15.1 Introduction

Organizations generally consist of groups of people who work together for the achievement of common goals. These groups are further divided into teams for better coordination and efficient working of the system. The teams are formed keeping in mind several considerations depending upon
nature of organization and number of people working therein. Hence it is essential to understand concept of team, its advantages and functioning. Similarly the concepts of Change Management and Negotiations are integral part of any organization. To cope up with several emergent situations, changes are introduced which have to be managed effectively and many a times managers have to enter into negotiations with their subordinate staff for various reasons. Despite all organizations essentially being formal in nature, there are still several informal dimensions, which are embedded into their day to day functioning. These informal elements are derived from nature of leadership, management style and power play.

Since adult learning setups are also run on the principles of formal organizations, these elements are essential part of their functioning too. Hence it is paramount for the managers of these setups to have the knowledge of concepts like team building, change management and negotiations. Unit 15 deals with all these aspects of organizational behavior.

15.2 Working Together

A team comprises any group of people linked in a common purpose. A group in itself does not necessarily constitute a team.

Thus teams of sports players can form (and re-form) to practice their craft. Transport logistics executives can select teams of horses, dogs or oxen for the purpose of conveying goods.

Theorists in business in the late 20th century popularized the concept of constructing teams. Differing opinions exist on the efficacy of this new management fad. Some see “team” as a four-letter word: overused and under-useful. Others see it as a panacea that finally realizes the human relations movement’s desire to integrate what that movement perceives as best for workers and as best for managers. Teams are especially appropriate for conducting tasks that are high in complexity and have many interdependent subtasks.

Large teams can sub-divide into sub-teams according to need.

Tuckman and Jensen (1977) identified a life-cycle of stages through which most teams go through, namely, forming, storming, norming, performing and adjourning. Team begins with the forming stage, where members are beginning to associate themselves with the team. At this stage, the team lacks a clear vision, purpose and structure whereas in storming stage members realize the complexity of the problem and might get polarized into sub - groups. In norming stage team members form relationship with other colleagues and the team clearly defines the specific expectations from individual members in terms of both actions and behaviors. The fourth stage of team development is the performance stage where team is set to perform the task after which team gets into adjourning stage where it does not possess the kind of energy demonstrated in the performance stage.

All organizations have formal and informal teams. Companies that employ a sizeable number of employees find it difficult to mobilize individuals towards
organization's goals without teams. Sometimes the organizational teams are formally created, while at times teams are independently formed by like-minded individuals. Managers encourage organizational team building.

15.2.1 Difference between Team and Group and Importance of Teamwork
First let us understand that teams are not the same as groups. In groups, there are no formally elected leaders. Also, groups are informal gatherings of people. Groups don't necessarily have a goal or an objective; groups could be formed for social reasons.

On the other hand, organizational teams are formed with intent, a goal or a mission. Team members are carefully selected so that each member of the team is competent to work towards the common objective. Team leaders are also elected so that there is no ambiguity on authority. Roles are duly assigned to members of the team, so each member works in coordination with fellow team players.

Teams in organizations need to accomplish corporate goals. While the organization is hub of all activities, the teams are the spokes which generate output. Teamwork can yield much more than a sum of individual efforts simply due to organized efforts and streamlined work processes. Work efficiency is enhanced and needless multiplication of processes is eliminated.

Organizational teams also build the spirit of camaraderie. There is a sense of belonging among employees when they are a part of a closely knit team. Vertical and horizontal communications are stronger and influential. Hence, organizations can spread the corporate message to the last employee down the structure. Employees feel a part of a greater mission.

Organizational teams, just like individuals have their own identity. Every team is different from the other. Even within an organization, different teams have different protocols. The collective style of individuals that form the team makes the team persona. Organizational teams are like human beings; they have ambitions, strengths, weaknesses and even ego. Teams can compete, wrestle, succeed or fail. A good organizational team can be an invaluable asset to the organization. A bad team can break the internal structure of the organization.

Companies need to understand the power of teams. Organizational team leaders need to be nurtured and equipped to build teamwork and team efficiency. Teams can also be a source of power conflicts and bad politics. Hence, a vigilant eye must be maintained on teams to ensure that there is no power play or inter departmental politics. While a healthy competition is required to keep all teams on their toes; it is essential that competition is a positive motivating factor (Parker 1996).

15.2.2 Types of Teams
Of particular importance is the concept of different types of teams.

**Work Teams:** These are kind of permanent teams in organizations that are liable to produce output in the form of produce or services. Membership is well defined and stable.

i) Project and Developmental Teams
A team used only for a defined period of time and for a separate, concretely definable purpose, often becomes
known as a project team. Managers commonly label groups of people as a “team” based on having a common function. Members of these teams might belong to different groups, but receive assignment to activities for the same project, thereby allowing outsiders to view them as a single unit. These kinds of teams are temporary in nature and are linked to some special project and consist of experts.

ii) Parallel Teams: In such teams members are drawn from the regular organizational structure, but work in parallel on a specific issue. Such teams are formed when specific problems arise that can not be handled within the existing organizational structure.

iii) Independent and Interdependent Teams: A football team is clearly an interdependent team: no significant task can be accomplished without the help of essentially all team members, team members typically specialize in different tasks (carrying the ball, kicking the ball, blocking opposing players), and the success of every individual is inextricably bound to the success of the whole team. No quarterback, no matter how talented, has ever won a season by playing alone.

On the other hand, a tennis team is a classic example of an independent team: matches are played and won by individuals or partners, every person performs basically the same actions, and whether one player wins or loses has no direct effect on the performance of the next player.

iv) Virtual Team: A virtual team consists of members joined electronically, with nominal in-person contact. Virtual teaming is made possible with technology tools, especially the Internet. This allows teams to be formed of players otherwise unavailable.

15.2.3 Principles of Team Work
Working together poses several challenges on account of factors that surface as members begin to interact as team. These differences need to be resolved and leveraged for the benefit of the team, with the help of setting norms/ criteria/ standards of performance. The following group dynamic factors play an important role in team effectiveness.

i) Norms: Norms are laid down which contains some acceptable norms and standards shared across the group. The norms are mostly formal or informal, explicit or implicit which help members to bind together. Such a binding leads to better coordination.

ii) Cohesiveness: A feeling of closeness within team members on account of interpersonal attraction, social identification leads to better coordination. It provides emotional support and fosters belongingness.

iii) Team Energy: It refers to the extent to which members of team are able to relate to the team goals effectively and meaningfully. A team with high energy levels might lead to higher productivity if canalized properly.

15.2.4 Team Composition and Size
A judicious composition of team is very important for its proper functioning. In constituting a team, a right mix of technical, interpersonal and decision making are needed. As teams are diverse in nature, it is important that key processes like conflict management, interpersonal communication are done efficiently.
Though size of team essentially depends upon nature of task and context in which task is being performed, yet it is necessary that team should be balanced and should not be unwieldy.

15.2.5 Team Performance
In order to manage team performance effectively, Levy (2001) consider that the managers need to undertake the following tasks.

i) Clearly identifying the purpose of team
ii) Define team agenda clearly
iii) Make the agenda operational in measurable terms

Activity 15.1
Group your staff members in various teams and assign them some combined responsibilities and observe their performance. Write a short account of the process of grouping the staff in various teams and assigning them combined responsibilities.

15.3 Managing Organizational Change

Beckhard and Gleicher (1969) developed the formula for change that is sometimes referred to as Gleicher’s Formula. It brings out that the combination of organisational dissatisfaction, vision for the future and the possibility of immediate, tactical action must be stronger than the resistance within the organisation in order for meaningful change to occur.

15.3.1 Management’s Role
Management’s first responsibility is to detect trends in the macroenvironment so as to be able to identify changes and initiate programs. It is also important to estimate what impact a change will likely have on employee behaviour patterns, work processes, technological requirements, and motivation. Management must assess what employee reactions will be and craft a change program that will provide support as workers go through the process of accepting change. The program must then be implemented, disseminated throughout the organization, monitored for effectiveness, and adjusted where necessary.

In general terms, a change program should:

- Describe the change process to all people involved and explain the reasons why the changes are occurring. The information should be complete, unbiased, reliable, transparent, and timely.

Reflection
Team building is a tedious process but it is a necessary step to improve performance of an organization. The primary challenge in institutionalizing team working arrives from inappropriate system of rewarding team performance. An equitable system of rewarding the individuals in the team, for both the team output, and his or her contribution to the team will foster and reinforce team bonding.
Be designed to effectively implement the change while being aligned with organizational objectives, macroenvironmental trends, and employee perceptions and feelings.

Provide support to employees as they deal with the change, and wherever possible involve the employees directly in the change process itself.

15.3.2 Change: Behavior Reaction
There are certain reactions based on individual behavioural patterns to change. Individual's attitude, personality and learning ability, uncertainty, fear of loss or hope of gain motivates people to behave in a particular fashion. While some people have enhanced motivation to act and move towards change others may have negative reactions like disenagement, disidentification, disenchantment and disorientation. Management should be able to diagnose these factors so as to devise strategy to counter it.

Following strategies can be used to counter resistance to change (see Carr 1996).

i) Education and communication
ii) Participation and involvement
iii) Facilitation and support
iv) Negotiation and agreement
v) Manipulation and co-operation
vi) Explicit or implicit coercion

In bringing about change, managers make strategic choices regarding the speed of the effort, the amount of planning and the involvement of others.

A manager should carefully identify the current situation, problems and factors and analyse relevant factors for producing the needed change. He should monitor the implementation process and should make mid-course correction (see Fisher 1995).

15.3.3 Role of Leadership
Change is always dependent upon good leadership skills. Following steps are needed to be followed for successfully leading change:

i) Establishing a sense of urgency
ii) Forming a powerful guiding coalition
iii) Creating a Vision
iv) Communicating Vision
v) Consolidating improvement

An effective change programme requires the change agent to have a skilled and orderly approach. The change agent should exhibit traits of common sense, hard work, and systematic goal-oriented approach.

Reflection
To bring about effective and sustainable change, the change agent requires assembling a team of change agents. The team may consist of both internal and external members. There is always a need to create a new vision so that the organisation is prepared to commit a change in terms of alignment of new structures, resource generation, and structural design to suit the new expectations.

Activity 15.2
Make some changes in the duties of your staff. Study the resistance, if any, and analyse it keeping in mind the variables like age, seniority and qualification. Write in brief what changes you made and what sort of resistance there was to those changes and which variables you took into account while analysing the nature of resistance.
Negotiations between various components of an organisation are an integral part of organisational behaviour studies. Since no organisation is perfect and has to undergo constant changes, there has to be regular negotiations between managers and staff members on various issues concerning the organisation. As manager of adult learning centre, it is important for you to learn the art of negotiations.

15.4 Managing Negotiations

Negotiation is the process where interested parties resolve disputes, agree upon courses of action, bargain for individual or collective advantage, and/or attempt to craft outcomes which serve their mutual interests. Negotiation is usually regarded as a form of alternative dispute resolution. The first step in negotiation is to determine whether the situation is in fact a negotiation. The essential qualities of negotiation are: the existence of two parties who share an important objective but have some significant difference(s). The purpose of the negotiating conference is to seek to compromise the difference(s). The outcome of the negotiating conference may be a compromise satisfactory to both sides, a standoff (failure to reach a satisfactory compromise) or a standoff with an agreement to try again at a later time. Negotiation differs from “influencing” and “group decision making.”.

15.4.1 Approaches to Negotiation

Given the above definition, negotiation occurs in business, non-profit organizations, government branches, legal proceedings, among nations and in personal situations such as marriage and parenting.

Traditional negotiating is sometimes called win-lose because of the assumption of a fixed “pie”, that one person’s gain results in another person’s loss. Another view is that in negotiation both parties are equals by definition and that the best possible outcome is reached when both parties agree to it. If the two parties were not equals, the stronger party would dictate the outcome and there would be no negotiation at all.

New terrains: the role of emotions

According to negotiation scholars Michael Moffitt and Robert Bordone (1981) the newest frontiers in the field of negotiation include such topics as exploring the role of emotions in negotiation. Indeed, the Harvard Negotiation Project’s Roger Fisher and Daniel Shapiro published the groundbreaking bestseller Beyond Reason: Using Emotions as You Negotiate, a follow-up to Getting to YES. The book suggests that negotiations need not be at the mercy of emotions; it discusses five “core concerns” that anyone can use to stimulate helpful emotions.

15.4.2 Negotiation as a Process

According to Burt (1984) negotiation process can be divided into six steps in three phases

**Phase 1: Before the Negotiation**

- **Step 1**: Preparing and Planning: In this step, first determine what you must have and what you are willing to give.
to give (bargaining chips). Gather facts about the other party, learn about the other party’s negotiating style and anticipate other side’s position and prioritize issues. To ensure smooth negotiation, one should also prepare alternatives proposals and establish BATNA (the Best Alternative To a Negotiated Agreement). Estimate the other party’s needs, bargaining chips and BATNA.

Phase 2: During the Negotiation

- **Step 2:** Setting the Tone
- **Step 3:** Exploring Underlying Needs: Also important is to actively listen for facts and reasons behind other party’s position and explore underlying needs of the other party. If conflict exists, try to develop creative alternatives. In a difficult situation, don’t say anything. Take time out. When we say nothing we give nothing away.
- **Step 4:** Selecting, Refining, and Crafting an Agreement: It is a step in which both parties present the starting proposal. They should listen for new ideas, think creatively to handle conflict and gain power and create cooperative environment.
- **Step 5:** Reviewing and Recapping the Agreement: This is the step in which both parties formalize agreement in a written contract or letter of intent.

Phase 3: After the Negotiation

- **Step 6:** Reviewing the Negotiation: Reviewing the negotiation helps one to learn the lessons on how to achieve a better outcome. Therefore, one should take the time to review each element and ask oneself, “what went well?” and “what could be improved next time”

15.4.3 Negotiation Tactics

According to Druckman (1977) skilled negotiators use many tactics including:

- Analyzing the negotiation or conflict management style of their counterpart
- Setting pre-conditions before the meeting
- Declining to speak first
- Volunteering to keep the minutes of the meeting
- Presenting demands
- Time targets, i.e. Deadlines
- Limited authority
- Walking out
- Concession patterns
- Intimidation
- Fait accompli (what’s done is done)
- Take it or leave it
- Rejecting an offer
- tit for tat technique
- Wagon in front of the horse technique
- Stop the time technique
- Package deal technique

15.4.4 Kinds of Negotiation

Negotiations should be based on fair and reasonable exchange of information to create a mutually satisfying outcome. By and large negotiations have been classified into two broad categories-Distributive and Integrative negotiations Lewicki and Litter (1985).

**Distributive** negotiations take place when the resources are fixed and limited and each individual party wants to get a larger share for itself. Therefore distributive negotiations becomes essentially a competitive situation where gains of one individual is the loss of others. Distributive negotiations are lengthy and typically involve deceptive arguments and few concessions.

**Integrative** negotiations are focused at having an agreement on a mutually
satisfying outcome. The resources here too may be limited but there is willingness to generate other options and agree on them to create a mutually utilitarian outcome.

**Reflection**

While the process of negotiation require preparation, planning and patience, it may also be a source of irritation, frustration and dissatisfaction. In any case it can be considered a way of getting what one wants from others in the process of decision making. Negotiations should be based on merit as against traditional negotiation. There should be focus on interest and not on position and a variety of possibilities should be debated before taking a final decision.

**Activity 15.3**

Please conduct a negotiation exercise in your adult learning set-up. Divide yourself between the groups of the employer and the employee. The success in negotiation would be judged in terms of the amount of raise and other terms and conditions agreed upon between the employer and the employee. The objective of the employee would be to get as favorable a deal as possible and the objective of employer would be to provide a deal which does not disturb the existing remuneration for the staff in the same position. Write a short account of the negotiation process you went through.

Organizational structure and designing is last section of Unit 15. After studying the constituent components of Organizational Behavior, this section intends to provide a larger view of the organizations, their structuring and designing. It will help the managers to assess the functioning of the organization in view of different processes and variant aspects.

**15.5 Organizational Structure and Design**

Organizations are rational entities which have been developed to perform some important functions. Therefore it is important to know structures and functions of organizations. Though organizational structures are not fixed and keep changing yet there are certain broad patterns allowing coordination within organization.

**15.5.1 Organizational Design**

Organizational design can be described as managerial activity to make choices relevant to the requirements of the goals. While organizational structures provide the necessary means to achieve the goals of organizations while design provide the necessary and sufficient conditions to achieve the changing goals of the organizations. While structures allocate responsibilities, how these responsibilities would be met are the concerns of design.

Organizational design, like the structure, is not a fixed scheme. It is a dynamic process and keeps changing within the organization from time to time and across organizations. Managers in their own wisdom may develop initial design which may change according to changing situation.
15.5.2 Kinds of Organizational Structure

According to Barnard (1938) though of many types but mostly organizational structures are of two types, namely, Tall and Flat. They are identified by the hierarchical levels in organizations relative to its total population.

Flat Structure: It is characterized by a few responsibility centers in a smaller number of hierarchies. The numbers of positions are few and focus in a flat structure is on end responsibilities and being a small organization, there are fewer promotions only. Hence growth possibilities are very limited. An average employee may have greater flexibility in the performance of their tasks because there is a lot of emphasis on performance and merit.

Because a flat organization is small, there is a lot of flexibility and decentralization in decision-making process.

Tall Structures: As organizations grow, they are transformed into tall structures. A tall structure is invariably hierarchical and numbers of opening at top get decreased. Due to existence of many levels, tall structures provide greater opportunity for upward mobility. There is always a requirement for greater control and interdependence.

In tall structures, span of control is small and the number of subordinates is smaller. But on account of their being very large such structures are formal and bureaucratic.

15.5.3 Variables in Organizational Structure

Structures have been created to regulate and control behavior of the employees in organization. To achieve organizational goals, some variables play a significant role in structuring the organization. Fayol (1949) has described the following variables.

Formalization: Formalization refers to rules, policies and procedures, norms that govern the behavior of employees in an organization for the purpose of making behavior of employees more predictable by standardizing it. All these mechanisms of regulating behavior vary on a scale of restrictive to flexible dimension.

Differentiation: Differentiation refers to the degree of differences that exist in various activities of an organization. These could be in the actual roles that employees perform, or these could be differences in the orientation and approach followed by various units within the organization. A job description based upon job analysis defines the responsibilities and differentiations in work of employees.

Departmentalization: Another popular form of differentiation is departmentalization and divisions. It refers to grouping of individuals by units of related activities.

Departmentalization can be done on the basis of functions like marketing department, HR department, and Finance department.

Similarly departmentalization can be done by place like Delhi, Mumbai, and Kolkata. Departments can be created on the basis of products/services like Tatas have publishing, printing as well as steel producing business.

Reporting Relationship: One very important variable in organizational structure is how reporting structure has been developed. Since a lot of people work in organizations in hierarchical
fashion, to smoothly run the organization. It is necessary that there is clear reporting structure. Reporting relationship assures accountability and the consequences therein by regulating the span of control and the unity of command.

**Span of Control:** It refers to the number of subordinates a supervisor can direct. A wide span of control would mean a large number of employees reporting to superior while a narrow span of control would mean a large a large number of employees.

**Unity of Command:** It specifies that no organizational participant should receive orders from more than one superior. It may lead to contradiction and confusion in entire organization.

**15.5.4 Functions of Organizational Structure**

Haynes (1959) describes the following functions as performed by organizational structures.

i) **Allocation of Responsibilities:** Most important function of an organization is to clearly allocate responsibilities. It helps in fixing accountability and eliminates duplication of work.

ii) **Reporting Relationship:** It should be clearly laid down that who is reporting to whom. For coordination to be effective monitoring by immediate supervisor required because it ensures that individuals do whatever is supposed to be done by them.

iii) **Rewarding and Punishment:** Once responsibilities are allocated and reporting relations are clearly defined, the supervisor gets the requisite authority to punish for incompetent or insufficient completion of task or to reward a performance.

iv) **Communication Flow:** Smooth flow of functions within organization is very important. Hence it is one of the functions of organizational structure to ensure it.

If above functions are not defined clearly, it may lead to confusion and different supervisors may use their own judgment creating problems of morale and motivation. It could lead to lack of uniformity in reward and punishment for same kind of performance. It could also lead to delay in decision making and several new opportunities could be missed.

**15.5.5 Decision Process**

Decision making is an important function of an organization. An organization’s decision making process has to ensure that the chosen alternative is such that it maximizes the return on minimum investment and organization is able to meet its goals with limited resource utilization. There are three important processes which are stated below.

**Centralization:** Centralized decision making refers to the concentration of power at the higher levels in the organization. As most decisions are centralized at the top levels in the organization a greater uniformity in decision making is possible. However, in centralized decision making process, top management may be overloaded and may sometimes lead to faulty decisions.

**Decentralization:** In decentralized decision making system there is low concentration of decision making at higher levels and decisions are taken at several levels. It provides opportunities to develop the competence of employees
to take decision at lower level and is considered as useful mechanism to motivate employees.

**Delegation:** Sometime a manager may delegate certain decision making powers to his subordinate in view of his or her competencies and trust earned in the organization. It is essentially an informal arrangement where manager carve out a part of their responsibilities and hand over them to their subordinates.

### 15.6 Apply What You Have Learnt

On the basis your experience of working in your adult learning set-up, prepare a chart detailing out its strengths and weaknesses of the overall structure and suggest the appropriate changes to make it more functional as a simple organization.