

# Overview of organizational behavior commerce essay



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Organization behavior is concerned with the study of behavior of people with in an organizational setting. It involves the understanding, prediction and control of human behavior. The study and understanding of individual group behavior and the patterns of structure in order to help improve organizational performance and effectiveness, Theory helps in building generalized models applicable to a range of organization or situation. J Mullins (2010)

Organization consists of an individual's members, the individual are considered as core aspect of organizational behavior and it is an essential for behavioral situation, if there is a gap between demand of the organization and individual wants. It leads to be frustration, conflict and incompatibility. It is the function of management to facilitate a proper working environment to their employees, which empowers an individual satisfaction as well as organizational goals.

In all organization existence of group is essential to their work and performance. Every member in an organization will be part of one or more group. In accordance with social needs of individuals Informal group arises in an organization and people of these group may influence each other in different manners, structures, Leadership and hierarchies may evolve in these group. Evaluations of the group of structure an individual behavior lead to further addition to magnitude of organizational behavior.

## **1. 3Background**

TCS was the pioneer of India's software research centers. Master Craft, software that automatically creates codes based on model of software and

rewrites the code based on the user's needs. Recently, a newly developed low cost water purifier namely – Sujal was manufactured locally. It played a major part in the Tsunami disaster of 2004 and these filters played a vital part.

TCS was recognized as “ Big Four” IT Services brand in 2012 and ranked as the world's 7th greenest company in Newsweek's Green Rankings 2011. Also, TCS is the highest ranked Asia-based company and second highest ranked globally in the Information Technology & Services company category.

TCS' services are currently organized into the following service lines (percentage of total TCS revenues in the 2011/12 fiscal year generated by each respective service line is shown in parentheses):

Application development and maintenance (44.75%);

Asset leverage solutions (3.84%);

Assurance services (7.45%);

Business intelligence (4.55%);

Business process outsourcing (11.04%);

Consulting (2.58%);

Engineering and Industrial services (4.62%);

Enterprise solutions (11.11%); and

IT infrastructure services (10.06%)

## **Innovation Labs:**

In 2007, TCS launched its Co-Innovation Network, a network of TCS Innovation Labs, startup alliances, University Research Departments, and venture capitalists.

In addition to TRDDC, TCS has 19 Innovation Labs based in three countries.

- Embedded Systems: WiMAX, WLAN
- Hyderabad – Linux, Quantitative Finance
- Mumbai – Wireless Applications and Speech/Natural Language Processing
- Chennai – Business Process, Enterprise Mobility
- Cincinnati – Engineering

DBProdem, Jensor, Wanem, Scrutinet, Smartest Manager are some of the assets created by TCS Innovation Labs. The TCS Innovation Lab-developed product, mKrishi, won the Wall Street Journal Technology Innovation Award in 2008. It enables Indian farmers to receive useful data on an inexpensive mobile device.

## **Methods**

### 2. 1 Data collection methods

Primary Data

Questionnaires was e-mailed

Web search for whereabouts of the company, From official website.

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Study internal information which was provided

## **2. 2ISSUES AND CHALLENGES IN TCS (TATA CONSULTANCY SERVICES):**

BCM (Business Continuity Management) plays a vital role in handling issues and challenges that are carried into Tata Consultancy Services. Tata consulting services (TCS') business continuity management experts facilitate you to achieve high accessibility and flexibility with the help of their well established consultation and implementation services.

The business continuity management needs to be more practical and standardized in order to meets its organizational tradition and Business continuity management requirements. If in case this customization is not realistic and reasonable, there will be ineffectiveness in the implementation of business continuity management projects.

There are some of the issues and challenges that are been identified which are based on experience in BCM planning that can potentially deliver business continuity management initiatives in a ineffective organization if they are not addressed properly.

Mainly these issues and challenges are summarized into four main areas:

1. Senior management's obligation and participation.

- The senior management handover all the responsibility of business continuity management to the centre management.

- Business continuity management initiatives are taken only for observance purposes.

- Lack of alliance between production and IT

- It ' s not following a single Business continuity management structure/benchmark when it is developing its BCM and tragedy improvement plans specifically when there are multiple offices in an organization.

2. Lacking of systematic understanding of the data dynamics and dependency that are involved in data to be recovered by the business continuity management.

- It happens if they keep data on the user computing system which is outside enterprise support.

- Addressing standby to the alternating site rather than focusing on the need to move procedures back to the restored most important location that can be as challenging as the standby itself.

3. Improper approach used in executing business continuity management processes

- conduct a building wide risk evaluation and not focusing on service based risk evaluation especially when the building accommodate more than one system that are owned and handled by the various purposes.

- They might not have more knowledge about the business continuity management tools and its flow of work especially when they are developing business continuity management credentials.

- focusing only on the analysis of business Impact by the practical areas, and not much focusing on the wider force of a disaster on the complete location.

4. Improper and unsuitable assumptions in formulation of business continuity and disaster of the plans to be recovered.

- If it fails to consider all applicable assumptions and preventive factors.

There were also some of the challenges that were faced by the human resource management in Tata Consultancy Services.

Globalization

Expectations of the employees that are changed.

Outsource Human Resource actions.

Human Resource activities to be managed

Management of diversities

Proper balancing of work existence.

Apart from this there were also some major challenges that were faced by the human resource department at the time of recession it includes:

Emergency plan

Brainstorming

Improper Communication flow within the employees

Quiet atmosphere

Proper Advices to the managers

Estimate performance of the workers/employees

Recruiting new employees and giving them proper training

Proper communication

During recession or in such conditions the major role or the challenge for the human resource management in Tata Consultancy Services organization was to intact their employees for which they have to consider several aspects such as:

Maintaining Tata Consultancy services (TCS) staffs with the association and away from the opponent especially during recession.

Differentiation in between superior and middling employees.

Redirecting their employees to various departments in an organization.

Recognising and taking into consideration the needs of the employees.

Motivating them and try to keep them busy with some work.

Showing employees the long term goals that would be beneficial for the organization.



## 2. 3 Results

### **3. 1 Overview of business strategies and goals**

A business goal is considered as one of the significant features of an organization. The various changes that happens in the business whether it is in respect to the form or structural changes, in the end the activities run by the business is directed towards the rewards which are set at the beginning. Initially, it sounds simple and easier and unproblematic in setting them, but on a wider view these goals differ from member to member working in the organization. According to, “ the traditional theory following Max Weber (1864-1920) saw organizations essentially as tools for the achievement of more or less fixed goals”. But however, “ Michels (1876-1936) pointed out in his Iron Law of Oligarchy that goals are constantly displaced in accordance with changes in organization’s environment to ensure organizational survival”. Once these incentives are set, strategies are planned and designed to achieve them. These strategies are formulated by the top management who are well versed in the purpose and objectives of the business.

According to Hatch (1997) “ A goal is the desired result of an organization that gives direction to perform effectively, and help the organization to adapt to changing circumstances with a symbolic view and commitment to potential employees, investors, and public support”. Goals are the reason for the existence of the organization as it resolves the nature of inputs and outputs, sequence of activities to be followed and finally relationships maintained with the environment externally. And, moreover, the higher

authorities ensure that these incentives are accepted by the employees and are encouraged and motivated to follow them.

The basic objectives of TCS are of providing the innovative and best in class consulting services with respect to IT and as well as IT- enabled solutions and services. All these goals are strategized towards the activities of the organization. Furthermore TCS provides quantifiable outcomes globally. According to the Corporate Sustainability Report (2011-12) " the organization full services portfolio consists of Application Development and Maintenance, Business Intelligence, Enterprise Solutions, Assurance Services, Engineering and Industrial Services, IT Infrastructure Services, Business Process Outsourcing, Consulting and Asset leveraged solutions and various newly services such as Mobility, Social computing, Big Data and the Cloud."

( Source :- Tata Consultancy Services , [http://www.tcs.com/SiteCollectionDocuments/About%20TCS/TCS\\_Corporate\\_Sustainability\\_Report\\_2011-12\\_3.pdf](http://www.tcs.com/SiteCollectionDocuments/About%20TCS/TCS_Corporate_Sustainability_Report_2011-12_3.pdf))

Since TCS as an organization is involved in a large number of activities and services, it has to design a strategy in order to achieve the desired goals.

### **Strategies of TCS:**

TCS (Tata Consultancy Services) is an organization that mostly focuses on providing IT related data and solutions. So it is necessary for an organization to use several strategies so as to satisfy the customer needs. There were multiple strategies used by the TCS from the last so many years which

includes:

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Business Strategies

Global Strategies

Long term growth strategies

### **Business Strategy:**

Tata consultancy services names its business units as Industry Service practice. TCS earns its maximum earnings from the insurance segment and Banking financial service sector. So there is no doubt that TCS has to again focus on its business strategies as most of the financial institutions in the world are in an incredible astonishment of subprime crisis and think of scaling up earnings from various other industries.

### **Generic business strategy:**

1. Low layout of global delivery 24\*7 replica.
2. More focuses on customer relationship management and maintaining customers.
3. Differentiate in low end segments in terms of both resources and price.
4. From the past couples of years TCS has been undergoing with a strategy where they are more focusing on local requirements of the consumers and their environment of business.
5. It focuses on the CoE (Centre of Excellence) to increase capability so as to build the solutions into specific technology structural designer, virtualization, testing and service oriented.

**Global strategies:**

TCS, GNDM (Global Network Delivery Model) is considered as the main pillar of the Tata Consultancy Services global strategies. The Global Network Delivery Model is actually a global network that enables our deliveries centres to work together on projects, control all our assets, work on follow the sun model if required their respect in terms quality and skills and giving same acquaintance of certainty whether they work in India, china or any other parts of world.

If the global strategy of the TCS will be strongly observed, it will demonstrate an influencing cost of labours in china, parts of Europe and South America.

Hiring the employees from same countries where the business exits and make them work at the post of director in order to obtain the numerous modifications in the business can also be preferred as one of the important strategies of TCS.

TCS was the first organization to build global delivery centre in china which differentiate TCS from all other organizations.

Recent achievement in Ireland and Latin America reveals its ambition to build delivery centres of adequate size locating outside of India.

**Long term growth strategies:**

TCS is an organization that believes in ' organic growth' and attains those firms which comes under TCS' long term goals strategies.

TCS' long term strategy is to continuously broaden the core it services business by increasing its industry coverage, capabilities of the services, geographic make and better relationship with existing clients, creating or handling old businesses and developing new businesses and proper business solutions through mutual innovation.

Some of the key fundamentals of this strategy are mentioned here:

1. Customer centricity
2. Global Network Delivery model
3. Strategic acquisitions
4. Non linear business model

Rather than this TCS is also practising three strategies for non linear growth:

Software products(resources leveraged solutions)

Ion an it as a service solution for small and medium business

Platform based BPO services (process cloud)

### **3. 2Explanation of Organizational structure**

Structure is one of the most important tasks of any top management. With the help of a proper structure in the organization not only the division of work is divided among different levels but also divide the work among members equally and coordinate work in order to achieve the goals and

objectives and finally design the channel of communication and the relationship between each level.

According to Robert Duncan (1979), “ Organization structure is more than boxes on a chart; it is a pattern of interactions and co- ordinations that links the technology, tasks and human components of the organization to ensure that the organization accomplishes its purpose.”

## **Corporate Governance**

The Corporate Governance is said to be strong when it has the following features:- overseas the business strategies, fiscal accountability, fairness to all stakeholders and ethical corporate behavior. TCS follows a strong corporate governance practices which is inherited from the 144-year old TATA Group. These practices are set through principles based on standards rather than on outline imposed by regulations.

TCS has formed a Code of Conduct in the year 2008 for all its employees including Managing Director and Executive Directors and Non-Executive Directors. As on 31st March 2012, the Board consist of twelve Directors including a Non Executive Chairman and a Non Executive Vice Chairman. Out of the 12 Directors, 6 are Independent Directors and 10 are Non Executive Directors.

The Directors provides necessary disclosures regarding Committee positions in other public companies. Overall 7 Board Meetings were held during the financial year 1st April 2011 and 31st March 2012 and a gap of not more than four months is maintained between two meetings.

The following are the Board of Directors:-

**Name of the Member**

**Designation**

R. N. Tata

Chairman

S. Ramadorai

Vice Chairman

A. Mehta

Director

V. Thyagarajan

Director

C. M. Christensen

Director

R. Sommer

Director

Laura Cha

Director

V. Kelkar

Director

I. Hussain

Director

N. Chandrasekaran

Chief Executive Officer & Managing Director

S. Mahalingam

Chief Financial Officer & Executive Director

P. A. Vandrevala

Executive Director & Head, Global Corporate Affairs

O. P. Bhatt

Director

C. P. Mistry

Director



**(Source :- Tata Consultancy Services, [http://www.tcs.com/investors/Documents/Annual%20Reports/TCS\\_Annual\\_Report\\_2011-2012.pdf](http://www.tcs.com/investors/Documents/Annual%20Reports/TCS_Annual_Report_2011-2012.pdf))**

## **Hierarchy**

It is one of the most important aspects of the organization structure. It is referred as the system of control where higher officers control lower staff. It is the number of authority levels in the organization.

In concerned with the TCS, the main authority level is divided into three. At the topmost consist of the Non- Executive Board Members. They are the main shareholders of the company. At the middle it is the Independent Board Members, who are concerned with the formation of goals and objectives of the organization. At the bottom is the Executive Board Members. They concentrate on the objectives and goals set up by the Independent Board Members and guide the lower managers and staff and direct and motivate them in achieving the set goals and objectives of the organization. As well as it is the duty of the Executive Board Members to report the progress of the organization to the Non-Executive Board Members.

## **Span of Control**

In a simplified form it refers to the line of subordinates who report the progress of the company directly to a supervisor as well as the way in which the supervisor can effectively and efficiently guide the subordinates.

According to Cyril O'Donnell state that " In every organization it must be decided how many subordinates a superior can manage. Students of management have found that this number is usually four to eight

subordinates at the upper levels of organization and eight to fifteen or more at the lower levels”

In an organization like TCS, follows a wider span of control because one main reason is that the company is big as it is formed from TATA Group. Secondly the TCS follow a tall hierarchy system.

## **Chain of Command**

Chain of command refers to the flow or chain of transferring information and authority between different levels in the organization. An organization that focuses on achieving the pre-set goals will follow a strong and well structured chain of command, so that it is ensured that the employees are guided in the right path to attain the overall objective of the organization.

TCS follows both line and staff types of chain of command. In line style of chain of command is a way in which the top managers guide the lower staff, whereas in staff style of chain of command wherein the staff of each department has the authority to assist member staff in their work and guide them in achieving the final objective of the organization.

## **Departmentalization**

This refers works are grouped on the basis of function, where organization can achieve economy of scale by appointing employees with shared knowledge in to similar departments. This system improve professional identity and career paths , But it in some case it leads to Higher dysfunctional conflict also.

Within TCS there appears to be many departments such as

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## **Functions**

### **Name**

Marketing

John Lenzen

Corporate Communication

Pradipta Bagchi

Resources & Development

K. Ananth Krishnan

Human Resources

Ritu Anand

Ashok Mukherjee

K. Ganesan

Legal

Satya Hegde

Finance

B. Sanyal

V. Ramakrishnan

Security

<https://assignbuster.com/overview-of-organizational-behavior-commerce-essay/>

Ravindra J. Shah

## **Formalization**

Formalization is referred as the way in which the organization coordinates and controls the activities of different individuals in different departments. Formalization is used to improve organization rationality and through formalization, organization behavior can be standardized. With the growth of the organization, formalization also increases. If there is clear rules and regulation it is referred to highly formalized, and if it is less it said to be low formalized.

Company TCS falls into highly formalized, because in TCS, the entry and departure of work times are mentioned on minute basis, which helps to control and analyze divergent behavior of employees. But excess formalization leads to work stress and redundancy to change. As well as there is a proper control and coordination in the actions carried out in the organization.

## **Centralization & Decentralization**

This is concerned with decisions. In centralized organization decisions are taken by the top hierarchy, and in decentralized structure employees take part in decision making process. If the organization is big it becomes difficult to be centralized structure, because it is difficult to construct policies, which can fetch in every situation. As like formalization decentralization also increase with growth of organization.

In TCS employees are highly empowered, TCS encourage open communication. Many times senior employees were invited to Board to present specific topics under discussion. (. Questionnaire)

TCS also have WHISTLE blower policy, which emphasis to report unethical behavior to chair person of audit committee.

### **3. 3 Analysis of Organizational Culture**

Culture is considered as one of the most important feature of the organization. It is dealt as the personality of the organization. In simple words, culture is defined as the clear understanding of how things are done in the organization.

According to Edgar Schein (1983)-" The pattern of basic assumptions that a given group invents, discovers or develops in learning to cope with problems of external adaptation and internal integration which worked well enough to be considered valid and therefore taught to new members as the correct way to perceive, think and feel in relation to those problems"

Ann Cunliffe (2008) has given four reasons which states that the organizational structure is important ; which are :-

" It shapes the image that the public has of an organization

It influences organizational performance

It provides direction for the company

It helps attract and retain motivated staff"

Cameron and Quinn (1999) developed an organization culture based on a theoretical model called “ Competing Values Framework”. This model states that whether an organization focuses on internally or externally or whether it follows the method of flexibility and individuality or stability and control. This framework is based on four culture types, which are:-

Clan

Adhocracy

Market and

Hierarchy

C: UsersSanuDocumentsMBA BANKING & FINANCEORGANISATION AND PEOPLEASSIGNMENTSstructure. JPG

(Source :- Relation between Organizational Culture and Cultural Intelligence  
[http://www. managementmarketing. ro/pdf/articole/213. pdf](http://www.managementmarketing.ro/pdf/articole/213.pdf))

Based on this model we can view TCS as a blend of Clan, Adhocracy, Hierarchy, Market. Because it is clearly evident TCS is formed the main TATA Group, so it is considered as a big family where people share and learn a lot among them. They work on a major principle of team work. On the basis of a survey conducted with the help of the questionnaire, we have a clear idea that the company follows the adhocracy policy because it emphasis on the employees being creative and adventurous and the various level managers engage themselves in taking risk and are seemed to be very innovative.

Market type is also found in the organization chosen for study. As it is clear

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from the annual report, that, the managers are goal oriented and the employees are competitive as well as their expectations are high. Finally with the hierarchy type, it is clear from the organizational structure followed in the organization.

### **3. 4 Critical Evaluation of Management and leadership**

According Judge and Robbins (2010), leadership is defined as a characteristic that enables one to inspire a group to realize a common goal or interest. The study is carried out on the basis of five principles of Peter Drucker which are :-

Set's objectives

Organises

Motivates and communicates

Measures

Develops people

Tcs follows a blend of Participative and benevolent authoritative leadership system. Leader system differs on the basis of decisions,

TCS has open communication system towards Authority , stakeholders and employee, The working culture of TCS is based on informal communication which enables the staff to have smooth and relaxed communication with the top level mangement , which ensures accountability of whole organization, according to norms The board of directors should inform companys business

and information to its share holders in accordance with their agreements,. And there is opportunity for employees also to write employees concerns to MD/CEO, which will inturn place it before executive committee appointed by board, And take decisions on employee concern if it is required . (TCS annual report). TCS Leadership knows in staff involvement in Business improvement plan is very important, So they invite senior employees to Board to present specific topics under discussion, But ultimate decions will be made by management. If we consider TCS on the basis of leadership grid, its management style attain score of 5 for people and production.

TCS has a number of outlines intended for make out and recompensing staffs. In adding to a prescribed accessible remuneration and appreciation structure baptized GEMS, here are several rewards like Star of the Month, On the Advert Reward, Ability awards, Young innovator award, long service award and appreciation certificates that recognize and reward good performance.

Operative retaining and incentive are importantly aided over quicker rendezvous with workers and by fostering a spirit of community, through shared activities outside of work. TCS patron's picnics and community assemblies at each locality hence workers and their kinfolds take up with underneath informal settings. Alternative medium intended for staffs and their kinfolds to participate in and develop sense of camaraderie is Maître, which harnesses their energy and eagerness to accept events designed for the improvement of the native groups and the environment



Every single desires used for vocation progress, therefore providing to these aspirations, inspiring Staffs towards recognize their latent and given that them through a expectable roadmap also required apparatuses designed for particular growth is significant to retentive teams. Separately from technical aptitude growth, here is moreover abundant emphasis on indulgent abilities growth containing team structure, inventive and creative thoughtful, annoyed ethnic version etc.

TCS has proper succession plan, it occurs in all stages such as in a business level unit, at project level, account level and even at corporate level.

At the top level, planning for the success of senior management is directly revised by the Executive Committee of the Board.

Organizations Heads are invited to Board Meetings in order to give presentations from time to time so as to update the systems. This delivers a chance for the Board members to interact with their Senior Executives intermittently and abilities to help them identify suitable internal successors and provide feedback. In these last four decades, TCS has gone through two CEO-level changeovers, the last one in October 2009.

### **Culture evaluation of management and leadership:**

A technology stage is required for the corporate community to “ manage through Trade development and impartial via Business trades” by strategic level. The functioning is required for business divergence, g-localization (globalization with a native support) and amalgamations and acquisitions inflict exclusive technology tasks intended for any firm. These tasks are an

unswerving effect of the old skill propagation inside the information  
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technology eco arrangement of the initiatives. The technique is gives cost-effectiveness, budgets, and business aspects factual life matters through period to marketplace and functioning efficacies. A circumstance is required for an association which is providing trade centric technology.

The few main important marketplace drivers/ significant trends

Information remembering and growing

Operating distinction

Enactment focused business nation

Business and information technology collaboration

Uniformity agreement

Separating client experience

Capability to take result on the fly

## **What TCS Provides**

TCS Business Procedure Managing Approach

Flourishes on authority and publics

Acclimates towards initiative requirements

Protections the strategy via accomplishment

Supports the “ Object large, and Construct step by step” philosophy

Initiatives continuous procedure progress

This approach is created by our verified methodology and mellowness valuation and evolution prototypical assistances.

### **Business worth:**

Tata consultancy services assistances evaluation the importance of your business and information technology with involvement grouped over years of conveying to clientele just what the initiative requirements.

The BPO department of TCS is focus on how to help you to complete a separating clients experience through conceptualizing business developments and improving them.

TCS is also providing a leveraging our industry skills which means you can conviction TCS to support you expect your business through further certainty than concluded.

The Tata Consultancy Services plans social transformation is difficult deprived of the leadership of the top level administrators, so Tata formed the Tata Group Innovation Forum (TGIF), a 12 fellow's board of chiefs Tata Group leaders and some selected CEOs of the autonomously track firms. TCS formed several network and leaders are expert how to direct an operative's notion: incremental invention are controlled and sponsored by the trade unit in which notion created; platform-level invention that might be prolong an standing proposing through single of the syndicate's nineteen worldwide invention labor