

# **HUMAN RELATIONS**

**CONCEPT & SIGNIFICANCE**

**LEADERSHIP : CONCEPT, TRANSACTIONAL &  
TRANSFORMATIONAL LEADERSHIP**

**MOTIVATION : CONCEPT, THEORIES OF MOTIVATION**

**EMPLOYEES MORALE : CONCEPT, FACTORS**

**AFFECTING MORALE, MEASUREMENT OF EMPLOYEE  
MORALE**

**EQ & SQ : CONCEPT, FACTORS AFFECTING EQ & SQ**

**EMPLOYEE GRIEVANCE : CAUSES, PROCEDURE FOR  
GRIEVANCE REDRESSAL**

**EMPLOYEE WELFARE : MEASURES & HEALTHY &  
SAFETY MEASURES**

# **NATURE OF HUMAN RELATIONS**

**1 PROCESS OF MOTIVATION**

**2 KNOWLEDGE OF HUMAN BEHAVIOR**

**3 MULTI DISCIPLINARY APPROACH**

**4 UNIVERSAL APPLICATION**

**5 CONTINUOUS ACTIVITY**

**6 OBJECTIVE ORIENTED**

**7 EMPLOYEE WELFARE**

**8 IMPROVES MORALE AND JOB SATISFACTION**

## **SIGNIFICANCE OF HUMAN RELATIONS**

**W.G.SCOOT states, 'Human relations is a process of an effective motivation of individuals in a given situation in order to achieve a balance of objectives, which will give greater human satisfaction and help accomplish company goals'**

- 1. Makes management sensitive to employee needs**
- 2. Job satisfactions**
- 3. Higher productivity**
- 4. Innovation**
- 5. Reduction in conflicts**
- 6. Employee participation**
- 7. Informal relations**
- 8. Effective communications**
- 9. Reduction in absenteeism & labour turnover**
- 10. Other benefits : higher pay & incentives, improvement in corporate image, team spirit, reduction in wastages wtc.**

## **CONCEPT OF LEADERSHIP**

According to George Terry, ‘ Leadership is the activity of influencing people to strive willingly for group activity’

According to Edwin Flippo, ‘ Leadership style is a pattern of behaviour designed to integrate organisational and personal interest in pursuit of some objective.’

**TRANSACTIONAL LEADERSHIP:** It is style of leadership whereby a leader secures compliance of the followers through rewards as well as punishments. This style was first described by Max Weber in 1947 and then by Bernard Bass in 1981. The transactional leader sets the goals and expects the followers to achieve the same.

Leaders using transactional style try to maintain status quo rather than introducing change to accomplish organisational goals. Transactional leaders are connected with existing rules and procedures than generating forward-looking ideas. They place emphasis on contingent rewards (appreciation, incentives) & contingent punishments (demotion, suspension, denial of incentives).

**Assumptions of Transactional Theory:**

- 1 Employees are motivated by reward and punishment.
- 2 The subordinates have to obey the orders of the superior.
- 3 The subordinates are not self-motivated. They have to be closely monitored and controlled to get work done from them.

## **TRANSFORMATIONAL LEADERSHIP**

**Transformational leaders motivate and empower employees to achieve company's goals by appealing to higher ideals and moral values. The concept was initially introduced by James MacGregor Burns in 1978.**

**According to B.M. Bass, the transformational leader inspires the subordinates to achieve organisational goals. Because of the inspiring qualities of the leader, the followers are willing to work harder and smarter.**

### **Elements of Transformational Leadership:**

- 1 Individualised Consideration**
- 2 Intellectual Stimulation**
- 3 Inspirational Motivation**
- 4 Idealised Influence (Charisma)**

## **CONCEPT OF MOTIVATION**

**The term motivation is derived from the word ‘motive’. Motive refers to the inner drive that makes a person to do something or to behave in a certain way. Michael Jucious defines, ‘ motivation is the act of stimulating someone or oneself to get a desired course of action, to push the right button to get a desired reaction.’**

### **Importance of Motivation:**

- 1 To induce the employees to be innovative**
- 2 To improve corporate image**
- 3 To generate higher efficiency**
- 4 To Facilitate Team work**
- 5 Optimum use of resources**
- 6 To develop competitive advantage**
- 7 To make employees loyal to the organisation**
- 8 To reduce absenteeism of employees**

# **MASLOW's NEED HIERARCHY THEORY**



A pyramid diagram representing Maslow's Need Hierarchy Theory. The pyramid is light gray with a black outline. It is divided into five horizontal sections, each containing a level of need. The levels, from top to bottom, are: Self Actualisation Needs, Ego & Esteem Needs, Social Needs, Safety & Security Needs, and Physiological Needs. The text is in a bold, dark red font.

**Self  
Actualisation  
Needs**

**Ego & Esteem Needs**

**Social Needs**

**Safety & Security Needs**

**Physiological Needs**

## **MASLOW's NEED HIERARCHY THEORY**

**1 PHYSIOLOGICAL NEEDS:** Basic needs of the human beings. Food, clothing, shelter. Such needs can be satisfied by providing reasonable salaries/wages.

**2 SAFETY & SECURITY NEEDS:** Employees needs Job safety, Job security

**3 SOCIAL NEEDS:** Feeling to belong to group/community, loved and cared by others. Social needs can be fulfilled by organising get together, culture programmes etc.

**4 EGO & ESTEEM NEEDS:** People wants others should respect them, prefer praise & recognition from others. These needs can be fulfilled by providing better status, appreciation from superiors etc.

**5 SELF ACTUALISATION NEEDS:** These needs lies at the highest level of hierarchy of needs. Such needs induce a person to accomplish something special which others have not done or cannot do. These needs enable a person to realize his full potential. Such needs can be satisfied by offering challenging jobs, promoting to highest level, appointment as leader etc.



## **MASLOW's NEED HIERARCHY THEORY**

### **Salient features of Need Hierarchy Theory:**

**Wide range of needs**

**Structure of needs**

**Lower level needs to be satisfied first**

**Interdependence of needs**

### **Importance of Need Hierarchy Theory:**

**To study Human Behaviour: Motivate employees**

**To analyse Physiological needs: Proper wage policies**

**To study security needs: Health & safety measures**

**To analyse social needs: Participative system**

**To study self fulfillment needs; Challenging jobs**

### **Critical Appraisal:**

**All individuals need not have the same set of needs**

**Needs need not follow the pattern of hierarchy**

**Needs need not be only determinant of behaviour**

## **VROOM's EXPECTANCY THEORY**

The expectancy model was developed by Victor H.Vroom and later redefined by Lyman Porter and Edward Lawler & others. According to Vroom, motivation is a product of three variables - **Valence, Instrumentality and Expectancy.**

**VALENCE:** It refers to the strength of an individual's preference for a particular outcome or reward.

A valence of **zero occurs** when an individual is **indifferent** towards the outcome

A valence is **negative** when an individual **prefers not achieving** the outcome

A valence is **positive** when an individual **prefers achieving** the outcome

It is important to note that valance for an outcome or reward is unique to each employee. One individual may desire a promotion, whereas, another individual may prefer a pay hike and a third may prefer promotion along with pay hike.

## **INSTRUMENTALITY:**

**A major input into the valence is the instrumentality. Vroom's model states that a first level outcome is instrumental (responsible) in obtaining a desired second level outcome. Eg. an individual would be motivated towards superior performance because of the desire to be promoted.**

### **Instrumentality can be zero or 1. T**

**The instrumentality can be zero when there is a low probability of the first level outcome resulting in obtaining a desired second level outcome**

**The instrumentality can be 1 when there is a high probability of the first level outcome resulting in obtaining a desired second level outcome**

## **EXPECTANCY:**

**It is the strength of belief yhat one's work related effort will result in completion of task. It refers to the effort-performance relationship.it is expressed as a probability of a connection between effort and performance.**

**The value of expectancy may range from 0 to 1.**

**When an employee believes that effort will not result in desired performance, the expectancy is zero**

**When an employee believes that effort will definitely result in desired performance, the expectancy has a value of 1.**

**Generally, employees estimate of expectancy lies somewhere between the two extreme 0 to 1**

## **How the model operates:**

**The outcome of valence, expectancy and instrumentality is motivation. These three factors may combine in a number of combinations:**

**1 the strongest motivation is produced when high positive valence convince with high expectancy and high instrumentality.**

**2 when valence is high and positive but either expectancy or instrumentality is low, motivation will be moderate.**

**3 when valence is high and positive, but both expectancy and instrumentality are low, the level of motivation will be weak.**

**Each person has a unique combination of valence, expectancy and instrumentality. This happens because experience teaches us to value, different rewards differently.**

## McGREGOR'S THEORY X AND THEORY Y

In 1960 Douglas McGregor's first presented his ideas on Theory X and Theory Y in a classic article ' The Human Side of Enterprise'

McGregor called **Theory X** as the **Traditional Approach** of managing people and **Theory Y** as **Professional approach** of management.

The theory X and Y are based on certain **ASSUMPTIONS** as follows:

ASSUMPTIONS	THEORY X	THEORY Y
CREATIVITY	People are not creative	People are creative
RESPONSIBILITY	Average persons are Irresponsible	People are Responsible
ACTIVENESS	People are basically lazy	People are Active & Alert
CHALLENGES	People prefer to do routine work	People prefer challenging tasks
FOLLOWERS/LEADERS	People prefer to be followers	People prefer to be Independent
ORTHODOX / FLEXIBLE	People are arthodox in nature	People are ready to accept new

## **McGREGOR'S THEORY X AND THEORY Y**

<b>ASSUMPTIONS</b>	<b>THEORY X</b>	<b>THEORY Y</b>
<b>LOWER/HIGHER LEVEL NEEDS</b>	Lower needs like job security dominate individuals	Higher level needs like esteem needs dominate individuals
<b>SELF MOTIVATION</b>	People lacks motivation	People are self directed & prefer self-control
<b>NATURE OF PEOPLE</b>	People are selfish, work for self interest	People are selfless, work in the interest of the organisation
<b>LEADERSHIP STYLE</b>	Emphasis on Autocratic Leadership style	Emphasis on situational Leadership style
<b>OPPORTUNITIES</b>	People do not take advantage of opportunity in their way	People are ambitious and are willing to take opportunities
<b>CENTRALISATION V/S DECENTRALISATION</b>	Emphasis on Centralisation of centralisation of authority	Emphasis on Centralisation of decentralisation of authority

## **PINK'S THEORY OF MOTIVATION**

**Daniel H. Pink presented a theory of motivation in his book 'Drive: The Surprising Truth About What Motivates Us This theory is drawn from research undertaken in 1971 by psychologists Harry F. Harlow and Edward L. Deci.**

**In his book, Pink considers motivation as an operating system. He states that humans initial operating system which he calls as **Motivation 1.0** was survival(food gathering, hunting for survival)as the society becomes more complex , the initial operating system gave way to **Motivation 2.0** it is based on rewards and punishments, so 'called carrot & stick' approach. Motivation 2.0 depends on EXTRINSIC factors of "Type x" behaviour.**

**According to him, now there is need for a change or to upgrade to **Motivation 3.0**. Motivation 3.0 operating system maintains the same base of Motivation 1.0 and Motivation 2.0 as human still have the behavioural drive for survival as well as the drive for rewards. Pink says that this operating system can put into force with Intrnsic Motivation or 'Type 1 Behaviour' (when people are self-motivarted because they are given the freedom to do the work they enjoy)**



## **PINK'S THEORY OF MOTIVATION**

**Pink further states that Type 1 behaviour is more self-directed and devoted to becoming better at something. Therefore this drive (Motivation 3.0) is revolved around three elements AUTONOMY, MASTERY AND PURPOSE**

**1) AUTONOMY(SELF-DIRECTION):** It is the desire to have freedom or to direct one's own activities. Pink argues that granting autonomy to employees is contrary to the traditional view of management which expects employees to comply with management's orders and instructions. If management want employees to be more committed and directed in what they are doing, then autonomy should be provided to them. there are four main elements of autonomy - Time, Technology, Team and Task (4Ts)

## **PINK'S THEORY OF MOTIVATION**

**Time:** Freedom to employees to utilise their time at the work place in their own things / project.

**Technology:** Employees should allowed to use their own techniques and technology to operate.

**Team:** Employees should allowed to pick up their own team.

**Task:** Employees should have the autonomy to plan and implement the tasks.

### **2) MASTERY:**

It is desire to continually improve ot something which they enjoy doing. Top management should allowed employees to enjoy sense of achievement and progress at work, which contributes to their inner drive.

**Goldilocks Tasks:** Taska that are not too hot or cold,challenges that are not overly difficult or overly easy. Goldilocks tasks push employees out of their confort zones, and allow them to stretch themselves and further develop their skills and experience.

## **PINK'S THEORY OF MOTIVATION**

### **3) PURPOSE:**

**Daniel Pink states that people intrinsically want to do things that make a difference. Organisations exist not only for their own interest of progress but must operate to make a difference in the society. therefore management must encourage employees to find purpose in their work.**

**Various techniques can be used such as OKRs (Objectives and Key Results) or OGSMs (Objectives, Goals, Strategies and Measures). This approach of management can generate sense of discipline in employees to work with application (mind) and dedication (heart)**

## **EMPLOYEE MORAL - FACTORS**

**Edwin Flippo. ‘Moral as a mental condition or attitude of individuals and groups which determines their willingness to cooperate’**

**Dalton E. McFarland, ‘ Moral is basically a group phenomenon. It is a concept that describes the level of favourable or unfavourable attitudes of employees collectively to all aspects of their work - the job, company, their tasks, working conditions, fellow workers, superiors and so on’**

### **FACTORS INFLUENCING MORALE:**

**IMAGE OF THE ORGANISATION**

**THE GOALS OF THE ORGANISATION**

**QUALITY OF SUPERIORS**

**MANAGEMENT**

**NATURE OF THE TEAM MEMBERS**

**REWARDS AND RECOGNITIONS**

**EXTERNAL INFLUENCES**

**WAGES AND SALARIES**

**WORKING CONDITIONS**

**WORKERS PARTICIPATION IN**

**NATURE OF JOB**

**PERSONNEL POLICIES**

**STRUCTURAL SUPPORT**

## **MEASUREMENT OF EMPLOYEE MORALE**

**1 OBSERVATION**

**2 INFORMAL MONITORING OF MORALE**

**3 SPYING**

**4 FEEDBACK FROM CLIENTS**

**5 MORALE SURVEY**

**6 PERIODIC INTERVIEW**

**7 EXIT INTERVIEWS**

**8 MORALE INDICATORS: Absenteeism rate, Employee turnover rate, Wastage, Grievances, Accident rate etc.**

**9 RELATION BETWEEN MORALE & PRODUCTIVITY**

**9 SUGGESTION BOXES**

**10 MORALE COMMITTEE**

## **EMOTIONAL & SPIRITUAL QUOTIENT**

### **EMOTIONAL QUOTIENT (EQ):**

**The concept was proposed and explained by Wayne Payne in 1995, psychologist Daniel Goleman popularised this term in his book ‘Emotional Intelligence ‘:Why EQ can Matter More than IQ.**

**EQ is measure of a person’s emotional intelligence. EQ involves the degree of self-confidence, risk taking ability, resilience to overcome stress and to handle tough situations.**

**Daniel Goleman’s Model on Emotional Intelligence: It is a wide range of competencies and skills that drive leadership performance. This model outline four main elements : Self Awareness, Self Management, Social Awareness, Relationship Management.**

## **EMOTIONAL QUOTIENT (EQ):**

**The firms utilize EQ to help their employees to determine and to measure their emotional responses to various situations.**

### **BENEFITS OF EQ:**

- 1 Better performance under difficult and stressful tasks.**
- 2 People do take steps to manage their own and others emotions.**
- 3 People who deal with emotions better, experienced less burnout or stress caused by work.**
- 4 EQ positively related to job satisfaction and life satisfaction and negatively related to depression.**
- 5 It help managers to develop productive team spirit in the organisation.**
- 6 Manager with high EQ shows care and concern towards the subordinates.**
- 7 Spread of positive emotions among a group can enhance group cooperation and reduce group conflicts**

## **SPIRITUAL QUOTIENT (SQ)**

**SQ is described as a measure that looks at a person's spiritual intelligence. SQ consists of honesty, integrity, and ethical values of the employees.**

**IQ - WHAT I THINK**

**EQ - WHAT I FEEL**

**SQ - WHAT I AM**

### **ELEMENTS OF SQ:**

**1 RESPONSIBILITY**

**2 HUMILITY**

**3 HAPPINESS**

**4 IMPLICATION**



## **SPIRITUAL QUOTIENT (SQ)**

### **BENEFITS OF SQ:**

- 1 To live an energetic and balanced life**
- 2 To effectively manage one's own emotions**
- 3 It makes an individual more reflective and introspective**
- 4 It builds capacity to face sufferings and life's ups and downs**
- 5 It helps an individual reluctant to cause unnecessary harm to others**
- 6 It helps to control anger, disappointment, irritation, fear & sorrow**
- 7 To complete organisational tasks in socially acceptable manner**

# **FACTORS INFLUENCING EQ AND SQ**

**1 NATURE OF INDIVIDUAL**

**2 NATURE AND CHARACTER OF SUPERIORS**

**3 TRAINING**

**4 SOCIO-CULTURE ENVIRONMENT**

**5 YOGA AND MEDITATION**

**6 ORGANISATIONAL ENVIRONMENT**

**7 REWARD AND RECOGNITION SYSTEM**

**8 AGE AND EXPERIENCE**

**9 TRAUMATIC SITUATIONS**

# **EMPLOYEE GRIEVANCES**

**Grievance is any work related dissatisfaction expressed in writing by an employee.**

**According to Michael Jucious, ‘Grievance is any discontent or dissatisfaction, whether expressed or not, whether valid or not, arising out of anything connected with company, which an employee thinks believes or even feels to be unfair, unjust or inequitable’**

## **CAUSES OF EMPLOYEE GRIEVANCES:**

<b>1 WAGES &amp; SALARIES POLICIES</b>	<b>6 PERSONNEL</b>
<b>2 WORKING CONDITIONS DISCIPLINARY ACTION</b>	<b>7</b>
<b>3 WELFARE FACILITIES FAVOURITISM &amp; NEPOTISM</b>	<b>8</b>
<b>4 NATURE OF SUPERIORS PROBLEMS</b>	<b>9 LEAVE</b>

# **PROCEDURE FOR GRIEVANCE REDRESSAL**

## **STEPS:**

**1 RESOLVING BY IMMEDIATE SUPERIOR**

**2 RESOLVING BY SENIOR MANAGER**

**3 RESOLVING BY GRIEVANCE COMMITTEE**

**4 APPEAL FOR REVISION**

**5 VOLUNTARY ARBITRATION**

**6 FINAL DECISION**

# **EMPLOYEES WELFARE MEASURES**

## **A) STATUTORY WELFARE SCHEMES:**

**Compulsory schemes that are compulsory to provide by an organisation as per the laws governing employees health and safety.**

**These include provisions provided in Industrial Acts like Factories Act 1948, Mines Act 1962, Dock workers Act (safety, health and welfare)1986**

<b>1 Drinking Water Places</b>	<b>8 Washing</b>
<b>2 Facilities for sitting</b>	<b>9 Changing Rooms</b>
<b>3 First Aid Applications</b>	<b>10 Rest Rooms</b>
<b>4 Laterins and Urinals</b>	<b>11 Maternity Leave</b>
<b>5 Canteen Facilities Facility</b>	<b>12 Creche</b>
<b>6 Spittoons</b>	

## **EMPLOYEES WELFARE MEASURES**

### **B) NON-STATUTORY SCHEMES:**

**1 PERSONAL HEALTH CARE**

**2 FLEXI-TIME**

**3 EMPLOYEE ASSISTANCE PROGRAMME**

**4 PREVENTION OF SEXUAL HARASSMENT POLICY**

**5 MEDICLAIM INSURANCE SCHEME**

**6 EDUCATIONAL FACILITIES**

**7 HOUSING FACILITIES**

**8 TRANSPORTATION FACILITIES**

**9 RECREATION FACILITIES**

**10 MEDICAL FACILITIES**

## **EMPLOYEE HEALTH & SAFETY MEASURES**

**1 FIRE PROTECTION**

**2 PROTECTIVE CLOTHING AND SAFETY GEARS**

**3 PLACEMENT OF MACHINES**

**4 MAINTENANCE OF SAFETY DEVICES & MACHINES**

**5 LIGHTING & VENTILATION**

**6 SAFETY EDUCATION AND TRAINING**

**7 SAFETY ENGINEERING**

**8 SAFETY DISCIPLINE**

**9 SAFETY POLICY & PROGRAMME**

**10 SAFETY COMMITTEE**

**11 SAFETY AUDIT**

**12 HEALTH & RECREATION FACILITIES**

**13 EMPLOYEES INVOLVEMENT**







