INTRODUCTION TO ORGANIZATIONAL PSYCHOLOGY

Organizational Psychology is the understanding, prediction and control of human behaviour in organizations. As noted by well-known international management scholar Geert Hofstede, “Because management is always about people, its essence is dealing with human nature. Since human nature seems to have been extremely stable over recorded history, the essence of management has been and will be equally stable over time.” Therefore the essence of Organizational Psychology remains in trying to better understand and effectively manage human behaviour in organizations.

Foundations/Background of organizational psychology reveals two main sources of information:

- Anthropology: It is the study of man
- Sociology: It is the science of society, study of social aggregates

Management is considered to be faced by three major dimensions, technical, conceptual, and human. Psychologists realized the importance of the human dimension of management to the extent that theories were developed to understand human behaviour in organizations. An example of such a theory was Douglas McGregor’s Theory X according to which most managers thought that their employees were indolent and lazy. This approach was considered to be successful in managing the human element for a long time. Later it was revealed that the approach no longer worked with the current environmental demands. The impact of globalization, technological advancement, fast pace of life and all such changes in the organizational environment have caused the behaviour of employees in the organization to be influenced dramatically. The old approaches hold little worth today and new research is being done under the umbrella of Organizational Psychology in order to understand human behaviour in the modern day environment. It was realized by scientists that through little simulation, lab knowledge can be applied to organizations such as industry, banks, stock exchanges, colleges, universities, offices.

It is important that we adopt the new approaches towards organizational psychology and it can be done by looking at old models and paradigms to be scrutinized and new concepts and models to be discovered and applied by empirical research.

Organizational psychology is also known as the study of organizational behaviour. It is a diverse branch of psychology which incorporates various aspects of other fields of psychology and human resource management, including, social psychology, personality psychology, quantitative psychology including psychometrics.

Initially, Organizational Psychology was not distinguished from vocational psychology or the study of human factors. Today Organizational Psychology is considered to be a separate discipline in all over the world, being taught in almost all universities offering psychology courses. Organizational psychologists specialize in one of the following aspects: psychometrics; quality; employment law; personnel selection; training; leadership selection, coaching and development; organizational design and change. Some Organizational Psychologists are academic (working in both business and psychology departments) or non-academic researchers, while many others are engaged in practice, holding positions such as executive coach; counsellor; diversity consultant; legislative compliance officer etc.

Financial compensation of industrial and organizational psychologists generally is among the highest in the whole field of psychology. While salary and benefits tend to be significantly greater in the private sector, academics who specialize in industrial and organizational psychology may command greater compensation than their faculty peers. Teaching (and sometimes research) opportunities exist in business schools as well.
as in psychology programs. Business schools typically offer more generous salaries and benefits than do psychology programs.

Coming to the history of Organizational Psychology, it differs country by country. In the United States, its origins are those of applied psychology in the early 20th Century, when the nation was experiencing tremendous industrialization, corporatization, unionization, immigration, urbanization and physical expansion. Arguably, the field's greatest early pioneers were Hugo Münsterberg (1863-1916), Walter Dill Scott (1869-1955) and Walter Van Dyke Bingham (1880-1952). As in other countries, wartime necessity (e.g., World War I and World War II) led to the discipline's substantial growth. Business demand for scientific management, selection and training also has promoted and sustained the field's development.

Organizational psychologists may adopt one of the following approaches to view their subject matter and gather data: Behaviouristic Approach as that of Pavlov or Cognitive Approach as that of Freud.

One of the tools that organizational psychologists commonly utilize in the field is called a job analysis. Job analyses identify essential characteristics associated with any particular position through interviews of job incumbents, subject matter experts, supervisors and/or past job descriptions. Job analysis measures both worker facets necessary to perform the job adequately (aka KSAOs - knowledge, skills, abilities, and other characteristics (such as personality, beliefs, and attitudes) as well as unique facets of the job itself. Once a job analysis is complete, I/O psychologists will typically utilize this information to design and validate systems to select new applicants, restructure employee performance appraisals, uncover training needs, and analyze fairness in employee compensation. Though a thorough job analysis takes time, resources and money, its benefits tend to outweigh the costs. Organizational psychologists also may employ psychometric tests to measure employee attitudes such as morale, job satisfaction, or feelings towards management or customers. The major determinant of organizational performance is the human factor in an organization. Psychologists therefore advise senior managers on the management of organizational climate or culture, on dealing with organizational change, or on group dynamics within an organization. This all is a part of organizational psychology.

**HAWTHORNE EFFECT**

The Hawthorne effect was discovered in 1924 at Hawthorne works at Western Electric Company; Chicago, USA. The **Hawthorne effect** refers to the phenomenon that when people are observed in a study, their behavior or performance temporarily changes. A series of experiments was conducted in the factory between 1924 and 1932.

There were many types of experiments conducted on the employees, but the purpose of the original ones was to study the effect of lighting on workers' productivity. When researchers found that productivity almost always increased after a change in illumination, no matter what the level of illumination was, a second set of experiments began, supervised by Harvard University professors Elton Mayo, Fritz Roethlisberger and William J. Dickson. They experimented on other types of changes in the working environment, using a study group of five young women. Again, no matter the change in conditions, the women nearly always produced more. The researchers reported that they had accidentally found a way to increase productivity. The effect was an important milestone in industrial and organizational psychology and in organizational behaviour. However, some researchers have questioned the validity of the effect because of the experiments' design and faulty interpretations.

As mentioned earlier the Hawthorne studied included a number of experiments which includes;

- Illumination studies
- Relay assembly experiments
- Bank wiring room experiments
The results of the studies were:

1. Small groups were better

When people in an organization worked in small groups, their performance improved. This was one of the conclusions drawn from the Hawthorne Studies.

2. Type of super-vision matters

The performance of the workers in organization is also influenced by the type of supervision given to them.

3. Interest matters

The interest of the workers in the work and the interest of the managers in the performance of the workers play a role in improving their performance.

4. Novelty of situation matters

The novelty of the situation into which a worker is put also matters. A worker may perform better in a novel working situation.

As mentioned earlier, the Hawthorne studies were a breakthrough in the field of Organizational Psychology. It was perhaps the first experiment of its kind that laid the foundation of further studies in the field.