

Managing Group Dynamics

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Lesson: Managing Group Dynamics
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1. Learning Outcomes:

After you have read this lesson, you should be able to:

- comprehend the meaning of group,
- identify the different types of groups,
- differentiate the formal groups from informal groups,
- comprehend the stages of group development,
- appreciate the importance of group cohesiveness,
- understand the factors that increase and decrease group cohesiveness,
- identify the common threats to group cohesiveness,
- differentiate between teams and groups.

2. Introduction

Man is a social animal. He interacts with his family members, friends and relatives. At his workplace, he interacts with his colleagues, superiors, subordinates and with people outside the organization. Such interaction is not only inevitable, but also a desirable aspect of human life. Individuals are often seen to be associated with groups. They tend to be identified with groups. Formation of groups is an important process of socialization.

It is the primary source of social order. When an individual becomes a member of a group, he associates himself as a part of a larger community, thereby accepting group norms and behaviour over personal norm or behaviour. Generally, people constitute groups on the basis of some common trait, interest or purpose; however, at times groups may be formed involuntarily.

The managers need to acknowledge the presence of groups in the organizations and understand the group behaviour in order to direct the group towards attainment of organizational goals.

Figure 1: Interaction between People



3. Group Dynamics

A group is a unified unit of people, who come together for a specific purpose, and contribute their inputs in terms of knowledge, wisdom, expertise, experience, skills and hard work. Being a member of a group in an organization makes people comfortable and relaxed. They tend to be more patient and tolerant towards each other in task related matters. They express their opinion in a closed group more comfortably and understand the strength and weaknesses of each other. Together they work to compliment each other's efforts, thus optimising the group effort.

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"A group is defined as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives."
- Stephen P. Robbins

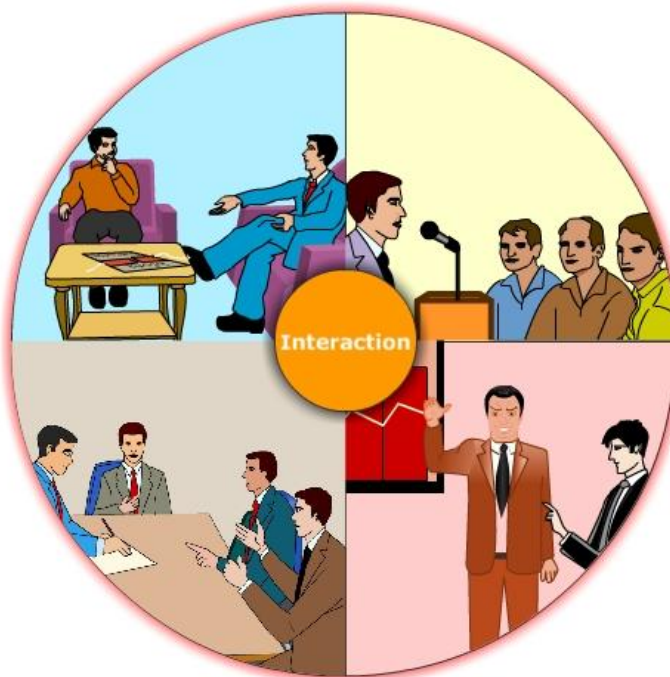
"A group is the largest set of two or more individuals who are jointly characterized by a network of relevant communications, a shared sense of collective identity and one or more shared dispositions with associated normative strength."
- David Horton Smith

"A group is any number of people who share goals, often communicate with each other over a period of time, and are few enough so that each individual may communicate with all the others, person-to-person."
- G. C. Homans

In other words, a group is formed by two or more people who see themselves as a part of a larger congregation, having same interest or goal, and working together to accomplish their objectives effectively through mutually benefiting interaction.

By group dynamics we refer to the process of interaction within or between the groups that lead to certain behaviours being exhibited or certain attitudes or opinions being formed. A psychological bond gets created between people in the groups. This bonding generates a sense of belongingness with the group and group identity. Group dynamics include all the psychological processes that unfold as a consequence of people coming together and working in an integrated manner. Each member in the group depends upon other members. He influences and is influenced by the other members of the group. Such interdependency gives rise to some pattern in group behaviour and thought process that is strongly believed by the group as a whole.

Figure 2: Group Dynamics



The study of group dynamics is important for any manager in order to know what causes a particular behaviour. Through the study of group dynamics of any group in the organization, the manager is able to identify tools and mechanisms to support desirable behaviour and curb undesirable behaviour.

Reasons for Formation of Groups in Organizations

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Any organization has goals to attain. It organizes human and other resources for the accomplishment of goals. From time immemorial, it has been witnessed that common goals are better achieved when people work in groups with a common strategy and approach towards the shared goal. While it is desirable for the organization to constitute functional groups, the individual members also prefer formation of groups for more than one reason. The following discussions will highlight the reasons why both organizations and individual employees favour formation of groups.

While working in integrated groups, people are able to attain much more than the sum of individual outcomes. Such a group synergy is the basic reason why groups get formed in organizations. Members of groups also enjoy the privilege of affiliation to the group that confers them a higher status, enhanced pride, social security and satisfaction from social interaction. At times groups also offer economic security to the members. Other than these motives, employees in organizations may constitute groups based on geographical proximity, common interests in activities, shared ideas and attitudes or a common need or goal.

3.1 Nature of Groups

A group is the coming together of two or more people who have a common interest or purpose. For example, in an organization, there may be functional groups based on common goal related to the projects or departments or process in the organization; or social groups based on common traits, interests, likings of individuals. Groups may be small or large. An individual may be a member of multiple groups at the same time. He may be active in some, while dormant in others. The group comes together, pools their talents, experience, expertise and resources and work towards a common purpose. They depend on other members for certain things, just as other members depend on them for their unique and specific qualities. They take pride in group membership, feel belonged to the group, and work together in close association with mutual responsibility and accountability.

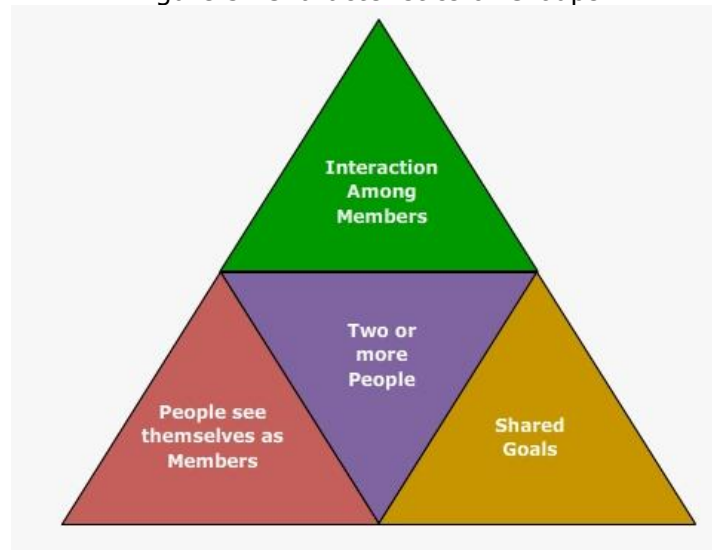
Four common traits may be identified in any group. These are:

1. Two or more people – A group cannot be constituted with one person. To constitute a group two or more people are required. Two or more people come together voluntarily or are assigned some common tasks that brings them together.
2. Belongingness – The people who come together, identify themselves as one group, instead of number of individuals. Their identification with the larger group helps them think, behave and act in accordance with group norms. While working in the group, they perceive themselves as part of a larger body. They may willingly shed some of their individually held norm in the larger interest either temporarily or permanently and adopt the group norm.
3. Interaction–The members of the group interact amongst themselves. Such interaction may be face to face in meetings or conferences, on the shop or factory floor; or may be telephonic or online. With the advancement in information technology, newer ways of communicating have come up that make the interaction of people a lot easier and convenient. A group that does not interact essentially dies off gradually. For any group to exist and survive, interaction is vital.
4. Shared goals –A group always have a shared goal. It is some common purpose or aim for that the group strives to achieve. A mere collection of people at some point in time, without any common goal, cannot be termed as group. Congregation of people with common interests is considered a group despite no

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explicit statement of any common goal to be achieved. Such people derive social satisfaction through their membership in a group and are benefitted in one or the other way that sustains their association with the respective group.

Figure 3: Characteristics of Groups



Value Addition 1: Did You Know?

Characteristics of a Group

Click on the link below to read the characteristics of a group.

While, various characteristics are described: an individual's willingness to be a part of the group; the group's acceptance of the individual as a part of the group; interaction between the members; unity among the members; presence of group norms that regulate the behavior of members are important characteristics of any group; the most important one is interdependence between the members.

Interdependence is an all-inclusive term that describes a group. Interdependence covers: more than two people, interaction between them, coordination between them, shared goal.

Read the definition of group provided in the link.

Source:

<http://mailer.fsu.edu/~slosh/SocialPsychGuide7.html#WHAT%20IS%20A%20GROUP?>

3.2 Types of Groups

There are many groups that exist and function in an organization. These different groups get formed for different reasons. Some groups may be formed to achieve some organizational objective, others may be constituted for social contact, yet others may emerge on account of common likes or interests of people. Each group has its distinct features and purpose(s) that it fulfils for its members.

The groups may be broadly classified as formal and informal groups; interest, friendship and reference groups; open and closed groups; and in-groups and out- groups.

1. Formal and Informal Groups

Formal groups are generally created by the management through the formal chain of command. They are constituted for some specific organizational purpose. They may be temporary or long term. For example, groups of people in different departments like purchase, production, operations, finance, marketing, research and development etc. are formed on a long term basis. However, for some specific short term project,

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representative members from different departments may be associated to form a temporary group. Such groups come together for the specific purpose and limited time. On the attainment of the goals, members disperse and the group ceases to exist. The groups that are formed for relatively longer periods of time are referred to as 'Standing Task Group'. Groups for specific purpose for short durations are referred to as 'Task Group'. Formal groups have clearly defined roles and responsibilities and code of conduct for members. It may also have levels of hierarchy for managing tasks and resources.

Informal groups are groups that are not consciously or deliberately created by the management. They get created on their own. They exist either within or outside the formal groups. Man being a social animal, always looks forward to interdependence and connectedness with others. Since such groups get created spontaneously, there is no prescribed code of conduct or hierarchy within the group members. However, there certainly are some group attitudes, opinions and beliefs. The members of such groups voluntarily conform to such group norms. A violation to group norm generally means ceasing membership of the group.

2. Interest, Friendship and Reference Groups

These are the informal groups made by choice and may be formed within and/or outside the organisation. Interest groups arise as a result of commonness in interests. Such groups may get formed either within or outside the formal groups. Constant interaction between people in any organization helps them identify the common likes or dislikes; interests in say sports, religion, politics etc.; or may be keen in certain areas like providing good work environment, recreational facilities or other employee facilities, healthy living, social service; or may even have common problems with the management, like inappropriate grievance handling mechanism, inappropriate promotion policy, inadequate training facilities etc. membership of informal groups gives the members a sense of social security, opportunity for venting issues, satisfaction from social contact. Such groups do not have any defined or formal structure of authority and responsibility, no defined roles or duties.

Friendship groups are groups that get formed based on old or new friendships. Such friendships may be within or outside the organization. Affiliations with sports, politics, professional bodies, or even with prior educational institutions can cause formation of such groups. Common positive traits like diligence, smart working, risk taking, status seeking, etc. and negative traits like shirking work, etc. may be the basic reason for people clustering and associating. Besides delivering mutual satisfaction and growth, it helps the managers understand the behaviour of groups, their stringently held beliefs and the informal leaders who can be influenced to act as a catalyst in modifying group behaviour.

Reference groups are groups that are formed for purposes of referencing with respect to a particular field, discipline or area. For example, an employee may be a member of a group of chartered accountants or lawyers to seek some support or opinion in related matters. Membership in such groups helps employees in the process of decision making. Reference groups generally exist outside the organisation and still influence a person's behaviour at work. Reference groups are based on such factors as race, gender, politics, religion, social class, education level, profession and the like. Reference groups endorse values in the members that help them to make personal decisions and justify social behaviour. It may or may not go with organisational preferences.

3. Open and Closed Groups

Open groups, as the name suggests, offers open membership to individuals. Members keep joining and leaving on a regular basis. The constantly changing membership and inclusion of new members brings in new knowledge and skills, different perspectives and vision, that keeps the group growing and dynamic. On the other hand, a closed group,

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is a group which is generally stable in terms of membership as its members do not change for long periods of time. The stability of the group offers it benefits of group synergy, but at the same time, it limits its growth since no new patterns of thought emerge while they brainstorm to make decisions.

3.3 Stages of Group Development

Group formation and development happens in various stages. While some groups develop and attain the group goals, others are simply not able to integrate and perform group tasks. Bruce Tuckman developed a four stage model of group development in 1965. Later he added a fifth stage to the model. The five stages identified by him in the process of development of the group are: Forming, Storming, Norming, Performing, and Adjourning. The stage of the group describes the role of the leader, the clarity of roles and responsibilities of the group members, the level of social interaction between group members, the amount of trust and support for each other and the effect on attainment of organizational goals. Therefore, the study of stages of group formation is very important for any manager or leader to direct and assist the group further in its development.

Value Addition 2: Image	
Stages of Group Formation	
Click on the link below to see a detailed image on the stages of group formation and understand the sequential change in behavior of group members, attitude towards tasks and leadership style.	
Source:	http://www.catalystonline.com/wp-content/uploads/2010/11/Catalyst_Desk_Ref.jpg

The stages of group formation are described below:

- 1. Forming** - This is the initial stage when the group members come together, greet and introduce themselves and accept the membership of the group. There is little clarity in terms of what is to be done or achieved and how it is to be done. The members do not arrive at consensus with regard to the aims of group. Bonding between members is absent at this stage. Leader is very important here and he directs the group for each and every task that has to be performed.
- 2. Storming** - As the group moves ahead gradually, a phase of conflict and storm sets in, where each individual member may work in his/her own manner, trying to establish his/her superiority. Little regard is shown for the other members in the group. Disagreements between members very very often. Decisions in the group do not happen easily. However, there is increased clarity about the group goals. Leader's role is to coach the members.
- 3. Norming** - Team building and belongingness with the group start to happen. Members begin to trust each other and appreciate other's strengths. The individual roles and responsibilities become clear. Team becomes more social. The members start interacting more and have fun together. Decisions are based on agreement and consensus among the group members. The norms with respect to group working style gets developed. Important decisions are taken jointly by all members, however, less important or routine decisions may be entrusted to some members. The leader's role is to facilitate and enable the members in their endeavours.
- 4. Performing** - The group by this stage develops a shared vision. The members function with high degree of autonomy. They are able to handle the tasks completely on their own, without any intervention of the leader. They strive to

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overachieve the goals. The group collectively rejoices its success and celebrates it. It rewards and recognizes both individual and group performance. Any kind of disagreement, if any, is resolved amicably through discussion. They look forward to and accept challenging tasks assigned to them. The leader's role reduces significantly and he merely delegates and oversees.

5. **Adjourning** - Once the group tasks have been achieved, the group may have to break up. This is the stage of deforming the group which is quite painful for the members who have by now bonded so very well. This stage is also referred to as deforming or mourning. The members have mixed feeling at this stage. The joy and thrill of accomplishment is coupled with the sadness and pain of leaving the group. This stage happens frequently in temporary groups. The leader is to make the members see the deforming of the group as a new beginning. Cermonial events are held to bring an end with a sense of satisfaction and accomplishment.

The figure below summarizes the first four stages of group development with respect to how team and individual goals change, how the dependence on leaders vary, how the role of a leader shifts its focus, and how the socialbility factor undergoes a change during the different stages.

Figure 4: Stages of Group Development

	Forming	Storming	Norming	Performing
Team Goals & Individual Roles	Unclear	Confusion Persists	Agreement & Consensus	Shared Vision
Dependence on Leader	Very High	Moderate	Little	Very Little
Role of Leader	To Direct	To Coach	To Facilitate & Enable	To Oversee
Sociability Among Members	Absent	Conflicts/ Disagreement	Belongingness increase, Members have fun.	Celebrate Individual & Group Success.

Value Addition3: Video

Stages of Group Development

Click on the link below to watch a video on stages of group development.

Make a list of:

- The aspects that need to be present before a group moves from one stage to another in its development.
- The questions that need to be answered for advancement.

Source: http://www.youtube.com/watch?v=P_HZd5rAF6g

4. Group Cohesiveness

Group cohesiveness refers to the bonding between the members of the group. People generally join a group because it satisfies their needs. When needs are met, or goals are achieved, their relationship and interdependence with each other increases. Group

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cohesiveness is the strong bond that exists between the group and the individual members, which holds the group together.

Group cohesiveness may be defined as the degree to which individuals of the group are attracted to one another and share a common goal. Cohesiveness causes more harmony and peace behaviour between the group members. The group having strong cohesiveness will act as one body to accomplish their goals. The figure below describes cohesiveness in a rather diverse group of people who work together for a common goal in a committed manner. Often in an organization, people at different levels have to come together to achieve some purpose. Without the support of each other, they are unlikely to reach their destination.

Figure 5: Group Cohesiveness



Members of highly cohesive groups are more energetic in group activities. They are more happy and feel at the top of the world when the group succeeds. They never miss the group meeting and work intensely towards group goals. They feel sad when the group fails. On the other hand, the members of less cohesive groups are less concerned about the group goals and activities. Members are not dedicated towards the group and their loyalty and support is variable.

Cohesion is an important group property. Group cohesiveness is likely to improve when number of members are not many, they have similar interests, and are socially interactive. Depersonal attraction towards group members also make them cohesive. Cooperative and supportive leadership adds to cohesiveness in a group. Any personal dislike or prejudice against members, or a tendency to dominate others, often reduce group cohesiveness.

Value Addition 4: Did You Know?

Dimensions of Group Cohesion

Click on the link below to know more on the different dimensions of group cohesiveness. The various sources of group cohesion described in the link are Interpersonal, which are related to the characteristics of the members; Structural, which are related to group tasks; and Organizational, which is related to being a member a group on account of being a part of an organization.

Different sources leading to group cohesion, i.e., Interpersonal, Structural and Organizational, have an effect on the ways and manners in which the group leaders influence the groups.

Source: <http://mailer.fsu.edu/~slosh/Guide6.html>

4.1 Consequences of Group Cohesiveness

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Group influences individual behaviour. Individuals are affected by the presence of other people, their ideology, attitudes and belief. It impacts the individual's performance and decision making by members of group. The impact may be positive or negative. At times, the groupthink makes individual more committed and responsible for their tasks which has the impact of increasing productivity. At other times, an individual may get lethargic and irresponsible due to the presence of people who are assumed to accomplish the tasks even without their cooperation.

The influence of groups on individuals' productivity and performance can be related to group cohesiveness. Group cohesiveness has positive consequences. It improves the morale of the members. Each member of a cohesive group reduces conflict and increases communication with other members. The productivity increases in cohesive groups as a result of fewer work-related anxieties, lower absenteeism and turnover, and improved communication. Group cohesion creates group thinking, i.e. conformity to group ideology that influences the members behaviour. This makes them better equipped to face the challenges of dynamic business environment. Cohesive groups are able to perform in innovative ways and resolve complex issues promptly and with ease thereby strengthening the organization. Cohesion effects the level of performance and in turn high performance improves cohesiveness. Members of cohesive groups have a feeling of unity and 'we-ness' that grants them immense emotional strength and stability. Consequently, they tend to have better inter-personal relations and are able to cope up with stress easily.

The groups that are not so cohesive suffer from a negative group think, lower productivity of individual members and poor performance of the individual members and the group as a whole. Even the performance norms set by such groups tend to be low.

Value Addition 5: Case Study

Group Cohesion

A group of business students decided to form an investment club to learn more about the stock market and investments, and to contribute small amounts of money each month to be invested as a group. Manav and Martina came up with the idea and recruited few friends — Danny, Jassi, and Jimmy. They realized that the optimal number for an investment group is 12-15, so each agreed to recruit two to three additional members. A meeting time was set, and the group discussed ways to get started. There were other organizations in town they could learn from. These were national organizations that one could affiliate with and use their materials, get their newsletters, etc.

1. Are there any factors already at work to promote cohesion?
2. If you were an advisor to the club, and you wanted to promote cohesiveness among group members, what four specific things would you recommend?

Source: http://www.oup.com/us/companion.websites/9780195336122/student_resources/activities/Chapter9_Activity4.pdf

Group Cohesiveness and Productivity

"Productivity is defined as a ratio of output to the resources used to produce this output."
-(Accel-team, 2005)

Group cohesiveness is related to both performance and productivity. The relationship between cohesiveness in a group to performance has already been described above. In relation to productivity, the impact of group cohesiveness must be analyzed with regard to the efficiency in utilizing resources, quality of goods produced or services rendered, and the volume of goods produced or services delivered.

Value Addition 6: Did You Know?

Positive and Negative Effects of Group Cohesion

Click on the link below to know more about the positive and negative outcomes of high group cohesiveness. Although, it is widely accepted that high group cohesiveness leads to positive impact, the negative impact is the other side of the coin, which is often overlooked.

On the positive side, the members of highly cohesive groups are more satisfied, stay longer with the group, possess better psychological and physical health, derive satisfaction from social interaction, and feel good about their identity from belonging to the group.

On the negative side, members fear hostility in case they wish to deviate from the group norm, rigidity creeps in with respect to conformance to group norms, group may become less productive in case the group goals are contrary to the organizational goals, and group goals may damage the individuality of the members.

Source: <http://mailer.fsu.edu/~slosh/Guide6.html>

4.2 Threats to Group Cohesiveness

While group cohesiveness in organizations is often a desirable trait, sometimes, it imposes threat to the organization. Solidarity among the members of the group may decrease their competitive spirit and their performance may get affected adversely. Heterogeneity brings forth diversity in thinking and analyzing information thereby promoting a healthy critique of facts and information before arriving at decisions. High cohesiveness in groups may not allow the members to critically evaluate self and others, affecting the learning and growth process of members. If the group becomes too strong and influential as a result of its homogeneity, it may start exerting its influence to the detrimental interests of the organization. The group may uphold its own personal interest, as against the larger organizational interest, and may cause harm to the organization. It may provoke other members or groups of the organization to work in an unethical or unlawful manner. It may also place unreasonable demands upon the management and might cause obstacles or delays in work. Fearing the power that a group attains on being cohesive, some organizations deter the development of such cohesiveness and are interested in making temporary groups, rather than permanent groups.

4.3 Evolution of Groups into Teams

Some groups may never convert into teams, no matter how long their association might have been. They fail to integrate into oneness. Such groups largely remain a collection of people and resources and fail to use competencies of the individual member completely. The group may have a shared goal, but individually assigned clear cut roles and defined responsibilities may cause them to draw their own boundaries. Individual accountability also prevents them from doing more than what has been assigned to them. The existence of power games, petty politics in the organization, individual's personal growth concern generally deter the individual members of the group to perform in the larger group interest. Personal interest keeps taking precedence over group interest.

However, when the group unifies and integrates into one whole as against a collection of individuals, when members feel collective responsibility for the tasks, interrelationships reach a point that each member is willing to go a step ahead and contribute more than what he/she is supposed to contribute the group evolves into a team. Individual members are highly concerned about each other and are very committed to the team. They pitch in whenever any member is not able to make up to the desired performance level. A team is surely a stage ahead of a group. Managers constantly strive to help groups mature and function like a team. According to Peter Drucker, "Tomorrow's organizations will be flatter, information based and organized around teams." Teams

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may be work teams, improvement teams, temporary teams or permanent teams, teams across functional groups or those that are intact within functional groups. Some teams may have high degree of technical specialization, others may have high degree of coordination with other units. Teams may also be advisory in nature, or production teams that take care of day to day routine operations, project teams or action teams. Whatever the type of team it is, the purpose of a team is to enhance the efficiency of strategic management in an organization.

The essential conditions for team building include:

- Every member must have a clearly assigned role,
- The team must take collective responsibility for the actions of each of its members besides taking responsibility for its own action'
- Team must speak with one voice;
- Good team is small in number;
- Each member should be able to handle responsibilities of other members, i.e. members must have complimentary skills.

Difference between a Group and a Team

While a group has a shared goal, a team has shared commitment. Group may have a leader, but leadership is a shared concept in teams. Different members of a group may have different abilities, but members of a team have complimentary skills. Accountability is individual in group, however, it is both individual and collective in a team. Group takes up the tasks assigned to it by the management, and follow the management strategy and approach to perform it. Team, on the other hand, looks for tasks that it can perform for the betterment of the team and discovers its own strategy and approach for attaining the goals defined by it. Unlike a group where both individual and group effort is rewarded, a team is evaluated for collective outcome.

Figure 6:TEAM



Normally most of us assume that groups and teams are the same, but group is the base on which a team is formed. Group is a combination of two or more people, with a purpose of achieving their common and shared goals, through their interactive effort.

Group formation promotes interaction among the members. Such interaction further promotes collective contributions and working as a single unit. When members of a group have complementary skills, such that absence of one is made up by the other, and they hold themselves jointly accountable for the tasks undertaken by them, they transform into a team. Groups and teams differ in their respective connections with management. While a group stays responsive to demands regularly placed by management; teams do not wait for instructions and delegations, rather become responsive to self imposed

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demands. They not only share information but collect information to achieve goals. Teams set their own goals freely. They decide on the timing and the approach they wish to adopt for achieving goals without any interference from the management. Teams are hence self-managing and autonomous.

Benefits of Team Building

Organisation gets several benefits from teams. Teams enable the management to enhance its performance in matters of quality, customer service, and productivity. Teams generally work to avoid wastage and reduce errors. The quality of work life improves leading to reduced stress and job burnout. Employees feel free to make decisions about their work. This makes them feel empowered and they grow. There is a significant decrease in employee absenteeism that results in a considerable cost reduction.

Working in a team increases creativity, flexibility and innovation among the members and results in organisational improvement. Employees have better access to management and undesirable layers of bureaucracy in the administration are done away with. This hastens up the process of redundant delays on account of approvals and speeds up the work flow.

Summary:

- A group is a unified unit of people, who come together for a specific purpose, and contribute their inputs in terms of knowledge, wisdom, expertise, experience, skills and hard work.
- A group, formed by two or more people, considers itself as a part of a larger congregation, having same interest or goal, and working together to accomplish its objectives effectively through mutually benefiting interaction.
- Group dynamics refer to the process of interaction within or between the groups that lead to certain behaviours being exhibited or certain attitudes or opinions being formed.
- While working in integrated groups, people are able to attain much more than the sum of individual outcomes. Groups offer many privileges to the members, for example, higher status, enhanced pride, social security and satisfaction from social interaction.
- The common traits of a group are presence of more than two people, sense of belongingness between them, free interaction amongst them, and a shared goal.
- Groups may be formal or informal groups. Further, informal groups may be interest, friendship or reference groups. Groups may also be open or closed groups.
- Group formation and development happens in various stages. The five stages of group formation as given by Bruce Tuckman are forming, storming, norming, performing, and adjourning.
- Group cohesiveness may be defined as the degree to which individuals of the group are attracted to one another and share a common goal. Cohesiveness causes more harmony and peace behaviour between the group members.
- Group cohesiveness is likely to improve when number of members are not many, they have similar interests, and are socially interactive. Any personal dislike or prejudice against members, or a tendency to dominate others, often reduce group cohesiveness.
- Group cohesiveness has both positive and negative consequences. While it does enhance performance and productivity, it may promote negative group think and poor quality of decisions by highly cohesive groups that fail to critically evaluate the information.
- When the group members take collective responsibility for their actions, and assume shared commitment, groups evolve into teams.

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- Teams enable the management to enhance its performance in matters of quality, customer service, and productivity. Teams generally work to avoid wastage and reduce errors. There is a significant decrease in employee absenteeism when people work in teams, which results in a considerable cost reduction.
- Working in a team increases creativity, flexibility and innovation among the members and results in organisational improvement.

Exercises:

A. Objective Type Questions

1. Which of the following statements describe a group better?
 - a. Groups in organisation are harmful for its growth.
 - b. Groups are a result of organisational politics.
 - c. Group is coming together of two or more people.
 - d. Group is a combination of two or more interacting individuals, with shared goals, who perceive themselves as members of a group.

2. True or False:

- a. Group size is positively related to its performance. Bigger the size, greater the productivity.
- b. The most important step to increase group cohesiveness is to increase diversity among the members.
- c. Groups are social settings that offer a variety of information, and opportunities that gives satisfaction to individuals.
- d. Status differentials among group members may improve creativity and performance.

A. Short Questions:

1. Define the term 'Group'. What are the different types of groups?
2. Describe why people join groups?
3. Why it is important for a manager to understand group dynamics?
4. Differentiate between formal and informal groups.
5. Discuss the different stages of group formation and development.
6. What is group cohesiveness? Explain the factors that effect group cohesiveness.

B. Long Questions:

1. "Interaction among groups are based on the organisational context within which the groups operate, the characteristics of the interacting groups, and the task and the situational bases of the interaction". Explain this statement.
3. How is cohesiveness related to performance? What implications does this relationship have for improving performance in organisation?
4. Are the groups enabled in a better manner than individuals in solving organisational problems? Explain.
5. Explain the importance of team in a modern organisation?
6. Think of a formal group of which you are a member. Describe the group in terms of the characteristics of groups as discussed in the lesson.

Answers to objective type questions:

1. (d)
2. (a) false
(b) false
(c) true
(d) true

Glossary:

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- **Cohesion:** It refers to a bond between or shared by the members of a group.
- **Group behaviour-** It is a situation in which people interact in large or small groups.
- **Groupthink:** It refers to congruence and concurrence in the members of the group in matters of thinking and decision making.
- **Information Technology:** It refers to the application of computers and telecommunications equipment to store, retrieve, transmit and manipulate data, often in the context of a business or other enterprise.
- **Leadership:** It is a process of shared influence in which one person can join the aid and support of others in the accomplishment of a common task.
- **Motivation:** It is a psychological feature that arises in a human being to act towards a desired goal and obtain, controls, and sustains certain goal-directed behaviours.

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1. Work Cited:

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- <http://businessadministration.wordpress.com/2006/02/23/the-effect-of-cohesion-of-group-productivity/>

2. Web Links:

- Visit the link <http://www.slideshare.net/lelinh.tlu/organizational-behavior-session-4> to see a presentation on Foundations of Group Behaviour and Work Teams.
- Visit the link <http://answers.mheducation.com/management/organizational-behavior/groups-and-teams> to know more on groups and teams.
- Visit the link <http://www.slideshare.net/Harshr1501/groups-in-organisations-and-group-dynamics> to see a presentation on group dynamics.
- Visit the link <http://www.youtube.com/watch?v=NdXVt8uqfQA> to watch a video on application of stages of group formation.
- Visit the link <http://www.slideshare.net/jenythomas37/group-cohesion-13813018> to see a presentation on group cohesiveness.
- Visit the link <http://answers.mheducation.com/business/management/organizational-behavior/groups-and-teams> to know more on Groups and Teams.