centered programmes such as the Grameen .Bank and the Self Employed Women's Association (SEWA), attests to this. In addition, communities united on the basis of gender identity, can more easily overcome differences based on religion, caste and class, thus eliminating many of the frictions in our society and hence legitimized editors case for a Women, Culture and Development"} WCD) approach to improving lines.

12.9.1 Variety of Reasons:

Often promises of jobs as domestics lure women, particularly young women, away from their homes. Instead they end up in sex trade. This happens within countries and between countries. Even as borders open up in the age of globalization, the nature and extent of trafficking as migration" gone bad" and the" underside" of globalization.

According to International Labor Organization (ILO), there are 2.45 million trafficking victims working in exploitative conditions and. another 1.2 million are trafficked each year both within countries and between countries. Majority of these are women and up to half are children.

"Human trafficking is one most lucrative illicit business in the world after arms and drug trafficking", claims the UNFPA report. According to UNFPA report, a study of highly educated middle class South Asian women in Boston, US, found that nearly 35 percent had been victims of physical abuse and 19 percent had to deal with sexual abuse within their homes.

12.9.2 Women Call the Shots:

We have made commendable progress towards providing opportunities to women. At the same time, the very fact that the rise of women to leadership positions is an object of wonder and curiosity underscores the fact that this is still relatively rare. The answer lies in creating a true equal opportunity workplace that is completely gender neutral: where management is in fact blind to gender while selecting people for job positions and promotions. For instance, at the ICICI group a large number of women are in the leadership positions- three out of five Executive Board members, CEOs of two key subsidiaries, and several senior business and operational heads. With the increasing predominance of the services sector, there are no such perceived physical limitations any more, and women are shining through.

12.10 SUMMARY

Women have always worked in the home. Because of Globalization women has entered into market. It is a matter of pride that we have empowered women colleagues successfully; this is not the result of a special focus on women employment but of a universal management and human resource philosophy applied to all our people irrespective of whether they are men or women. Performance is the only criterion for recognition arid growth which has produced a large number of outstanding business leaders. Focusing on selecting the best candidates for ai particular job, and then offering them a fair atmosphere where merit is recognized and rewarded. The fact the rise of women to positions of leadership is an object of wonder and curiosity underscores the truth this is still relatively new and rare. While focusing on equal opportunities at work, it is important that these are meaningless without equal opportunities at the grassroots level. Structural barriers, institutional practices of discrimination and attitudes regarding proper sex roles for women all have a negative impact on women's advancement into managerial positions. Possibility of acceptance of diversity of leadership styles may provide enough of a critical mass of people to change attitudes towards the permanent acceptance of women doing executive work and to break down the structural barriers that have held back many women over the years.

12.11 SELF-HELP EXERCISE

1. **What are the recent trends in newly emerging markets mentioned in the passage?**
   A) Industrialization and Urbanization
   B) Globalization, Liberalization, and Privatization
   C) Agricultural Development
   D) Social Welfare Programs
2. **According to the passage, what is the "glass ceiling"?**
   A) A physical barrier in workplaces
   B) Discriminatory attitudes preventing career advancement
   C) A metaphor for corporate hierarchy
   D) A type of workplace harassment
3. **What is the primary reason given for the earning gaps between equally qualified male and female employees?**
   A) Differences in education and training
   B) Lack of equal remuneration laws
   C) Vertical occupational segregation
   D) Shorter careers for women
4. **Which argument suggests that including women in the workforce positively impacts productivity and efficiency?**
   A) The Competitive Advantage Argument
   B) The Feminine Leadership Argument
   C) The Demographic Argument
   D) The Entitlement Argument
5. **What is the "cult of true womanhood" mentioned in the passage?**
   A) A modern social movement
   B) A historical set of beliefs about women's behaviour
   C) A type of corporate training program
   D) A term coined in the 1970s
6. **According to the passage, what is a significant barrier for women in management roles?**
   A) Lack of education
   B) Discriminatory attitudes and stereotypes
   C) Inability to handle stress
   D) Limited career development prospects

ANSWER KEYS:

1. B) Globalization, Liberalization, and Privatization
2. B) Discriminatory attitudes preventing career advancement
3. C) Vertical occupational segregation
4. A) The Competitive Advantage Argument
5. B) A historical set of beliefs about women's behavior
6. B) Discriminatory attitudes and stereotypes

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MONOTONY, FATIGUE AND BOREDOM AT WORKPLACE

STRUCTURE

13.1 Objectives
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13.1 OBJECTIVES

After studying this chapter, you should be able to

1. understand the concept of Industrial fatigue and its effects on human performance.
2. understand Monotony and Boredom as phenomena related to fatigue and their effects on human performance.

13.2 INTRODUCTION

An important part of an industrial psychologist's work, however, presupposes more or less precise understanding of the work situation and human performance. The problems of achieving optimum efficiency in production and making work more pleasant and satisfying to the employees are dependent on them. In this chapter our primary aim is to introduce that area of industrial psychology which is mainly concerned with effects of fatigue, monotony and boredom upon human abilities and work.

The study of all these factors falls in the purview of industrial psychology because they affect adversely or beneficially human work, productivity and the satisfaction that an employee derives from his work- to a Lesser or greater extent. Industrial engineers also have contributed greatly in our understanding of many of these environmental factors. Their collaboration with industrial psychologists has often resulted in break through of many difficult problems.

13.3 INDUSTRIAL FATIGUE AND ITS EFFECTS ON HUMAN PERFORMANCE

Fatigue may be defined as a reduction in ability to work because of the previous work.

This definition does not consider the nature of fatigue, but uses the effects on the work as a criterion of fatigue because there are divergent opinions on the nature of fatigue. It is possible that the reduction in work is caused by a variety of factors which are mainly physiological and psychological. When a man says he is tired, we do not have any precise indices to localize the changes that have taken place in his body. In fact, often a man look perfectly rested but his performance may show decline, and again even in most tiring situation, if he is sufficiently motivated, his work curve may show rise. There is every evidence to believe that the attitude of an individual is an important factor in his ability to do work, but we do not have any physiological measure to detect the presence or absence of an attitude to do work.

Whatever fatigue is, it is safe to say that any muscular work, even that which is involved in sitting, will result in fatigue provided the work of muscles and the resulting expenditure of energy are at a faster rate than is its recovery. The difficulties in understanding real nature of fatigue stem from the fact that many factors in addition to muscles contribute to its onset. The length of the work period, the speed of work, the amount of muscles involved and the tensions accompanying the task are some such commonly known and found factors.

13.3.1 Unnecessary fatigue:

Fatigue is an inevitable product of all kinds of work, both physical and mental and obviously no one can think of eliminating it completely from industrial work. Naturally, therefore all the psychologists' efforts are directed at elimination of unnecessary fatigue- the fatigue that can be avoided- the fatigue that is caused by wasteful expenditure of energy in work and by unfavorable conditions on the job. Wasteful expenditure of human energy may occur due to a wide variety of conditions- such as inefficient work spaces, inefficient work methods, inefficient tools, inefficient people to do the work and so on. These causes can be removed so that undue expenditure of energy which tires a worker quickly can be removed to some extent.

13.3.2 Masso's work on fatigue:

A pioneering laboratory approach to the study of fatigue is best illustrated by Masso's work with an instrument known as ergograph, in the year 1919. it is an apparatus which cam measure the work done by the muscles in a flexing finger. By attaching a weight to a string tied to the finger and strapping the hand so that only the finger was allowed to move, Masso showed that a simple work or fatigue can be recorded on the ergograph. By using the simple equipment, Masso demonstrated the rate and extent of the work that could be done by a single finger lifting a specific weight. His main findings indicate that, if a fatigued muscle is forced to work, the period of recovery of the muscle from the fatigue is prolonged. Though Masso's laboratory technique of studying fatigue appears to be far removed from the actual industrial work, its implications are clear enough to tell us that excessive fatigue, without any rest interval, will produce greater decrement in work.

Another Researcher, Vernon had developed a variation of the ergograph known as hand dynamometer to study the fatigue of large muscles of hand. His studies have shown that introduction of rest pauses increases the capacity for work and again the change of work posture further aids the recovery and prolongs the period of work.

13.3.3 Crowden's Work:

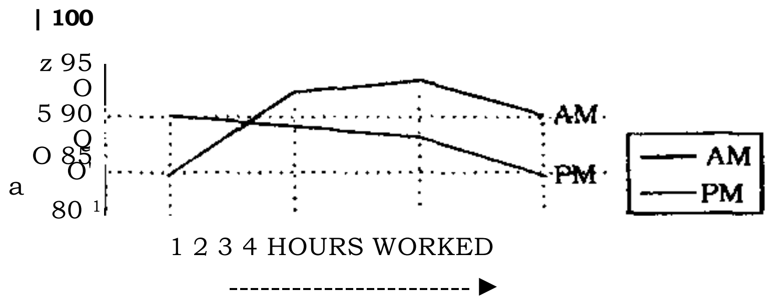
Crowden classifies industrial work in three categories (I) Heavy muscular work, such as in loading trucks, wagons, building roads etc., too strenuous if a steady continuous rate of work is to be maintained; (2) moderately heavy work- in which the rate of expenditure of energy is much lower and to a certain extent well balanced by the rate of recovery- most factory work involved in machine tending in modern industry is of this type; (3) the third type of work is the light speed work which involves a relatively small expenditure of energy, but which often causes* postural strains that may be fatiguing- office work is a typical example of this type of work.

His study showed that moderate type of work involved little expenditure of energy, but yet there may be considerable fatigue because of the cramped and uncomfortable posture maintained for a long time by the worker. It is difficult to understand from Crowden's studies how fat igue can be reduced by taking simple precautions.

There are several other studies which have shown the various ways in which the unnecessary industrial fatigue can be eliminated or reduced to a considerable extent by systematic studies of work operations. Some interesting work which deserves special mention is done to find out some most commonly encountered problems in industry such as the hours of work, week days, rest pauses and other phenomena that are related to fatigue.

13.3.4 Work Curve:

If we plot a curve by showing the amount of work done per unit of time (hours) on Y -axis and the time on X-axis we obtain what is known as a work curve. Usually it is easy to plot such a curve if the work done is uniform and measurable in some way. A typical work curve (plotted for a day's industrial work is called production curve) for moderate type of work for a day's work is shown in figure.



Some interesting characteristics of such a work curve are that during the first hour there is a very gradual rise in the work curve, this period is often termed as warming up period, though the exact cause of warming up is not known, the phenomenon seems to depend upon a variety o f factors, but, the physiological adjustment to the work situation-adjustments such as limbering of muscles, various circulatory adjustments, etc.-seems to be important. Possibly some time is also involved in getting into working set, attitude or mood.

The extent duration of this period may vary from a person to person and it is also not unlikely that the psychological adjustments take longer time.

Between the second and the third hours, the combined production work of a group of workers usually reached its peak, thereafter, that is during the further hours, the production visually falls off. It is this decrease in the production which reflects the presence of industrial fatigue.

The afternoon curve frequently shows no evidence of warming up period and if it is present, its duration is very short. Afternoon production begins at a higher point then what it was at the end of morning session, which shows the characteristic recovery from the fatigue during the rest hours. Thereafter, however, the curve falls off more rapidly than was the case in the morning.

13.3.5 Mental Fatigue:

Before we go to the considerations of the various techniques of reducing unnecessary industrial fatigue, we must also take into account how mental work is affected by fatigue or how mental fatigue occurs. This is a phenomenon which is far more illusive than physical fatigue.

Psychologists believe that the so-called mental fatigue has a very large attitudinal component. The largest components of mental fatigue at any rate seem to be tension and attitude. A student, after a three-hour examination, may feel totally exhausted because of the tension but he may show no such signs after writing lengthy letters to his friends because there is no tension, that is, the feeling that he is challenged and has to do his level best. Tension is not only a psychological phenomenon but also a physical entity. It is also very often seen that people often go on doing a lot of work for hours together without showing any signs of mental fatigue, which are seen in physical exertion. The surprising thing is that mental work may be done at a long stretch of time, often with continued and some times even with added vigour.

13.3.6 Mental blocks:

Research work on mental fatigue has revealed certain peculiar phenomenon, which deserves mention here. They probably explain mental fatigue partly. When a person is asked to do mental work continuously and is his responses are also reported continuously, it is usually found that a few responses occur rapidly, the there is a delay followed by another set of rapid responses- such records show a pattern in which few responses come on close succession, then there is a gap and again they may follow in rapid succession. These gaps are called mental blocks and are usually associated with the making of errors. There are wide differences among people in the lengths of their mental blocks as well as the frequency with which they occur. Many psychologists believe that the blocks are automatic methods of resting- in which any activity that requires constant attention cannot go on without brief interruptions.

13.3.7 Techniques of lessening Physical Fatigue:

It seems clear that in all work involving physical expenditure of energy, fatigue is an inevitable effect of work and all that can be done in such situations is to avoid unnecessary fatigue. There are two ways in which this can be done- the first is related with the problem of machines and tools and their arrangements in such a way that human energy is used with maximum economy. A lot of work in this direction is done by the time and motion studies. The second way is to arrange the hours of work, work week and rest pauses in such a way that the detrimental effects of fatigue are reduced.

13.3.8 Work, Week and Hours of Work:

The available evidence in general indicates that am 8-hour day and a 40-hour week are best in terms of efficiency and absenteeism but it must be noted that many have argued that the 8-hour day an six days a week, which is prevalent in our country was decided to be the optimum work day during World War II and practiced in the American industry. Many studies have shown that increase beyond this is not beneficial in any way for industry. Though presently there is trend towards lessening the day of week and even hours per day, some psychologists feel impossibility. But the question of nominal hours and actual hours needs a very careful consideration and experimentation before it is judiciously settled. However, it remains a fact that the employer's reaction to this issue are usually emotional. Most research work indicates that shortening of work week and hours do not interfere with production and in fact may often have many beneficial effects, not only on production but also on overall health of an organization.

13.3.9 Shift Work:

In many industries shift work is in vogue for various reasons, but one important among them is meeting the increasing demands made on industry.. Whether shift work, particularly night shift work affects the worker adversely or not has been a topic of research for a long time. Night work is viewed as detrimental to employees well being on various grounds. The foremost among them are: (i) it obliterates natural physiological rhythm of sleep and thus affects health, and (ii) also family and social relations of the worker in an adverse manner.

The research work on how health is affected by night shift work indicates that it does affect adversely, many time oriented body functions such as sleep, digestion, elimination but there were no indications that the effects were far more significant when compared with those on the day shift workers. In any case, where shift work is necessary one way of reducing its adverse cffects seem to be placing the workers on the various shifts according to their choices. Some research work also shows that quick rotation in shift work within two or three days were better than less frequent changes as they did not affect physiological processes.

13.3.10 Rest Pauses:

It must be, however, clearly borne in the mind that industrial work varies greatly in the energy expenditure. The heavy type of work causing considerable depletion of energy than medium heavy or light or sedentary type of work. Obviously, the duration and location of rest pauses should be such that it effectively counters the effect of fatigue. Where work is of heavy type, many psychologists feel that the worker should be allowed to rest whenever he feels to do so. In light or sedentary type of work, there is little possibility of work suffering', from the effects of physiological fatigue, but other factors such as monotony and boredom may enter. Another important finding shows that the tasks, the vigilance begins to decline after a period of 20-35 minutes. If this is the case, the rest pauses for this type of work should follow after a period of 30 minutes.

13.3.11 Absenteeism:

The incidence of absenteeism is often a very good index of sickness and fatigue. This fact has been consistently revealed in many studies on absenteeism. In one study Jackson tried to determine the share of various factors in absenteeism and found that the share of sickness and fatigue was larger than any other two factors combined. This will be clear from Jackson data in figure below

Figure: Maximum proportion of absenteeism was caused by sickness and fatigue

Factors in Absenteeism	Appropriate per cent
1. Poor work habits	6%
2. Personal adjustments	9%
3. Dissatisfaction with work	16%
4. Irresponsibility •	17%
5. Outside difficulties	17%
6. Sickness or fatigue	35%

There is also other indirect evidence which suggests that absenteeism is caused by fatigue. For instance, many studies have revealed that the incidence of absenteeism is highest on the first and the last days of the week, regardless of what day of week it falls. This probably hints at the excessive accumulation of fatigue during the week and workers attempt to recoup it taking leave when the week is about to end or when it has ended.

13.3.12 SELF-HELP EXERCISE

1. **What is the primary focus of the chapter?**
   A) Maximizing profits in industry
   B) Human performance and work situations in industrial psychology
   C) Industrial engineering breakthroughs
   D) Collaboration between psychologists and engineers
2. **According to the passage, what contributes to unnecessary industrial fatigue?**
   A) Efficient tools and workspaces
   B) Efficient work methods and trained personnel
   C) Inefficient tools and workspaces
   D) Adequate rest pauses
3. **Who conducted pioneering work on the study of fatigue using an ergograph in 1919?**
   A) Vernon
   B) Crowden
   C) Masso
   D) Jackson

13.4 BOREDOM AND MONOTONY

Another phenomenon related to fatigue, which has acquired considerable attention for several years is monotony or boredom. The terms monotony and boredom are usually used to indicate the undesirable effects of repetitive work which is so very common today. The two terms have however different shades of meaning. British researchers use the term tedium and monotony to describe the state of mind caused by repetitive work. They imply the experience of sameness without referring to emotional distaste of any sort. The term boredom is more inclusive and refers to unfavorable attitude and feeling the worker may have for the task he is performing. Many studies have shown that monotony is the first stage which rapidly develops into boredom when a person finds it hard to stand monotonous repetition of the same operations.

Monotony and boredom are subjective phenomena in the sense they are caused by the way a person views his task from time to time, causing the output to fluctuate and to decline progressively.

The boredom is related to personality factor, that is two individuals may reveal different reactions to the same task, one calling it boring and the other calling it interesting. This subjective nature of boredom and monotony has led many investigators to look into the personality factors related to them. The findings of many studies point out to three factors that may produce monotony and boredom: (1) the most subjects complained of restlessness and felt that time was passing very slowly. Another factor that has come up in these studies is that boredom and monotony are associated largely with the jobs that require constant attention and alertness on the part of the worker than the tasks which could be performed automatically or requiring very little attention to work.

13.5 COUNTERING THE EFFECTS OF MONOTONY AND BOREDOM

Many strategies have been suggested to counteract the effects of boredom and monotony. Most of them stem from some of the characteristics of monotony and boredom, we discussed so far.

Use of Tests:

Often psychological tests have been used to determine the degree of susceptibility to Monotony and Boredom. Often tests are also used to locate certain personality factors related with boredom such as IQ, maladjustment, introversion, more than required level of intelligence- so that a careful selection and placement can solve the problem to a certain extent.

Introducing Change:

Another strategy concerns with introducing variability or change in the jobs that are highly repetitive. For achieving this job in the same department or which are similar to a certain extent but also differ in certain others are exchanged. Some employees often change their jobs, even against company rules or by using devious ways in order to combat monotony.

Making jobs meaningful:

Another way is to make jobs more interesting, by attaching some meaning to them, workers often do not know what they are producing, what happens ultimately to the work they do, for what purposes it is used and how it is going to be useful for others-such an information may very often create new perceptions of the job in the worker and reduce the meaningfulness of the work.

Short term goals:

Yet another way is setting up clear short-term production goals so that the worker is greatly motivated to reach them. Such a practice will be of still greater use when the goals are set by the active co-operation of workers.

Recreational activities:

Another way of combating monotony is providing social and recreational activities during and outside the working hours. Workers very often look forward to meet their friends, exchange a few words over a cup of tea or coffee, or look after the trees and flowers they are allowed to grow in the company yard.

Reducing interruptions of work:

Workers are often interrupted in their work for trivial reasons, sometimes by tht.ir colleagues, sometimes by foreman or by the intervention from the higher ups like inspectors etc. often, this is allowed in working situation without putting a firm stop to unnecessary interruption. This can be a source of great annoyance and may affect worker's motivation. Some studies show that when interruptions were reduced in the departments, they worked more efficiently and smoothly.

Increasing the experience of completion:

It is the duty of management to introduce necessary changes in work situations to make workers feel that they have their tasks completed. It is not necessary for this purpose that a employee assembles a complete TV or radio set, or some machine. Dividing the job into sections does not destroy the unity of a job provided, of course, if other unities are established.

13.6 SUMMARY

One inevitable outcome of work is fatigue and other related phenomena like boredom and fatigue. Here also psychologists have made their distinct contribution to ameliorate the tasks of human beings engaged in modem industrial operations. Many strategies have been suggested to counteract the effects of boredom and monotony. Most of them stem some of the characteristics of monotony and boredom.

Monotony of work is mentioned frequently as the basis for low industrial morale. A job appears to be monotonous or boring when it is not interesting. Monotony, then is a characteristic, not of a particular job but of the relationship between the job and the workers at a particular time. Monotony is a problem in clerical work as well as in the manufacturing plant. Indian studies generally indicate that the problem is somewhat greater in the office workers than among manual workers.

13.7 PRACTICE QUESTIONS

Q 1: Discuss the nature of fatigue and suggest the methods of countering the effects of fatigue.

Q 2: What is boredom? Does it differ from monotony? Explain their possible effects and causes.

13.8 SELF-HELP EXERCISE

1.	**What is the primary focus of the chapter?**
	A) Maximizing profits in industry B) Human performance and work situations in industrial psychology C) Industrial engineering breakthroughs D) Collaboration between psychologists and engineers **ANSWER: b.**
2.	**According to the passage, what contributes to unnecessary industrial fatigue?**
	A) Efficient tools and workspaces B) Efficient work methods and trained personnel C) Inefficient tools and workspaces D) Adequate rest pauses**ANSWER: b.**
3.	**Who conducted pioneering work on the study of fatigue using an ergograph in 1919?**
	A) Vernon B) Crowden C) Masso D) Jackson**ANSWER: b.**

13.8 SUGGESTED READINGS

- Gosh P.K, Ghorpade M.B, Industrial Psychology, Fourth edition, Himalaya Publishing House, Mumbai, 2008
- McCormick E.J, IIgen D., Industrial Psychology, Seventh Edition, Prentice-Hall of India Pvt Ltd, New Delhi, 1984