

AN ANALYSIS OF ORGANISATIONAL BEHAVIOUR AND ITS IMPACT ON ORGANISATIONAL SUCCESS

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Abstract

Organisations face strong pressures in competitive environments to be efficient and at the same time produce products of value. By ensuring that their workforce is optimal at all times most organisations can gain competitive advantage. Satisfied employees form a bond with the company and take pride in their organisational membership, they believe in the goals and values of the organisation. Therefore, these employees display high levels of performance and productivity. Dissatisfied employees display characteristics of low productivity, absenteeism, and turnover. These traits are highly costly for the organisation. Therefore, it is crucial that research is done to determine the relationship between motivation, job satisfaction, group dynamics and team work, leadership, and employee performance.

Keywords: Motivation, leadership, job satisfaction, team work, group dynamics, employee performance.

INTRODUCTION

There is a common theme, which persists when managers are confronted with the question of describing their most frequent or troublesome problems. This theme which managers most often describe is “people problems”. They talk about their boss’s poor communication skills, employee’s lack of motivation, conflicts between team members, overcoming employee resistance to company reorganisation, and so on.

In today’s increasingly competitive and demanding workplace, it is difficult for managers to succeed on their technical skills alone. They need to have good people skills as well. Organisational behaviour is the study of people at work. It concentrates on the influence that individuals, groups, and structure have on behaviour within organisations. Applying knowledge to improve organisations effectiveness is the chief goal of Organisational behaviour. And because Organisational Behaviour is concerned specifically with employment related situations it emphasises behaviour related to jobs, work, absenteeism, employment turnover, productivity, human performance, and management.

THE MOTIVATION AND JOB SATISFACTION OF STAFF

Every business tries to achieve its objectives and in order to achieve these objectives organisations must ensure that their human resource (HR) department is in the finest condition. The human resource (HR) department of any organisation is considered the most important resource an organisation has, thus companies must ensure that their work force is well trained and effective. Employees who are satisfied with their jobs may display an increased work performance and ethic compared to an employee who is dissatisfied. Employees who are satisfied with their positions may display this type of behaviour because they do not desire to lose a position that makes them content. Dissatisfied employees on the other hand may not display such behaviour because they are not as satisfied by the position.

The organisation and the design of jobs can have a significant effect on staff. Attention needs to be given to the quality of working life in an organisation. Managers need to understand that a positive work life can lead to an increase in employees' performance (Nimalsthasan, 2004: 43).

Job satisfaction is a multifaceted concept, which can mean different things to different people. Job satisfaction is usually linked with motivation, but the nature of this relationship is not clear (Buchanan, 2006: 1). The relationship between job satisfaction and employee performance is an issue of continuing debate and controversy (Putman, 2002: 1). One view associated with the early human relation's approach is that satisfaction leads to performance (Buchanan, 2006: 1). The counter argument states that performance leads to satisfaction (Saari and Judge, 2004).

Motivation can be described as one's direction and persistence of action. It deals with why some people choose a certain type of action in preference to others, and why these people continue with their chosen action, most often over a long period, despite the possibility of them facing difficulties and problems. Most often people's behaviour is determined by what motivates them. Their performance can be seen as a result of ability level and motivation combined. (Mullins, 2007)

An organisation and its members form a relationship, which is influenced by what motivates them to work, and the rewards, which they receive. The satisfaction of staff and their levels of performance are significantly affected by the work organisation, and the design and content of jobs. It is up to the manager to know how best to elicit the co-operation of staff and try to direct their efforts to achieving the objectives and goals of the organisation (Mullins, 2007).

Kreitner et al. suggest that motivation is not the only contributor for job performance. Along with ability, motivation is a combination of feelings and emotions, level of skill, facilitating and inhibiting conditions, which are not under the control of the individual, and knowledge about how to complete the task. However, it is clear that if a manager wants to improve the work of the organisation, then he must give attention to the level of motivation of the members in the organisation. He must also encourage staff to direct their efforts towards the successful attainment of the goals and objectives of the organization (Mullins, 2007:250).

Motivation is a complex subject, which is influenced by many variables. It is the result of either internal or external sources. Intrinsic motivation occurs when forces within an individual results in certain behaviour) and involves performing work for its own sake (Jones et al., 2006).

Extrinsic motivation is behaviour, which results from external forces, and takes the form of rewards or punishment (Jones et al., 2006).

Individuals can be either intrinsically or extrinsically motivated, or both. To motivate is to give an incentive for action. For the small business owner, motivation is a huge factor for the company to be successful. The manager would need to devise an “employee motivation program” (Salesboom.com Inc, 2003: 2).

McClelland’s Theory of Needs identifies three types of needs:

- Need for achievement, which refers to the desire to accomplish something difficult
- Need for affiliation, which refers to the desire to participate in social activities and relationships
- Need for power, which refers to the desire to influence, control and encourage others (Kreitner&Kinicki, 2001).

JOB SATISFACTION OF STAFF

It is not easy trying to understand the nature of job satisfaction and the effect it has on work performance. Reason being, it is a complex and multifaceted concept, which has different meanings for different people. Generally people link it to motivation; however, the relationship between the two is not clear. Satisfaction is not the same as motivation. Job satisfaction is more of an attitude, and an internal state. “It is often suggested that job satisfaction is necessary in order to achieve a high level of motivation and performance. However, the level of job satisfaction is affected by a wide range of individual, social, organisational and cultural variables.” (Mullins, 2007: 277)

Rue and Byars (1992) refer to job satisfaction as an individual’s mental state about their job. Job satisfaction refers to how content an individual is in his/her current position. Job satisfaction is a very important attribute which is frequently measured by organisations in order to ensure that their workforce is optimal. Employees are changing; they no longer stay in jobs that do not motivate or satisfy them. Fair salaries are no longer strong enough incentives to keep them loyal. In contemporary times, organisations must do more to ensure that they retain talent.

According to Harris (2010), most employees are not satisfied with their jobs. This can lead to low level of employee loyalty and impact organisational performance. By finding a link between these variables, recommendations can be made to HR managers on how to manage their employees, to ensure that their work force is optimal. In order for organisations to be successful and to deliver superior service and products, they need to ensure that they have an insight into the influence of job satisfaction on employee performance.

According to Harris (2010), most South Africans are not happy with their jobs. The JobCrystal Happiness Indicator takes a look at how salary, level of seniority and location affects how happy South African employees are. Employees earning higher salaries and in more senior positions tend to be the happiest, with employees living away from major metropolitan areas being happier (Harris, 2010: 1).

The JobCrystal happiness indicator showed that less than half were happy with their roles. According to Harris (2010), it is clear that companies that focus on gaining staff buy-in for

companywide goals and objectives, at the expense of meeting employees' individual career goals, are going to find it difficult to hold on to top talent. The two go hand in hand in terms of attracting and keeping star performers. JobCrystal compiles the happiness indicator from the data it collects when candidates enter their details on the talent management portal. JobCrystal completed a second happiness indicator, which looked at which South African companies had the happiest staff, and were the best places to work(Harris, 2010: 2). There was a low correlation between companies where employees were the happiest and those rated the best place to work. Even if employees buy into the company culture, vision and environment, they also need to have their individual goals and requirements met in order to be happy.

According to Harris (2010), employers and employees have a part to play in the process. Employee-employer relationship is a 50\50 responsibility, when it comes to staff satisfaction, employers are responsible for supplying employees with all the tools required to do their jobs. The recession has highlighted people's needs for fulfilling basic wants, for example, taking care of their families. Companies have not been equipped to give increases, and this is contributing to high level of unhappiness in the workplace(Harris, 2010: 2). The compensation, benefits and rewards system must be aligned. Employees emulate behaviour that they see being rewarded (Harris, 2010).

This research indicates the importance of employee's needs. Low job satisfaction can lead to a low morale, which will cause the employee to work less and concentrate more on the negative aspects of his/her job, leading to low self-esteem and a general malaise that will inadvertently spread across his/her social circles. People around them are likely to feel the frustration and may even have to bear the brunt of this malaise. This depression could also have a huge influence on their personal relationship and family life. In many cases, an unhappy worker may have marital problems and health problems caused by stress.

Looking at it from an employer's perspective, there will be a sharp decrease in productivity. Again, a person who is not satisfied with his job will see that his relationships with people at work will begin to suffer, causing inter personal stress at work. This behaviour will limit scope for progression, hence exacerbating an already difficult situation. Employees with low morale have a systemic influence on the organisation (Varawalla. 2010: 1).

According to Ngo (2009) by ensuring that employees are satisfied with their positions, employers can expect the following:

- Enhanced employee retention.
- Increased productivity.
- Increased customer satisfaction.
- Reduced turnover, recruiting, and training costs.
- Enhanced customer satisfaction and loyalty.
- More energetic employees.
- Improved teamwork.
- Higher quality products and/or services due to more competent, energised employees (Ngo, 2009).

According to Ngo (2009), when an employee is satisfied at work, he/she displays the following attributes:

- Employee will believe that the organisation will be satisfying in the long run
- They will care about the quality of their work.
- They will create and deliver superior value to the customer.
- They are more committed to the organisation.
- Their works are more productive (Ngo, 2009).

According to Becvar and Becvar (2003), and their research on systems theory, an organisation cannot be seen in isolation, it must be seen as a dynamic system. Any action in the system has consequences for the whole system. Thus, making sure the system is optimal at all times is crucial. In the biological sciences, structure defines function; this applies to organisations as well. The organisation is an organism with external and internal pressures. Making sure employees are content and productive is a vital part of the integrated system (Becvar and Becvar, 2003).

This review confirms that if the employee is not content; his dissatisfaction will influence the entire company (system), hence causing disruption. If an employee is content with his/her position, this satisfaction will also influence the system, but in a positive manner.

GROUP DYNAMICS AND TEAM WORK

In any organisation groups are an essential feature. Very seldom do individuals work in isolation from other co-workers. Because work is a group-based activity, for an organization to function effectively, it requires collaboration and co-operation among its members. Although the term groups and teams are used interchangeably, there is a difference between groups and teams. (Mullins, 2007)

A Group consists of two or more people who interact with each other to achieve certain goals. A team consists of members who work intensely with each other to achieve a specific and common goal (Jones et al., 2006). Organisations use groups and teams as mechanisms to assist in increasing effectiveness and gaining competitive advantage.

According to Jones et al (2006) groups and teams can contribute to organisational effectiveness in a number of ways:

- Enhance organisational performance.
- Enhance responsiveness to customers.
- Increase innovation.
- Enhance employee motivation and satisfaction.

There are various types of groups and teams. The formal groups and teams are made up of command groups, problem-solving teams, self-managed work teams, cross-functional teams and virtual teams. Employees who believe that the groups will help them achieve their own goals or meet their needs form the informal groups. These are made up of friendship groups and interest groups (Jones et al., 2006).

The key elements of group dynamics are group size, tasks, and roles; group leadership; group development; group norms; and group cohesiveness. From the advantages and disadvantages of large and small groups, it is suggested that managers should form groups with no more members than are needed that would provide the group with the human resources it needs to achieve its goals and use a division of labour. It is usually the type of task interdependence that characterises a group's work that gives managers a clue about the appropriate size of the group. Once this is done, a group role is given to the member of that group. A group role is a set of behaviours and tasks that a member of a group is expected to perform because of his or her position in the group. However, all groups and teams need leadership.

Groups and teams enable organisations to achieve synergy, which in turn results in higher performance (Jones et al., 2006). This is normally achieved when members of the group share their ideas with other employees and members, they correct other employee's mistakes and they contribute a diverse range of solutions to problems from other employees (Jones et al., 2006).

LEADERSHIP

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

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

Leaders on the other hand emphasise change and continuous improvement, and they question practices and possibilities in their quest to visualize the right thing to do.

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

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

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

INTEGRATED SOLUTION

A solution would have to focus on not just one aspect but on all aspects, and hence an integrated solution is required addressing the motivation and job satisfaction of staff, group and team dynamics and leadership. To increase motivation of employees, managers should assist them in achieving their performance goals through coaching and support, and in so doing increase their effort-performance relationship (Expectancy theory) (Kreitner&Kinicki, 2001).

As a manager or businesses owner one should be interested in their employee's attitudes because attitudes give warnings of potential problems and because they influence behaviour. Satisfied and committed employees, for instance, have lower rates of turnover, absenteeism, and withdrawal behaviours. They also perform better on the job. In many organisations resignations and absenteeism are major problems; in order to keep this down, managers should do things that will generate positive job attitudes. The most important action managers can take to raise employee satisfaction is to focus on the intrinsic parts of the job, such as making the job more interesting and challenging.

Positive reinforcement is a powerful tool for modifying behaviour. By identifying and rewarding performance-enhancing behaviours, management increases the likelihood that such behaviours will be repeated (Robbins, 2001: 31-32).

According to Herzberg's Motivator-Hygiene Theory, two categories of factors influence an employee's level of job satisfaction:

- Hygiene factors, which are extrinsic. These factors include company policy, administration, salary, working environment and supervision.
- Motivators, which are intrinsic factors, such as interesting work which provides for achievement, recognition, responsibility and advancement. If Eric can ensure the presence of these motivators as well as hygiene factors, then it will result in satisfaction and a motivated work force (Robbins, 2001).

The following should be considered with regards to motivating employees in the company:

- An employer should recognise his employee's individual differences and he should be sensitive to their individual differences and cultural contexts. Employee's all have different needs and hence they should not be treated alike. Employers and managers should spend the necessary time to understand what's important to each employee. This will allow him to individualise goals, level of involvement, and rewards to align with individual needs. Jobs should also be designed to align with individual needs and thereby maximise the motivation potential in jobs.
- The use of goals and feedback with his employees. Employees should have hard, specific goals, as well as feedback on how well they are fairing in pursuit of those goals.

- Employees should be allowed to participate in decisions which affect them, such as setting work goals, choosing their own benefits packages, solving service delivery problems, absenteeism and the like. This can increase employee productivity, commitment to work goals, motivation, and job satisfaction.
- The link between rewards and performance should be made clear to employees. It is important to note that regardless of how closely rewards are actually correlated to performance criteria, if individuals perceive this relationship to be low, the results will be low performance, a decrease in job satisfaction, and an increase in turnover and absenteeism.
- Rewards should also be perceived by employees as equating with the inputs they bring to their jobs. In other words, this should mean that experience, skills, abilities, effort, and other obvious inputs should explain differences in performance and, hence, pay, job assignments, and other obvious rewards. (Robbins, 2001: 105-106)

According to Operant Conditioning Theory, managers can use four tools to motivate employees to achieve high performance and to discourage employees to engage in undesirable behaviour. They are:

- Positive reinforcement, involves the manager providing the employees with outcomes, which he/she desires when he/she performs organisationally functional behaviours. Positive reinforcers could include increased pay, promotion or praise. In the company, Eric could promote employees, as a form of positive reinforcement. As majority of the employees were under the impression that if they worked hard, there would be a good chance of advancement for them in the company.
- Negative reinforcement, involves the manager using negative reinforcers (e.g. criticism, threats, unpleasant assignments) to eliminate unwanted behaviour. However, it is advisable for managers to employ positive reinforcement instead of negative reinforce, in that negative reinforcers serve to create a negative culture within the organisation (Jones et al., 2006: 96).
- Extinction is where employees may perform certain behaviours, which are not beneficial to the organisation, but are being reinforced by the organisational context. In this situation, the manager should identify and remove the reinforcer, thereby leading to the extinction of the undesirable behaviour.
- Punishment provides for the immediate elimination of undesirable behaviour and involves the administering of negative consequences, such as a pay cut, temporary suspension, and demotion. Punishment should only be used when absolutely necessary.

Leadership plays a central part in understanding group behaviour, for it's the leader who usually provides the direction toward goal attainment. Therefore, a more accurate predictive capability should be valuable in improving group performance. To some degree, leadership success depends on having "the right stuff." Individuals who have the right traits (are extroverted, conscientious, and open) and exhibit the right behaviours (consideration, initiating structure) are

more likely to be effective. Even though managers might or might not have the right traits, their success as a leader would depend on the situation.

CONCLUSION

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

If we consider a working environment, which was perfectly static, employee's skills and abilities were always up to date and incapable of deteriorating, and if tomorrow were always exactly the same, as today, then organisational change would have little or no relevance to managers. Managers need to act as change agents because the real world is so turbulent, that it requires organisations and their members to undergo dynamic change if they are to perform at competitive levels.

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