

# Value, Attitude and Job Satisfaction

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## INTRODUCTION

Value, attitude and behaviour are interlinked with each other. All these factors decide the personality of an individual. Value represents individual's standards, faith, ideals or even events and activity. When we say that the individual should be loyal to the organization one serves, is an expression on individual's standard, faith or an ideal he carries with him as a part of his personality. Attitude can be defined as "individual's feelings about or inclinations towards other persons, objects, events or activities." Attitude encompasses such affective feelings as likes and dislikes and satisfaction and dissatisfaction. Our needs, past experience, self-concept and personality shape the beliefs, and opinions we hold towards the perceived world<sup>1</sup>.

Value shapes our attitude and behaviour. For example all employees must be truthful (value) and I find Mr. X is not speaking the truth in a particular situation and if he persists in lying, I therefore do not like Mr. X [my perception] and do not take him at the face value [attitude]. When an opportunity arises, I try to get rid of him [Behaviour]. It is therefore necessary that our attitude is not formed on the basis of wrong inputs and the behaviour is controlled. Attitude is either favorable or unfavorable, concerning object or people. When I say, "I like my job", what I am doing is expressing my attitude towards the job I do. Parents, teachers and peers shape an individual's attitude. We try and behave as our parents, teacher or peers do. We try to imitate them throughout our lives. Value is very important constituent of an individual's life. It is the broad frame of behaviour. Values are imbibed by an individual based on inheritance and environment. Value is more permanent while the attitude is less stable and can be changed. Advertising agencies do precisely the same and attempt to alter your attitude towards a particular product or services. In an organization, attitude is more important because it affects the job behaviour.

## VALUES

Is racial discrimination right? Is quota in education institutes and government jobs right? The answers to these questions are value laden. Somebody will say positive while the

large number of people may be against it. Values are beliefs and are defined as beliefs about what is desirable and “good” (freedom of press) and what is undesirable or bad (dishonesty). Value represents basic conviction that **“a specific mode of conduct or end state of existence is personally or socially preferable to an opposite or converse mode of conduct or end state of existence”**. A manager who believes strongly in the work ethics will tend to voice attitudes towards workers or work practices as a means of reflecting this value and say “you got to work harder, that has been the custom and tradition of the organization and reason for being in the present position”. Value has contents and conviction element. Every person has value inbuilt in him; it is faith that he deposes in certain ethical aspects. The list of such values is endless, nonetheless a person has hierarchy of value system. It is nothing but various values that he nurtures and its relative importance, which can be called as content and intensity. Value system is identified by the relative importance we assign to various values such as truth, non-violence, equality and so on.

Values are stable. They are genetically inherited to a large extent of the total value possessed by and individual. Balance is environmental. They are stable in nature and do not change. If you like non-violence, or equality, you would always tend to live in peace, preach peace and give equal opportunities to your subordinates.

Value is important in the study of science of human behaviour. Value will dictate attitude and human behaviour in the organization. Organization culture plays a dominant role in the productivity of the organization<sup>2</sup>. Culture is formed by value system practiced by all employees. If promotion is related to the performance, the workers would put in the hard work. On the contrary if promotion is based on seniority the efficiency of the individual will be drastically reduced. Value and culture therefore plays a decisive role in motivation and employee productivity.

### Types of Values

1. Allport and associates described six types of values. These are discussed briefly as follows:

- (a) **Theoretical value:** Theoretical value is related to importance and discovery of truth through rational approach. If all the employees practice truth in true sense, the organization would operate itself and there won't be any need for supervision. Truth is such a powerful value that the British Empire had to leave Indian soil.
- (b) **Economic value:** It emphasises usefulness and practicability of resources, efforts put in by individuals and the consequent value derived there from. If the project is economically viable (in a very large sense) then it can be undertaken. Economic value is appreciated from a very broad sense and it spells apart from economics of the issue. It also adds human value to it when it is considered. It is the human aspect, which makes economic value enlarged.
- (c) **Aesthetic value:** It is form of Harmony. We believe that all work must be done in a smooth manner and that there is mutual understanding and sense of participation among all human elements. Aesthetic value is displayed by cordial relations between various levels of organization, effective communication, conflict free atmosphere and very congenial work environment. The work in organizations, which has

aesthetic value system among workers, is done in harmony, peace and participation of one and all.

- (d) **Social value:** Is related to love of people, sense of belonging and an attitude of ‘we’ feeling. Such value is very important in the organization that brings together the employees which are bound by a sense of participation that leads to high level of motivation and high productivity.
- (e) **Political value:** It refers to power and influence in the organization. Right people must be placed at the right positions so that they are able to influence the people
- (f) **Religious value:** As name suggest it is related to display of value which would bring unity and understanding amongst the people in the organization based on common religious platform. This value is no more is being preached in organization as cross section of people are now working in organization world over. However, the positive impact on work environment in the organizations cannot be underestimated based on religious value.

**Rukeach Value Survey**

Milton Rokech is a pioneer in studying human values. His research is known as the Rokeach value survey (RVS). The RVS consists of two sets of values. Each of the sets contain 18 value items. The first sets of **Terminal value** refers to desirable end state of existence. These are the goals that a person would like to achieve in lifetime. The second set is called **instrumental values**, it refers to preferable modes of behaviour. These are means of achieving Terminal values. The details of both the value sets is given below in Figure 6.1.

Values			
<u>Terminal values</u>		<u>Instrumental values</u>	
1	World of peace	1	Honesty
2	Happiness	2	Hardworking
3	Prosperous life	3	Broad minded
4	Equality	4	Capable
5	Peace	5	Cheerful
6	National security	6	Forgiving
7	Freedom	7	Helpful
8	Salvation	8	Imaginative
9	Social recognition	9	Independant
10	Wisdom	10	Intellectual
11	Mature love	11	Logical
12	Self-respect	12	Loving
13	Friendship	13	Obedient
14	Inner Harmony	14	Polite
15	Sense of accomplishment	15	Responsible
16	Self respect	16	Self controlled
17	World of Beauty	17	Ambitious
18	Family security	18	Clean

**Fig. 6.1.** Details of terminal and Instrumental Values

**Value, Loyalty and Ethical Behaviour**

Indians have a rich value system and culture. Children are brought up in an appropriate atmosphere especially in the rural setting. However during the past two decades, electronic

media has brought western culture right at the doorsteps of Indians. Indian culture and value system is deep rooted. Workers are generally loyal to the superiors. Obedience as a value is strictly adhered to by Indian workers and managerial cadres. Organizational culture must emanate at the top ladder of the organization. They have to practice right value system so that subordinates down the line also practice the same. Ethical behaviour at the top level is very important. Recent example and scams in UTI, co-operative bank and various other organizations display breakdown of ethical behaviour. The very fact that politics is playing a decisive role in Gujarat riot, the executive wing of the Government has proved to be ineffective. This is indicative of breakdown in ethical standards in the organization. In this situation the police force must act at all cost and display total value system and behave ethically beyond the party politics and act by conscious decisions and quell the riots. Because of break down of value system, the government machinery of law and order has come to a standstill. The society therefore is suffering. It is a matter of great understanding that value and loyalty has an impact on ethical behaviour. Every individual must possess a high degree of value system, he must be loyal to his work, the superior and behave ethically in larger interest of the society. Wherever there is a conflict because of the external pressures, the manager/leader must behave by dictates of conscious. As of now the industrial scene is worth examining. The young executives are seen to be loyal to their job. They change jobs frequently based on high pay and perks. Middle-aged managers are loyal to their jobs because it gives them lively-hood. The old ones display greater loyalty to the organization due to expected pensionary benefits. In each of the categories the motive is predominant in performance. Whatever be the case, loyal workers with right value system will display ethical behaviour.

## ATTITUDE

According to G.W. Allport, ***“Attitude is a mental and neutral state of readiness organized through experience, exerting a directive or dynamic influence upon individual’s response to all objects and situations with which it is related.”***

Krech and Crutchfield defined ***“attitude as an enduring organization of motivational, emotional, perceptual and cognitive processes with respect to some aspect of the individual’s world”***

According to Katz and Scotland, ***“Attitude is a tendency or predisposition to evaluate an object or symbol of that object in a certain way”***. In effect attitude is used in a generic sense, as to what people perceive, feel and express their views about a situation, object or other people. Attitude cannot be seen, but the behaviour can be seen as an expression of attitude.

### Components of Attitude

- (a) **Cognitive component:** Cognitive component of attitude is related to value statement. It consists of belief, ideas, values and other information that an individual may possess or has faith in. Quality of working hard is a value statement or faith that a manager may have.
- (b) **Affective component:** Affective component of attitude is related to person’s feelings about another person, which may be positive, negative or neutral. I do not like

- Maya because she is not hard working, or I like Mina because she is hard working. It is an expression of feelings about a person, object or a situation.
- (c) **Behavioral component:** Behavioral component of attitude is related to impact of various situations or objects that lead to individual's behaviour based on cognitive and affective components. I do not like Maya because she is not hard working is an affective component, I therefore would like to disassociate myself with her, is a behavioural component and therefore I would avoid Maya. Development of favourable attitude, and good relationship with Mina is but natural. Individual's favourable behaviour is an outcome of the fact that Mina is hardworking. Cognitive and affective components are bases for such behaviour. Former two components cannot be seen, only the behaviour component can be seen. Former is important because it is a base for formation of attitude. These components are explained in Figure 6.2 below.

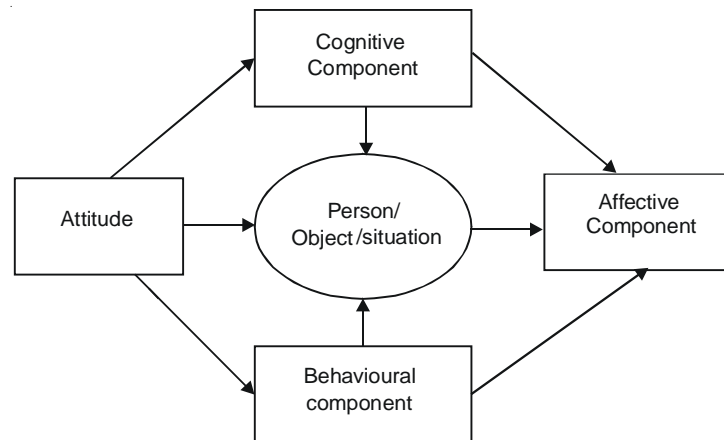


Fig. 6.2. Components of Attitude

### Types of Attitude

**Job satisfaction:** Job satisfaction is related to general attitude towards the job. A person having a high level of satisfaction will generally hold a positive attitude while dissatisfied people will generally display negative attitude towards life. When we talk about attitude, we generally speak about job satisfaction because they are inter-related in organizational behaviour.

**Job involvement:** Job involvement refers to the degree to which a person identifies himself (psychologically) with his job, actively participates and considers his perceived performance level important to self-worth. (Robbins) . High level of involvement indicates that the individual cares for his job, that has an impact on high productivity. Higher the job satisfaction, lower will be absenteeism and employee turnover.

**Organizational commitment:** Organizational commitment refers to degree to which an employee identifies himself with the organizational goals and wishes to maintain membership in the organization. He wants to “belong” to the organization and take an

active part in the its functioning. Absenting or resigning from the job versus job satisfaction is a predictor of organizational commitment. The concept has been very popular in the recent times. Organizational commitment depends upon job enrichment factor and degree to which the workers enjoy autonomy and freedom of action while performing.

### Attitude and Consistency

As stated earlier that the attitude of an individual is not visible but is reflected through his behaviour as a mirror of his attitude. It is seen that people seek consistency among their attitudes or between attitude and behaviour. They seek to reconcile their attitudes and align their attitudes with behaviour so that it is rational and consistent. If there is inconsistency between attitude and behaviour, outside forces act upon an individual, which leads to attaining of equilibrium state, thus consistency is achieved. For example an individual may buy an old car while praising the new model. Reconciliation like, 'why invest more for a new model', or 'the old model is as efficient as the new one, because the same had been sparingly used'. Such feelings are expressed to soothe the attitude (praising new car) and behaviour (Buying the old model) to achieve consistency between them. (Attitude and behaviour)

## COGNITIVE DISSONANCE THEORY

Leon Festinger proposed cognitive dissonance theory in 1950s. The theory seeks to explain linkage between attitudes and behaviour. We have often observed workers saying that working conditions in an organization are poor. Does it mean that if the working conditions were improved the workers will achieve higher productivity? It is a difficult question to answer, because there is in-consistency between working conditions and its impact on changing of attitude of workers in relation to productivity. Festinger explains that dissonance is inconsistency, and cognitive dissonance refers to any inconsistency or incompatibility that an individual might perceive between two or more attitudes, and attitude and behaviour. He further argues that

- (a) Any form of inconsistency is uncomfortable and individual attempts to reduce dissonance or discomfort.
- (b) Individual tries to reduce dissonance to achieve stable state of behaviour. For example Non-payment of tax (behaviour) while recommending payment and displaying honesty towards social obligation (attitude)

### Reduction of dissonance

Reduction of dissonance depends upon following three factors.

- (a) **Importance of the issue, element or situation.** If elements creating dissonance are unimportant, the pressure to correct behaviour will be low. For example to prevent pollution (non-use of polythine bags) is not so important for an individual. Therefore, though prevention of pollution is important but individual rarely show the concern and keep using polythine bags in day-to-day Life. On the other hand train driver, though does not want to run the train at odd hours of night but he has to make the living and hence he runs the train (behaviour) in spite of the high degree of dissonance because it is related to high degree of rewards.



- (b) **Degree of influence individual believes he has on issue, element or situation.** If one perceives that the dissonance is uncontrollable then one is less likely to change the attitude. Attitude change is a matter of conviction. It is voluntary in nature. In such situation (because it is from within) the pressure to change the attitude is more to reduce the state of discomfort. For example voluntary disclosure of Income Tax scheme (VDIS) introduced by the government. If an individual wants to reduce dissonance (tension of being caught if not paid) and if the degree of influence is high, then the pressure to reduce dissonance will be high and therefore individual will disclose his income (behaviour).
- (c) **Reward that may be associated to the dissonance.** Rewards influence the degree to which individuals are motivated to reduce dissonance. If high rewards are associated with dissonance (discomforts) then individual will reduce tension, which is inherent in dissonance. A reward acts as positive attitude change agent and further achieves consistency in human behaviour. VDIS is a scheme where government had asked people to disclose their income and that it would not ask the individuals about its source. The scheme therefore attempted to reduce dissonance that led to heavy deposits in the banks.

#### *Organizational implications*

- (a) The theory can help predict individual attitude and behavioural change.
- (b) Greater the dissonance (incompatibility or discomfort) the greater would be the pressures to reduce the same (after they have been moderated by choice, importance and rewards). Attitude –behaviour relationship can be improved by considering moderating variables of attitude and behaviour relationship. These are personal involvement, social constraints like group pressure and the experience the individual has.

## **JOB SATISFACTION**

The study of Job satisfaction is one of most important factors in the study of human behaviour in the organization. Job satisfaction focuses on employee attitude towards his job. It has three important dimensions:

- (a) Job satisfaction can be measured by the emotional response to a job situation, hence it cannot be seen, and it can only be inferred.
- (b) Job satisfaction is related to what you actually get as reward and what you expect to get. If the difference between the actual reward and expectation is minimum or negligible then a person will display a positive attitude and if there is wide difference between the two, a person will display a negative attitude towards his job and therefore the satisfaction level will be low.
- (c) Job satisfaction is related to job dimensions. These can be expressed in terms of job content, remuneration, attitude of co-workers, and opportunity of growth that job is able to provide in terms of promotion and last but not the least the expert loyal and experienced leadership is available in terms of supervision.

### **Factors determining job Satisfaction**

There are number of dimensions which effect job satisfaction. Value system possessed by

an individual and the culture supporting the value system in the organization can be called as an important and basic for job satisfaction. However some of the important factors that determine job satisfaction of the employees in the organization is as under: -

1. **Work Content:** Content of the work itself is a major source of satisfaction. The work must be challenging. It should lend itself opportunities to use employee skills, ability and experience. The content of the work should be encouraging and interesting and have variety inbuilt in it so that it is not boring. Positive feedback from the job and autonomy has been considered to be important for motivation of employees. Too tough or job having too little challenge brings frustration and feeling of failure hence the job should be moderately tough so that the individual has to stretch his ability, imagination and skills. Once such job is completed successfully, the workers get a great sense of satisfaction.
2. **Pay and promotion policy:** Salary and wages play a decisive part in the study of job satisfaction. Equitable rewards are multidimensional in nature. The benefits are of varied nature namely pay, perks and rewards are associated with motivation of employees. Pay system and promotion policy of the organization must be just, unambiguous and in line with the prevalent industry norms and employee expectations. Employee wages and salary must ensure him the social status and should be able to fulfill the expectations. Individual must perceive salary administration and promotion policy as being fair. Organization should ensure that their policies are growth oriented and incremental in nature so that employees take on an additional responsibility voluntarily. Apart from financial benefits, organization must provide adequate perks and non-financial benefits so that they are motivated and display a high level of satisfaction.
3. **Supportive working condition:** Working conditions have a modest but lasting effect on job satisfaction. Due to fast development of technology, it is necessary that the organizations are operating on upgraded technology, latest systems and procedures. The layout of work place must be ideally suited from an operational point of view and the employees should display a great degree of satisfaction. The place should be neat and clean with necessary facilities as per Factories Act. Light, ventilation, cleanliness, enough space for work, immediate availability of supervision, adequate latest tools and generally good surroundings will definitely add to job satisfaction. If the work place were closer to home, it would add to employee retention.
4. **Work group:** The concept of work group and work teams is more prevalent today. Work group of multi skilled persons with one goal will be able to function effectively if they are friendly and co-operative. The work group serves as a source of support, comfort, advice and assistance to individual worker. A good work group makes the job more enjoyable. The factor of work group support is essential for job satisfaction. If the reverse conditions prevail, the people may not be able to get along with each other and the level of job satisfaction will be reduced.
5. **Supervision:** Supervision is one of the moderate factors, which affect job satisfaction. Qualified supervisors should be available for advice, guidance and problem solving. Supervisors should be placed close to the place of work and should be available. They should take personal interest in the affairs of employees both on



personal and official level. Supervision is related to leadership. In Defence Services the leadership is so proactive that the leader carry on him details of each soldier under his command. The details include dependants of soldier's family, their economic position, details of children, the class they study, home address and other demographic details, soldier take his boss as guide and philosopher who is always available to him for advice. Such supervision improves the morale and job satisfaction of employees. The concept of supervision has changed. What is in vogue and in practice to day is self-serviced teams and work group. The group prefer more freedom of work in relation to work hours, time management, frequent breaks between work hours and autonomy as long as job is completed in time. Flater organizational structure therefore has come into practice. Steps in command structure has reduced. There is a participative management and work has to meet the established standards in terms of quality and quantity. The levels might have been reduced but not the value of supervision as a factor of job satisfaction.

- 6. Personality job fit:** Individuals should be assigned the job, that suit their interest. Recently it has been seen that MBA graduates are satisfied with their job if they get the job related to the "specialisation" they have chosen during the MBA degree. Persons having analytical approach should be assigned job in R&D department so that their level of job satisfaction increases.

## EFFECT OF JOB SATISFACTION ON PERFORMANCE

### **1. Satisfaction and productivity**

Based on research carried out in Hawthorne studies, further research to prove that "happy workers are productive" was carried out, which has been proved negative. Based on the conclusion of Hawthorne studies, managers began their efforts to make their employees happier by improving work conditions, providing Laissez-faire type of leadership, expanding various facilities to the workers, but it has been found that there is no direct relationship between happiness and productivity. Robins concluded that productive workers are likely to be happy workers. Further research on the subject suggests that organization having happy workers might have increased productivity. On individual level it may not be true due to complexity of environment, work processes, various systems and sub systems having impact on the individual employee. But it can be said from organizational point of view that organization that are able to evolve such policies that make employees happy bound to have improved productivity. V.H. Vroom<sup>3</sup>. Productivity is considered as reward for hard work which is due to high level of satisfaction. However globalisation, speed of machines and knowledge explosion, impact of media on workers, social awareness and high expectations of employees to meet social obligations are important factors to ensure high satisfaction level of employees. While evolving industrial practices, above factors should be considered favourably and employee growth achieved so that organizations grow automatically.

### **2. Satisfaction and absenteeism**

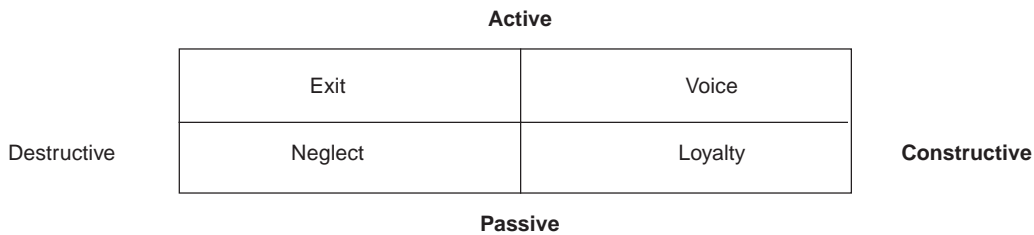
There is an inverse relationship between satisfaction and absenteeism. When workers are more satisfied the absenteeism is low. When satisfaction level is low absenteeism tends to be high. There are certain moderating variables like sick leave and degree to which people

feel that their jobs are important. Where there is a provision for sick leave, employees would take the benefit and absent themselves. As far as the importance of work is concerned, it has been observed that people attend to their work when it is important to accomplish. Employees having high satisfaction would not necessarily result in to low absenteeism but those having low satisfaction level would definately have high absenteeism.

**3. Satisfaction and turnover**

It has been found that employees who are not satisfied with their jobs will have high turnover. Employees who are satisfied will not have high turnover. Satisfaction is also negatively related to turnover but the co-relation is stronger than what we found in absenteeism. Employee performance is a moderating factor of the satisfaction—Turnover relationship. In recent times a phenomenon amongst the software engineers whose performance is high, their turnover has been noticed as high because of competition for personal growth. Organization lures the competent person for their organizational growth. Organization cares for such high performers and their retention. Poor performers do not leave the organization for fear of lack of job opportunity outside.

Dissatisfied workers may express their satisfaction as given in Figure 6.3 below. The responses are based on two dimensions i.e. constructive/destructive and activity/passivity.



**Fig. 6.3.** Expression of dis-satisfaction

**Exit** – individual starts searching a new job and resign from the current job.

**Voice** – employees tries to improve working conditions. In the process suggestion to management are submitted, increased union activates and communication is important.

**Loyalty**– workers behave passively in situation like external criticism. They wait for things to improve on their own.

**Neglect** – deliberately and consciously allow conditions to worsen by long absenteeism, lack of interest for quality control, targets, quota, etc. They put in reduced efforts and display lack of interest.

**Organizational Commitment**

Organizational commitment is defined as (a) a strong desire to remain member of a particular organization (b) willingness to exert high level of efforts on behalf of the organization, and (c) a definite belief in and acceptance of value and goals of the organization. (R.T. Mowday, L.W. porter, and R.M. Steers)<sup>4</sup>. In other words, employees display an attitude of belonging to the organization, a sense of “MY” organization. They continue to do so even after they leave the organization. Of late a concept of *organizational citizenship* is used. It indicates a sense of belonging to a particular organization as if you were citizen of that organization, but it depends as to the contribution made by organization to have developed such feelings.

## SUMMARY

Value attitude and behaviour of an individual indicates his personality. Value represents individual's faith, standards, ideals and belief. Attitude indicates feelings about another person or events. It encompasses satisfaction level about an individual. Individual behaviour is based on value system and attitude he possesses. Value is the strongest element of human personality and therefore it shapes human behaviour. Value is a permanent phenomenon while attitude is comparatively less stable and can be changed. Value are belief—what is desirable and good. Values are end state of existence. It is a faith in certain ethical aspects. It has content and conviction element inbuilt in it. In social environment, there exist a value system. Values are permanent in nature. They form organizational culture that has impact on higher productivity and growth of the organization. Allport and associates have described six types of values. These are theoretical, economic, aesthetic, social, political and religious value. Milton Rokeach has suggested two types of value in the survey carried out by him called Rokeach Value Survey (RVS). These are Terminal values and Instrumental values. Terminal values are end state of existence like freedom or justice and instrumental values are preferable mode of conduct or means of achieving terminal values like hard working, and dependable person. Attitude has three components ie cognitive component, affective component and behavioural component. Individual's attitude can be judged based on level of job satisfaction he enjoys, job involvement and organizational commitment he displays. It has been observed that individual tries to maintain an equilibrium between attitude and attitude, between attitudes and attitude and behaviour so that he conducts and interacts rationally. Leon Festinger has proposed "Cognitive Dissonance Theory" in 1950s that explains linkage between attitude and behaviour. He explains that individual tries to reduce incompatibility or inconsistency between attitude and behaviour so that a stable state of behaviour is achieved. Reduction of dissonance depends upon (a) importance of the issue, element or situation; (b) degree of influence that individual enjoys and any (c) reward that may be associated with it. Job satisfaction is an emotional response. Job satisfaction is difference between what one actually gets and what one wishes to get. If the difference is minimum the job satisfaction will be higher. Job satisfaction is related to job dimensions. Work contents, pay and promotion policy, supportive working conditions, work group phenomenon, supervision and personality-job fit determine the job satisfaction. If workers are satisfied productivity will improve, reduce absenteeism and turnover. Dis-satisfied workers express their dissatisfaction by leaving the organization. Some of the dis-satisfied workers will passively observe deterioration of the organization while the others may come forward with solid suggestion for the improvement. Organizational commitment is an important part of job satisfaction. It is related to the desire of an individual to maintain the organizational membership and putting in best possible efforts to realise selfworth. Organizational citizenship is also a part of organizational commitment where an individual considers himself a part of the organization one is serving.

## TEXT QUESTIONS

- Q. 1. Value, attitude and behaviour are inter-linked? Explain.
- Q. 2. Define value. Explain the model of Allport and Associates.

- Q. 3. Explain Rukesh Value Survey (RVS). Explain how instrumental values assist in achieving end state of existence.
- Q. 4. Value and loyalty has an impact on ethical behaviour? Explain.
- Q. 5. Define attitude. What are various components of attitude. Give examples.
- Q. 6. Discuss various types values.
- Q. 7 How dissonance can be reduced and a state of equilibrium can be achieved. Discuss with the help of Cognitive Dissonance Theory of Leon Festinger.
- Q. 8. Explain in detail the concept of Job Satisfaction? What are various factors that promote job satisfaction?
- Q. 9. What is the effect of Job Satisfaction on employee performance?
- Q. 10. How dis-satisfied workers display their behaviour. Explain with the help of a model.
- Q. 11. Explain the following concepts.
- (a) Attitude and consistency
  - (b) Organizational commitment
  - (c) Dissonance

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## Case - 1

### WHAT RIDES OVER-PROFIT OR ETHICS?

Nagesh Iron and Steel Company Ltd. was established by Nagesh Samuel in the year 1980 with its head office at Delhi. The company was established in 400 acre of land at Bilaspur in MP in which four plants were situated viz. Sponge Iron, Powerhouse, Furnace and Rolling Mill. The project cost was around Rs.650 crore and annual turnover was around 1000 crore and the company was recognized as a profit making unit. The workforce was 3000 in number, out of which, 1200 workers were on the company's pay roll while remaining were affiliated to INTUC. The unit was headed by the chairman and managing director, Nagesh Samuel. He used to operate from Delhi and was supported by the president and other three VPs in the field of finance, marketing and technical fields respectively. There were also general managers appointed for respective plants and divisions at Bilaspur. Nagesh Iron and Steel Company Ltd. had constructed huge township for the staff and managerial personnel and almost seventy families including few workmen resided in the township. Most of the workers hailed from Orissa, Bihar and Madhya Pradesh. The literacy rate was very low amongst the workers and the local anti-social element often influenced the activities of the union.

The CMD was 42 yrs of age and a religious, dynamic person who believed in quick decision making with an autocratic style of leadership. He was a qualified engineer from USA and occasionally visited the factory. He used to control the plant from the Delhi head office. The recruitment at senior level was not based on proper procedure and nepotism was encouraged by giving chance to the relatives of CMD. The market for Nagesh Iron and Steel Company Ltd. was exclusively on the domestic front however, it had to face competition from Jindal, Nova and Special Steels. The relationship between management and the union was bitter since the beginning. The CMD was directly involved in day to day activities and the president reported directly to the CMD. The working capital involved per day was Rs. 30 lakhs as a result of which CMD wanted to continue with production at any cost.

An undue advantage was taken by union members towards this approach of CMD and as and when the union got the opportunity, it threatened to go on strike and became dominating while interacting with the management. With the result the tactics of pressuring was made for even minor demands. A fresh charter of demand was served to the VP (Comm. & Admn.). Pratap Verma and Manager (P & A) held several meetings with the union members and wanted to build a harmonious relationship with the members of the union.

On Dec. 2, 1996, the President of the unit was shocked upon receiving a fax from CMD stating that the listed 12 employees including the GM, Quality control and other officers were to be sacked with immediate effect. On being inquired by the President about the termination, the CMD from Delhi, on telephone replied that he had information that their were close links of these people with the union leaders.

A meeting was called immediately by the president which was attended by VP (Comm. & Admn.) VP (Technical) Manager (R & A) HR Manager. After long discussion, every member was of the opinion of terminating the officers and managers, gradually in phases, because immediate termination would have resulted in bad consequences on the company and the process of agreement with the union might have taken a ugly shape.

The opinion was conveyed to the CMD at his head office. However, the CMD did not agree with the opinion and strongly told the President to sack the listed twelve employees immediately. The President called GM Quality, Arnab Ray and asked for the resignation on the ground of lack of confidence and similar reasons were given to all other employees. Some of them had tendered the resignation immediately while others had asked some time to think. Arnab Ray and others met the union leaders the same evening to discuss the issue.

As the news of termination spread within the premises, simmering discontent started and the atmosphere become tense. As a result, next morning i.e., on December 3, 1996, at 6.30 A.M., all workers at the behest of the union went on strike. Workers from all the four plants came out of the factory to the main gate and even workers form night shifts were not allowed to start their machines. With the result half of the plat was running without attendant and the remaining plant was closed at 8.30 A.M. The staff members also formed the union and got associated with labour union and revised charter of demand were served before the management, clearly indicating the reinstatement of sacked employees. Management refused to accept the new charter of demands and as a result, situation became violent to the extent in that even telephone connection and electricity supply was disconnected. Police was called in for maintaining law and order situation and for the

protection of executives. Only six managers stood by the management and they were gheraoed and locked for twenty four hours inside the plant without food and water. A meeting was conducted by the local management, police and union leaders, so that the officers who were inside the plant got food from their houses. The strike continued for next eight days and though there were number of rounds of negotiations, no results were obtained.

An application was submitted to the labour court by the local management through their consultants and advocates and a strike was declared illegal by the labour court and the same was published in the newspaper. Since CMD started direct dialogue with the union, the local management became powerless and the union stopped listening and interacting with them. Strike had started in the first week of the month and salary could not be distributed therefore, restlessness could be observed among the workers and management reached to a conclusion that strike might be called off within a day or two and this was communicated to the CMD also but the CMD didn't succumb to the advise given by the management as he was facing financial loss costing Rs. 300 – 400 crores and on December 9, 1996 he himself reinstated all the sacked employees and bowed down before the union and accepted the charter of demand.

In the next six months the president called back to the Delhi office, HR Manager and VP (Technical) resigned and VP (Commercial & Administration) was transferred to another unit at Jabalpur.

### QUESTIONS FOR DISCUSSION

- Q. 1. Was the decision of CMD to terminate 12 employees right ?
- Q. 2. Had you been in the place of CMD, what would have been your decision ?
- Q. 3. What was wrong in the organizational cultural of the unit ?
- Q. 4. What can be the implications of the decision taken by CMD ?

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*This case has been developed by S. Rangnekar (IIITM, Gwalior), Y. K. Singh (MGCVV, Chitrakoot), Manoj Patwardhan and Hemant Soni (Prestige Institute of Management, Gwalior).*

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### Case - 2

#### FUNCTIONING UNDER FEMALE CHIEF EXECUTIVE

**Dr. (Mrs.) Anjali Ghanekar**

“Ajit, I'm finding it little bit difficult to cope-up with the situations in my organization. You see, how much ever hard and sincere efforts you may put in, your superior work performance does not count. What matters more is how much and to what extent you can 'subordinate' yourself and carry out the wishes of your boss!” exclaimed Rajesh.



Ajit replied, “Yes, I know, that is the most common experience with male bosses. On the contrary’ look at my organization. We all feel very happy and comfortable with our leading lady Mrs. Leena Modi. She is very considerate and sympathetic. She always puts very reasonable demands and for team there is neither any embarrassment nor any discomfort”.

Rajesh found it difficult to believe and said, “Well, frankly speaking instead of ‘Mrs. Modi’ if you were having some ‘Mrs. Joshi’ as your CEO, I’m sure, things would have been a lot different. Also, I feel it is humiliating for men like us to accept orders from women bosses on both the fronts that is at home as well at work place!”

Rajesh had typical stereotyped negative attitudes towards women manager and his entire thinking pattern was highly prejudiced. In case of Mrs. Modi, Rajesh had reinforced his negative viewpoint since he had once experienced her open confession in an informal get-together that she had experienced certain reluctance and resentment from her male subordinates in carrying out her orders. She was wondering whether to attribute it to her being a ‘woman’, or, to her being ‘young and inexperienced’. Anyway, much to his astonishment, she seemed to be quite sure that once they accept her as competent and efficient manager, they will offer wholehearted cooperation in implementing the order and decisions.

Ajit had observed that in general people’s perception about Mrs. Modi as CEO was rather ambivalent – it was mostly a wonderful intermixture of admiration, resentment, competitiveness, anxiety, pride and animosity. He understood that people like Rajesh were also having a feeling that Mrs. Modi has a specific need to ‘over-achieve’ in order to prove herself that is why she insists on consistently high levels of work performance. Moreover, they were having their own doubts about the team-building efficiency of Mrs. Modi.

Becoming aware of this fact, Ajit narrated his own experience of functioning under Mrs. Modi : “You see, Rajesh, over these four years I’m fully convinced that Mrs. Modi is paying particular attention to the quality and substance of what she is doing. She is a highly independent woman with a strong positive self-image. She is able to recognize and accept the strengths of those who work with for her. Her involvement, commitment and contribution has gone a long way in making our organization effective and efficient.

Moreover, she has the right perspective as well as clear and sharp insight to build an effective team. I tell you, I still remember the first meeting she had with our team. At that time I discovered that she was extraordinarily good at not only listening but showing that she was listening. Nevertheless, she summarized what the other fellow had said and actually expressed his view better than the way it had been originally delivered.

Till that meeting, for every problem that came up, few of my colleagues and myself seemed to have a ready answer and yet the problems kept coming up. You know, during the meeting, Mrs. Modi used two flipcharts. One she marked ‘Problems’, the other she divided into two columns : ‘Causes apparent’ and ‘Causes deeper!’. Emerging out of that meeting, I learnt two things – one was about looking deeper into problems and the other was about how to make the best use of the intelligence of seven people working together”.

After this long narration, Rajesh uttered his heartfelt words : “Is it really so ? Now I realize how biased my views were regarding women executives!”

## QUESTIONS

- Q. 1. Do you agree with this if you were in place of Rajesh ?
- Q. 2. What difference would it make to employees if they work under a female Chief Executive ?

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*Adopted from The book titled "The Process of Management" by Dr. M.L. Bhasin, Published by Global Business Press, Abhinav Publishing Industrial Pvt. Ltd., Delhi – 110 095.*

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