**CHAPTER 2**

**FOUNDATION OF INDIVIDUAL BEHAVIOR AND LEARNING IN AN ORGANIZATION**

**2.1. Perception**

**Perception** is the process by which individuals select, organize, and interpret their sensory impressions in order to give meaning to their environment. However, what we perceive can be substantially different from objective reality. Because each person gives his or her own meaning to stimuli, different individuals will “see” the same thing in different ways.

Since perception refers to the acquisition of specific knowledge about objects or events at any particular moment, it occurs whenever stimuli activate the sense. Thus, perception includes the interpretation of objects, symbols, and people in the light of pertinent experiences.

Why is perception important in the study of organizational behavior (OB)? Simply because, it is possible to say that truth is often in the eye of the perceiver, rather than some objective fact.

* **Factors Influencing Perception**

1. **Characteristics of the Perceiver**

When an individual looks at a target and attempts to interpret what he or she sees, that interpretation is heavily influenced by personal characteristics of the individual perceiver. **S**everal characteristics of the perceiver can affect perception.

* 1. **Past Experience-**the experience of the employee result in different level of perception.

A young employee takes time to understand the situation but experienced employees understand objects quickly and correctly

* 1. **Moods** – We think differently when we are happy than we do when we are depressed.
  2. **Motives** – Unsatisfied needs or motives stimulate individuals and may exert a strong influence on their perceptions.
  3. **learning**- learning level of employees has a great impact on perception

- Educated persons have higher perception than the less educated

1. **Characteristics of the Target**

Characteristics of the target, who is the **person being perceived**, influences perception. **Physical appearance** plays a big role in our perception of others. The perceiver will notice the target’s **physical features** like height, weight, estimated age and gender. **Clothing** says a great deal about a person. **Physical attractiveness** of the target, often **colors**, affects our entire impression of another person. **Verbal communication** from targets also affects our perception of them. We listen to the **topics they** **speak about**, their **voice tone** and make judgments based on this inputs. **Non-verbal communication** conveys a great deal of information about the target. **facial expressions and body movements,** all are deciphered by the perceiver in an attempt to form an impression of the target.

**C. Characteristics of the Situation**

The context in which we see objects or events is important. Elements in the surrounding environment influence our perceptions. Change in situation leads to incorrect perception about a person. Time is one factor, which influences the perception. Time is related to work setting and social setting. A person decked up for party may not be noticeable but the same dress in office would be noticed distinctly, though the person has not changed.

**Barriers to Social Perception**

* **Stereotyping:** When we judge someone on the basis of our perception of the group to which he or she belongs, we are using the shortcut called **stereotyping.** Itis a generalization about a group of people. It is the general inclination to place a person in some category according to some easy and quickly identifiable characteristic such as **age, sex, ethnic member ship, nationality, or occupation** and then attribute the person as having qualities believed to be typical of members of that category. It assumes that all people in a certain category are assumed to have common characteristics. For instance; age - older people are resistant to change; all engineers are good at Mathematics.
* **Halo Effect** – Drawing a general impression about an individual on the basis of a single characteristics
* **First Impression Error** - the tendency to form lasting opinions about an individual based on initial perceptions. We observe a very brief bit of a person’s behavior in our first encounter and infer that this behavior reflects what the person is really like.
* **Projection:** It is easy to judge others if we assume that they are similar to us. For instance, if you are honest and trustworthy, so you take it for granted that other people are equally honest and trustworthy.

In summary, managers need to know as much as possible about individual differences in order to understand themselves and those with whom they work. An understanding of personality characteristics can help a manager appreciate differences in employees.

**Perception and its Application in Organizations**

1. **Employment Interview:** A major input into who is hired and who is rejected in any organization is the employment interview.

* Different interviewers see different things in the same candidate and thus arrive at different conclusions about the applicant.
* Therefore, eventually the quality of an organization’s labor force depends on the perception of the interviewers.

1. **Performance Evaluation:** An employee’s performance appraisal very much depends on the perceptual process.

* While the performance appraisal can be objective, many jobs are evaluated in subjective terms.
* What the evaluator perceives to be “good” or “bad” employee characteristics will significantly influence the appraisal outcome.

1. **Performance Expectations:** A manager’s expectations of an individual affect both the manager’s behavior towards the individual and the individual’s response.

* When a manager expects positive things from a group, the group delivers.
* Similarly, if a manager expects people to perform minimally, they will tend to behave so as to meet these low expectations. Thus, the expectations become reality.

1. **Employee Loyalty:** Another important judgment that managers make about employees is whether or not they are loyal to the organization.

* The assessment of an employee’s loyalty or commitment is highly judgmental.
* What is perceived as loyalty by one decision maker may be seen as excessive conformity by another.

**2.1.2. Attitude**

**Attitudes** are evaluative statements —either favorable or unfavorable —concerning objects, people, or events. They reflect how one feels about something. When you say “I like my job,” you are expressing your attitude about work. As individuals, we respond favorably or unfavorably toward many things: animals, co-workers, our own appearance, and politics. The importance of attitude lies in their link to behavior. For example, some people prefer either cats or dogs. Individuals who prefer cats may be friendly to cats but hesitate in approaching dogs.

**Attitude is a tendency or predisposition to evaluate an object or symbol of that object in a certain way”.** In effect attitude isused in a generic sense, as to what people perceive, feel and express their views about asituation, object or other people**.**

* **Attitude Formation**

Attitudes are learned. There are a number of potential sources from which we derive our attitudes, the most prominent of which are given below.

► **Direct Experience –** it is the direct experience of people with an object or person which is a powerful influence on attitude. We know that we like Biology or dislike Math from experience in studying the subjects.

► **Social Learning** – the process of deriving attitudes from family, peer groups, religious organizations and culture. These factors shape an individual’s attitude in an indirect manner.

►**Cultural Influence** – Different societies and nations have different value systems from which spring different social conventions about what is polite or impolite, good or bad and acceptable or unacceptable behavior. We should not expect people in all countries to have similarly positive or negative attitudes towards the same thing.

* **Source of attitude**

Attitudes are acquired from parents, teachers, and peer group members. Attitudes are modeled after those whom we admire, respect, or maybe even fear in our early years. We observe the way family and friends behave, and we shape our attitudes and behavior to align with theirs. People also imitate the attitudes of popular individuals. Attitudes are less stable.

**Types of Attitudes**

A person can have thousands of attitudes, but OB focuses our attention on a very limited number of job-related attitudes. These job-related attitudes tap positive or negative evaluations that employees hold about aspects of their work environment.

Most of the research in OB has been concerned with three attitudes: **job satisfaction, job involvement, and organizational commitment.**

I) **Job Satisfaction**: - refers to an individual’s general attitude toward his or her job. A person with a high level of job satisfaction holds positive attitudes toward the job, while a person who is dissatisfied with his or her job holds negative attitudes about the job. When allowed to operate freely, job satisfaction can contribute substantially to organizational effectiveness. It can contribute to productive output in the form of high quantity and quality of products or services, as well as to organizational performance objectives.

Satisfaction is a highly personalized matter that is closely connected with the match between expectations and receipts. Not everybody welcomes a close personal interest and some people interpret a high level of technical guidance as a sign that the supervisor has a lack of trust in their work.

**Job Satisfaction**  **Organizational Commitment**

Satisfaction with pay

Satisfaction with promotion

Satisfaction with Job

Satisfaction with supervisor

Satisfaction with co-workers

**Effects of Job Satisfaction**

Job satisfaction among employees does affect many aspects of organizational behavior. People react to job satisfaction or dissatisfaction in a number of ways that can have important implications for job performance.

* **Employee Turnover** – there is convincing evidence that where job satisfaction is high labor turnover is reduced. The lower individuals’ level of satisfaction with their jobs, the more likely they are to resign and seek other opportunities.
* **Employee Absenteeism** – the lower individuals’ satisfaction with their jobs, the more likely they are to be absent from work. People who are dissatisfied with their jobs are absent more frequently, are more likely to report more psychological and medical problems than do satisfied employees.

II) **Organizational Commitment –** It is an attitude towards the organization as a whole **reflecting the individual’s acceptance of its goals and values, his or her willingness to expend effort on its behalf and an intention to remain with the organization.** It refers to degree to which an employee identifies himself with the organizational goals and wishes to maintain membership in the organization. Certain organizational conditions encourage commitment. **Participation in decision making and job security** are two such conditions. Certain job characteristics also positively affect commitment. These include **autonomy, responsibly, and interesting work**. Organizational commitment is related to lower rates of **absenteeism, higher quality of work, and increased productivity**. Managers should be concerned about organizational commitment because committed individuals expand more task related effort and are less likely than others to leave the organization.

**III) Job involvement: -** Job involvement refers to the degree to which a person actively participates and considers his perceived performance level important to self-worth**.**

**2.1.3. Personality**

*Hopefully you noticed that some people are quiet and passive, while others are loud and aggressive. Can you discuss why this has happened?*

**Personality** is the unique but stable set of characteristics and behavior that sets each individual different from others. It impliesrelatively stable and enduring aspects of an individual that distinguish him or her from other people.

**Determinants (Bases) of Personality**

Personality is determined by heredity, environment (culture) and situation under which an individual works.

**Heredity**

Heredity is transmitted through genes, which determine hormone balance, which later determine physique and subsequently the personality. Heredity refers to acquiring from parents certain biological, physical and psychological commonalities, which are further reflected in physical stature, facial attractiveness, sex, temperament. These factors have a deciding influence on how a person in an organization would display his reactions in a particular situation.

In good organizations and particularly in defense services a detailed screening is carried out of the candidates based on the background of the parents as it relates to physique, psychological makeup, disability and transferable disease as it has far reaching impact on the general health of the organization.

**Environment**

Every individual is born and brought up in a particular environment. Environment leaves an imprint on the personality of an individual. It is commonly seen that a doctor’s son preferring his father’s profession and a child of a soldier is entering into Defense Services. More advanced the socio-economic conditions of the society more would the children be forward thinking. Environment should be viewed from the point of view of *norms, ethics and value* that are observed and the attitude displayed by the social group. These factors actually formulate the culture of the society from which the organizations draw their human resource requirements. The cultural background is important to evaluate personality.

In childhood, parents, uncles, aunts and even neighbour’s behavior are copied by a child.

Norms followed in the family and the existence of cultural value system in the society. All these factors have a marked influence on the personality of an individual.

**Situation**

Individual has to interact with number of problems in a given situation, which does not remain constant. Personalities therefore mean how people affect others, how they understand and view him selves, pattern of personality traits and person situation interaction. For example individual modifies his behavior based on situation.

When an individual goes to temple he would be sober, generally put on plain clothes. When the same individual goes for interview he would be armed with knowledge of the organization while in the club he would be merry making having a drink in his hand and meet friends and generally be in gay mood.

1. **Major Personality Attributes Influencing OB**

In this section, specific personality attributes that have been found to be powerful predicators of behavior in organizations are evaluated. Managers should learn as much as possible about personality in order to understand their employees. Most organizations have their own cultures and accepted patterns of behavior. Thus personality differences mean that some people are likely to fit in to a culture better than others.

1. **Locus of control**: is the individuals belief that either events are in one’s control or not.

It is the concept, which determines whether an individual’s control events or the events control. People have both internal locus of control and external locus of control, only the degree varies is the degree to which people believe that they are masters of their own fate**.**

**People with internal locus of control believe that** what happens to them is mainly the result of their own actions. Conversely, **People with external locus of control believe that** what happens to them is controlled by outside forces such as luck or chance.

**2.** **Machiavellianism:** Niccolo Machiavelli introduced theory of Machiavellianism. The extent to which an individual is measured by mach scale.

In any organization people can be classified as having high Machiavellianism or low Machiavellianism tendencies. A person having High Machiavellianism (H Mach) generally displays variety of personality traits like high self-confidence and self-esteem, logical in assessing the system around them, successful in achieving goals, high productive and skilled in influencing others.

People with low Machiavellianism (L Mach) personality are characterized: are strongly guided by ethical consideration, accept direction imposed by others and unlikely to lie or cheat.

**3. Self – Esteem:** Self-esteem refers to individuals’ degree of liking or disliking himself. People’s self-esteem has to do with their self-perceived competence and self-image. Individuals with high self esteem have positive feeling about them, perceive themselves to have strengths as well as weakness, and believe their strengths are more important than their weaknesses. Individuals with low self esteem view themselves negatively. They are more strongly affected by what other people think of them, and they compliant individuals who give them feed back while cutting down people who give them negative feedback.

Self esteem may be strongly affected by situations. **Success** tends to raise self esteem, where as **failure** tends to lower it. Given that high self esteem is generally a positive characteristic; managers should encourage employees to raise their self esteem by giving them appropriate challenges and opportunities for success.

**4. Self-Monitoring:** Self-Monitoring reflects a person’s ability to adjust his or her behavior to external, situational (environmental) factors. Self-monitoring is related to self-efficacy. It is situation specific. A person possessing self monitoring trait is likely to behave differently in different situation.

High self-monitoring individuals are sensitive to external indications and tend to behave differently in different situations. In contrast, low self-monitors, have constant behavior (not behave differently) and rigid. For example, high self-monitors should be especially good at changing their leadership behavior to fit subordinates with high or low experience, tasks with high or low structure, and so on.

1. **Risk Taking**

Willingness of individuals to take or avoid risk. High risk taking managers are make quicker decision, use less information to make decision. Low risk taking managers are slower to make decision and require more information before making decision.

**6. Type ‘A’ and ‘B’ Personality**

**Type A personality**

* Are always moving, walking and eating rapidly.
* Do two or more things at one time
* Highly achievement oriented

**Type B personality:**

* They do not discuss achievement and leave it to the superiors to identify it.
* These people have the tendency to relax without guilt.
* Play for fun and relaxation
* Less competitive in relation to daily event

1. **Matching Personalities and Jobs ( Reading assignment)**

* **Personality–job fit theory** identifies six personality types and proposes that the fit between personality type and occupational environment determines satisfaction and turnover.
* John Holland presents six personality types and proposes that satisfaction and the propensity to leave a job depend on the degree to which individuals successfully match their personalities to an occupational environment.

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| **Type** | **Personality Characteristics** | **Congruent Occupations** |
| 1. **Realistic:** prefers physical activities that require skill, strength and coordination | Shy, genuine, persistent, stable, conforming, practical | Mechanic, drill press operator, assembly line worker, farmer |
| 2**. Investigative:** prefers activities that involve thinking, organizing, and understanding | Analytical, original, curious, independent | Biologist, economist, mathematician, news reporter |
| 3. **Social:** prefers activities that involve helping and developing others | Sociable, friendly, cooperative, understanding | Social worker, teacher, counselor, clinical psychologist |
| 4. **Conventional:** prefers rule-regulated, orderly, and unambiguous activities | Conforming, efficient, practical, unimaginative, inflexible | Accountant, corporate manager, bank teller, file clerk |
| 5. **Enterprising:** prefers verbal activities where there are opportunities to influence others and attain power | Self-confident, ambitious, energetic, domineering | Lawyer, real estate agent, public relations specialist, small business manager |
| 6. **Artistic:** prefer ambiguous and unsystematic activities that allow creative expression | Imaginative, disorderly, idealistic, emotional, impractical | Painter, musician, writer, interior decorator |

**2.1.4 Learning in an Organization**

Learning brings relatively permanent change in human behavior that occurs as a result of experience. All complex behavior is a learned behavior. If we want to predict and explain behavior, we must understand how people learn. Learning involves change in behavior. It is continuous process, which occurs all the time. We cannot see learning but we can see changed behavior as a consequence of learning. Learning changes attitude of individuals to a large extent. An individual reacts to any situation or responds to instructions in particular fashion, that fashion or style is caused due to learning.

**Theories of learning**

**A. Classical Conditioning (Learning by Association) -** “Classical conditioning can be defined as a process in which a formerly neutral stimulus when paired with an unconditional stimulus, becomes a conditioned stimulus that illicit a conditioned response.

Is the process of learning to associate a particular thing with a prediction of what will happen next? For example, workers who have witnessed dangerous industrial accidents after certain warning lights have gone on may be expected to feel fear the next time those lights begin to flash.

**B. Operant Conditioning –** Is a type of conditioning in which desired voluntary behavior leads to a reward or prevents to punishment.Itis the process of modifying behavior through the use of positive and negative consequences following specific behaviors. Our behavior usually produces consequences which may be either positive or negative. If our actions have pleasant effects, then we will be more likely to repeat them in the future. If, however, our actions have unpleasant effects, we are less likely to repeat them in the future.

C. **Cognitive Theory** –Edward Tolman was recognized as pioneer of Cognitive Theory. This theory argues that peoples are active participants in how they learn. Getting meaning of various objects and events based on previous experience. Occurs through internal processing of information. Understanding how the human mind works while people learn. Focuses on how information is processed by the brain. For example, a person with an eating disorder genuinely believes that they are extremely overweight. Some of this is due to a cognitive disruption in which their perception of their own weight is skewed. A therapist will try to change their constant pattern of thinking that they are overweight in order to decrease the unhealthy behaviors that are a result of it.

**D. Social Learning** – Social learning approach is a behavioral approach. The approach basically deals with learning process based on direct **observation.** It is achieved while interacting with individuals. In social learning people **observe** a particular environment to fit in the social behavioral pattern. Individuals learn a great deal from watching attractive models and they copy their behavior and display the same. Children copy the behavior of their parents, adults, and copy cinema actors/actresses in various styles. Social learning is practiced in organizations by observing various cultural and social practices. In industrial organizations leader must display a role model so that subordinates copy the style of functioning. An appropriate behavior can be predicted that would contribute towards achieving higher individual satisfaction level and organizational goals.

**Reinforcement, punishment and extinction**

* **Reinforcement** – is the attempt to enhance or strengthen desirable behavior by either bestowing positive consequences or withholding negative consequences.
* **Positive reinforcement** results from the application of a positive consequence following a desirable behavior. For example, bonus paid at the end of successful business year.
* **Negative reinforcement** results from withholding a threatened negative consequence when a desirable behavior occurs. For example, a manager who reduces an employee’s pay (negative consequence) if the employee comes to work late ( undesirable behavior) and refrains from doing so when the employees is on time (desirable behavior) has negatively reinforced the employees on - time behavior. The employee avoids the negative consequence (a reduction in pay) by exhibiting a desirable behavior (being on time to work).
* **Punishment** –penalty on someone as a result of their wrongdoing, is the attempt to eliminate or weaken undesirable behavior.
* **Extinction** –the attempt to weaken a behavior by attaching no consequences (either positive or negative) to it. It is equivalent to ignoring the behavior. The rationale for using extinction is that a behavior not followed by any consequence is weakened.