15

Group Dynamics

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Learning Objectives

After reading this chapter, you will be able to understand

♦ Groups : Importance and Characteristics

♦ Types of groups in organizations

♦ Characteristics of effective teams

♦ Handling Group Conflicts

♦ Negotiating and Bargaining

♦ Consensus Building, Influencing and Persuasion Skills

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I have always loved the competitive forces in this business. You know I certainly have meetings where I spur people on by saying, "Hey, we can do better than this. How come we are not out ahead on that?" That's what keeps my job one of the most interesting in the world.

Bill Gates

15.1 What is a Group?

A group is a collection of people. The fact that a number of people are present in a particular space does not mean that a group exists. It is not a random collection of independent individuals – it is composed of individuals who interact verbally and non-verbally, occupy certain roles with respect to one another, and cooperate to accomplish a definite goal. Thus, a group is like a tune, it is not constituted of individual sounds but the resulting symphony. The importance of groups cannot be over emphasised. There is an age old saying, "Two heads are better than one." All of us are simultaneously members of several groups. First and foremost comes our family. No family likes a decision arbitrarily imposed on it. Nor does a wise head of the family impose a decision on it. In the same way, an organisation is also a big family. A manager always keeps it in mind, and whenever a decision is to be taken, he refers it to a group within the organization. Most organisational decisions are group decisions.

A group can thus be defined as an "**aggregate of people, from two up to an unspecified but not too large a number, who associate together in face-to-face relationships over a**

period of time." A viable number of members in the group can be anywhere between 15 and 20. More than that will become unwieldy or unmanageable. The members of a group recognize and have a certain attitude towards their group members and have some degree of satisfaction from belonging to and participating in the group. They set norms that specify and regulate the behaviour expected of members. Members of a group consistently influence and are influenced by each other.

Mainly two types of groups are present in organizations: **Formal Groups** created by deliberate sanction of management to meet certain official requirement and **Informal Group**s that are created because of the operation of the social and psychological factors at the work place.

15.2 Characteristics of Groups

Group goals – every group establishes its own group goals, which provide motivation for their existence.

Group structure – is based on the roles to be performed and member positions.

Group Patterns of communication – is the pattern of message flow in a group.

Group Norms – are the informed rules of interaction in a group.

Group climate – is the emotional atmosphere of a group based on

(1)   Bonding and trust among members

(2)   Participative spirit

(3)   Openness

(4)   High performance goals.

15.3 Group Dynamics

Groups are the basic building blocks of organizations. It is now very common for groups of employees to make decisions to solve difficult problems that were once the domain of authoritarian executives. Today workers and managers are experienced in participating in different kinds of groups. Members of any group get many opportunities for interaction. These interactions and processes take place in a team or Group. This is a direct manifestation of what is known as 'group dynamics'. The word dynamics has come from a Greek word meaning force so group dynamics refers basically to the study of forces operating within a group. Group dynamics deals with internal nature of groups, their formation, structure and processes and the way they affect individual members, other groups and the organization as a whole. "It implies", in the words of an expert," continuously changing and adjusting relationships among members of the group." The core of group dynamics is interaction among members. Interaction, in the broad sense is any means of communication between people. Thus, communication plays an extremely important role in group dynamics. "The means of communication can be both verbal and non-verbal. Without interaction the group will become static or defunct.

Just as an individual has personality, a group also develops what we may call its 'group personality.' Given below are the characteristics of group personality.

(a) **Spirit of Conformity:** Individual members soon come to realize that in order to gain recognition, admiration and respect from others they have to achieve a spirit of conformity. Our beliefs, opinions, and actions are influenced more by group opinion than by an individual's opinion, even if it is an expert's opinion. If the members conform to the accepted standards of their group relationships they feel happier and better adjusted.

(b) **Respect for group values:** Any working group is likely to maintain certain values and ideals which make it different from others. In order to deal effectively with a group, we must understand its values, which will guide us in foreseeing its programmes and actions.

(c) **Resistance to change:** It has been observed that a group generally does not take kindly to social changes. On the other hand, the group may bring about its own changes, whether by dictation of its leader or by consensus. The degree to which a group resists change serves as an important index of its personality. It helps us in dealing with it efficiently.

(d) **Group prejudice:** Just as hardly any individual is free from prejudice, groups have their own clearly evident prejudices. It is a different matter that the individual members may not admit their prejudiced attitude to other's race, religion, nationality etc. But the fact is that the individual's prejudices get further intensified while coming in contact with other members of the group holding similar prejudices.

(e) **Collective power:** It need not be said that groups are always more powerful than individuals, how so ever influential the individual may be. That is why individuals may find it difficult to speak out their minds in groups. There is always the risk of the one-against-many situation cropping up. All of us are in need of people who adopt a friendly attitude towards us, not really those who are out to challenge us in a group.

The group as a whole always rules. The odd man out is always at a disadvantage.

15.4 Types of Groups in Organisations

1. **Self directed teams** – autonomous and self regulated groups of employees empowered to make decisions.

2. **Quality Circles** – is a recent group dynamics technique representing a significant development in the fields of human relations and organizational behavior to improve productivity and work life in organizational settings. Quality Circle has been defined "as a group of workers from the same area who usually meet for an hour each week to discuss their quality problems, investigate causes, recommend solutions and take corrective actions when authority is in their purview. In other words, Quality Circle is a small group to perform voluntarily quality control activities within their work area.

3. **Committees** – are of various types (a) Standing Committee which are permanent in nature and highly empowered. (b) An advisory Committee comprises of experts in particular fields (c)

An adhoc committee is setup for a particular purpose and after the goal is achieved, it is dissolved

4. Task Force – Task force is like Committee but it is usually temporary. Task force has wide power to take action and properly fix responsibility for investigation, results and proper implementation of decisions. Task force groups are very important in govt. organization to tackle specific administrative problems.

15.5 Team Roles

Whether the task is to write reports, give oral presentations, produce a product, solve a problem, or investigate an opportunity, team members must communicate effectively among themselves and with people outside their team. Thus, companies are looking for people who can interact successfully in teams and make useful contributions while working together.

Teams encourage creativity in workers through participative management - involving employees in the company's decision making. At Kodak, for example, using teams has allowed the company to halve the amount of time it takes to move a new product from the drawing board to store shelves. Each member of a group play a role that affects the outcome of the group's activities. Some teams are more effective than others simply because the dynamics of the group facilitates optimum input from each member and quick resolution of differences. To keep things moving forward, productive teams also tend to develop rules that are conducive to business. Often these rules are unstated, they just become standard group practice, or norms – informal standards of conduct that members share and that guide member behavior.

Team Roles: Members of a team can play various roles, which fall into three categories:. Members who assume **self oriented roles** are motivated mainly to fulfill personal needs, so they tend to be less productive than other members. Far more likely to contribute to team goals are those members who recognize that each individual brings valuable assets, knowledge, and skills to the team. They are willing to exchange information, examine issues, and work through conflicts that arise and assume **team-maintenance roles**, to help everyone work well together, and those members who assume **task-facilitating roles**, to help solve problems or make decisions.

Leadership: Groups need effective leadership to achieve their goals. They help establish a cooperative climate that encourages group interaction, helps the discussion to follow smoothly and keep the planned agenda on track. It is the role of the leader to steer the discussion like a ship through troubled waters. Hence a leader is indispensable for a group discussion.

Groupthink: Conformity, carried to its extreme, leads to groupthink. Groupthink is the tendency of group members to seek agreement solely for agreement's sake. A group gripped by groupthink fails to be creative, explore alternative solutions, problems, or concerns in an effort to present a united or cohesive front to outsiders. Group members must question themselves and their actions to ensure high-quality decision making. There are several ways

to reduce the tendency toward groupthink. One technique that encourages open discussion is to have the group leader ask each member to assume the role of critical evaluator. It should be stressed that the role is that of constructive rather than destructive questioner. Another technique is to have the group from time to time divide into subgroups with similar tasks leading to fresh perspectives. A third technique conducive to warding off groupthink is to have each group member discuss the group's communications and actions with trusted outsiders to obtain an objective viewpoint. A fourth way to avoid groupthink is to have the group hold a special meeting where all misgivings, second-guessing, and objections are aired. At such a meeting, each member is encouraged to express any doubts she or he may have , about any phase of the group's deliberation.

A special method of minimizing groupthink is to have a measure of cultural diversity within a group leading to emergence of diverse ideas, opinions, and arguments which can counteract the effects of groupthink.

15.6 Handling Group Conflicts

Conflict is a part of almost every interpersonal relationship. Managing conflict, then, is important if the relationship is to be long-lasting and rewarding. Conflict is a greatly misunderstood facet of group communication. Many group leaders avoid conflict because they think it detracts from a group's purpose and goals. Their attitude is that a group experiencing conflict is not running smoothly. Avoiding conflicts may be necessary when conforming to various rules, standards, and group goals during group decision making. However, Leaders can use conflict productively to test ideas or propositions generated by groups before they are implemented. Groups eventually must reach decisions, and conformity among group members provides a basis for consensus. Members may be encouraged to disagree about the definition of the problem, the alternatives generated, and the criteria by which to evaluate alternatives. But certain fundamental issues-such as why the group exists and how it should operate-must be agreed on by everyone.

A conflict does not signal that a meeting is disorderly, raucous, or rude. It is a sign that people are actively discussing issues. If a group does not exhibit conflict by debating ideas or questioning others, there is very little reason for it to exist. The members may as well be working by themselves. Conflict, then, is part of the essence of group interaction. Leaders can use conflict as a means to determine what is and what is not an acceptable idea, solution, or problem; but it should be a debate about issues, not about personalities. A group will not be productive if arguments are centered on the participants rather than on what the participants are talking about. When conflicts arise, group members and especially leaders must be diligent in refocusing members' attention on the issues, not on personalities.

Conflict has been defined as "an expressed struggle between at least two interdependent parties who perceive incompatible goals, scarce resources, and interference from the other party in achieving their goals". Important concepts in this definition include "expressed struggle," which means the two sides must communicate about the problem for there to be conflict.

Several problems that typically arise in conflict situations. *First*, the parties will simply avoid the conflict. This can be damaging, because it can lead to greater problems in the future. It is usually best that the individuals discuss their differences. *Second,* individuals involved in conflict may blame the other individual. Often, individuals go beyond the specific behaviour in question and blame the character of the person. *Third*, a final problem that is often encountered in conflict management is adopting a win-lose mentality. Focusing on each individual's goals / outcomes will help avoid using a win-lose strategy.

The climate in which *conflict is managed* is important. It is essential to plan communications to foster a supportive climate, marked by emphasis on

- Presenting ideas or opinions.

- Problem orientation- focusing attention on the task.

- Spontaneity-communicating openly and honestly.

- Empathy: understanding another person's thoughts.

- Equality- asking for opinions.

- A willingness to listen to the ideas of others.

If successfully managed conflict can be constructive and can strengthen relationships.

15.7 Consensus Building

Consensus means overwhelming agreement. Most consensus building efforts set out to achieve unanimity.. The key indicator of whether or not a consensus has been reached is that everyone agrees with the final proposal and, it is important that consensus be the product of a good-faith effort to meet the interests of all stakeholders. Thus, consensus requires that someone frame a proposal after listening carefully to everyone's interests. Before the parties in a consensus building process come together, mediators (or facilitators) can play an important part in helping to identify the right participants, assist them in setting an agenda and clarifying the ground rules by which they will operate, and persuading noncompliant parties to participate. Once the process has begun, mediators (and facilitators) try to assist the parties in their efforts to generate a creative resolution of differences.

- *Problem-solving orientation-* It is important to be constructive and maintain a problem-solving orientation, even in the face of strong differences and personal antagonism. It is in every participant's best interest to behave in a fashion, they would like others to follow. Concerns or disagreement should be expressed in an unconditionally constructive manner.

- *Engage in active listening*-Participants in every consensus building process should be encouraged (indeed, instructed, if necessary) to engage in what is known as active listening.

- *Disagree without being disagreeable*-Participants in every consensus building process should be instructed to "disagree without being disagreeable."

- *Strive for the greatest degree of transparency possible-To the g*reatest extent possible, consensus building processes should be transparent. That is*, the group's mandate, its agenda and ground rules, the* list of participants and the groups or interests they are representing, the proposals they a*re considering, the decision rules they have adopted, t*heir finances, and their final report should, at an appropriate time, be open to scrutiny by anyone affected by the group's recommendations.

- *Strive to invent options for mutual gain-The goals of a* consensus building process ought to be to create as much value as possible and to ensure tha*t whatever value is created be divided in ways that tak*e account of all relevant considerations. The key to creating value is to invent options for mutual gain.

15.8 Negotiation and Bargaining

*Negotiati*on occurs when two or more parties-either individuals or groups discuss specific proposals in order to find a mutually acceptable agreement. *Whether it is with an employer, family* member or business associate, we all negotiate for things each day like higher salary, better service or solving a dispute with a co worker or family member.. Negotiation is a common way of settling conflicts in business. When handled skilfully, negotiation can improve the position of one or even both but when poorly handled; it can leave a problem still unsolved and perhaps worse than before.

Negotiations can be approached in four ways. Each of these approaches produces a different outcome.

Win-Lose Orientation: This is the approach taken by competitive communicators. The win-lose orientation is based on the assumption that only one side can reach its goals and that any victory by that party will be matched by the other's loss. Despite the fact that it produces losers as well as winners, a win-lose orientation can sometimes be the best approach to negotiating.. For *example,* in a one-time commercial transaction (the sale of a car, for instance), your concern for helping the other party may take a back seat to getting the best possible deal for yourself, without violating your ethical

Lose-Lose Orientation: With a lose-lose orientation, a conflict plays out in a way that damages both parties to such a degree that everyone feels like a loser. Nobody starts out seeking a lose-lose outcome, of course; but sometimes when people feel that a negotiating partner is blocking them, they wind up seeking revenge. For *example*, if customers feel cheated, they are likely to tell others about their dissatisfaction, costing the company future business.

Compromise: Sometimes it seems better to compromise than to fight battles in a competitive manner and risk a lose-lose outcome. There are cases in which compromise is the best obtainable outcome-usually when disputed resources are limited or scarce. *Example*, if two managers each need a full-time secretary but budget restrictions make this impossible, they may have to compromise by sharing one secretary.

Win-Win Orientatio: A win-win approach differs significantly from the preceding negotiating styles. It is a collaborative approach to negotiation and assumes that solutions can be reached that satisfy the needs of all parties Most important, it looks beyond the conflicting means of both parties (my way versus your way) and focuses on satisfying the ends each is seeking. . The key is to avoid taking polar positions (arguing over means) and instead to identify the ends or goals of both parties

15.9 Basic Rules of Negotiation

1. **Analyze the interest of the parties**: This is important to understand the perceptions, the style of negotiation, and the interests and principles of the counterparts, as well as one's own.

2. **Plan the negotiation, and determine**:

    o   What are the expectations from the negotiation?

    o   What are the terms of the negotiation?

    o   What are the nonnegotiable terms and what can be modified?

    o   What is the minimum that an agreement can be reached on?

    o   What is the negotiation strategy?

    o   What are the most important interests of the other parties?

    o   How does one interact with or manage people?

3. **Select the appropriate negotiation technique** from among the following:

    o   **Spiraling agreements**: Begin by reaching a minimum agreement even though it is not related to the objectives, and build, bit by bit, on this first agreement.

    o   **Changing of position**: Formulate the proposals in a different way, without changing the final result.

    o   **Gathering information**: Ask for information from the other party to clarify their position.

    o   **Making the cake bigger**: Offer alternatives that may be agreeable to the other party, without changing the terms.

    o   **Commitments**: Formalize agreements orally and in writing before ending the negotiation.

4. **Negotiate:** Be sensitive and quick to adapt to changing situations, but do not lose sight of the objective. Some aspects that could interfere with the negotiation are:

    o   Personal positions and interests

    o   Psychological and emotional aspects of the persons (place, placement of chairs, body language, gestures, etc.)

    o   Difficulties in communication (differences in languages, different meanings of the same words, etc.)

15.10 The Negotiation Process:

Seven steps can be identified in the process of negotiation from start to the completion of the process. At every level careful planning and execution is required to make negotiations successful. These seven steps of the negotiation are:

1) Preparing: A negotiation is an unpredictable path – one will come across unforeseen and unanticipated situations. Hence one needs to be well prepared. Preparations has two broad aims–

- Clarity of objective and the boundaries within which to negotiate for (one's position on the issue and the extent of compromise one would be ready forthroug a Like-Intend-Must analysis:

Identify Own interest		
Like	Intend	Must
Interests that one would like to get served. Achieving some of these interests is a **happy** situation.	Interests that one intends to get served. One is sincerely trying to get these interests served. The results of the negotiations would be considered **satisfactory** if these interests were served.	Interests that must be served. Achieving these interests is critical otherwise the negotiation could be **fruitless**.

- Collection and collating data that might come handy later. It is useful to create a checklist for preparation as some items will need to be considered before the negotiation, some during the negotiation, some both before and during negotiation.

2) Arguing: This is the first stage of the actual negotiation process, where the two parties are engaged in the process of building a case for their respective stands. The aim of this process is to forcefully inform the other party of the logic & strength of ones stand. Often negotiations tend to fail at this stage because the two parties end up getting hostile when the opponents start at a diametrically opposite positions.

3) Signaling: This phase occurs during the arguing process and usually after some amount of arguing . The two parties are aware of the deadlock and are in a mood to break the deadlock when signaling would occur. The signal refers to verbal or non-verbal clues that opens up the possibility of adjustment in the stance of the person.

4) Proposing: This phase is a decisive one. It is the culmination of arguments when based on some signals one proposes for a possible solution. Propositions overcome arguments because arguments cannot be negotiated. Proposals advance negotiations and proposals seize the initiative.

5) Packaging: We can think of packaging as considering various proposals that appeared and collating an overall suggested solution for consideration of the other party. We can think of this process comprising of

- Identifying opponent's inhibitions, objectives, priorities, and the signaled possibilities of concessions that they might allow.

- Review opponent's and own objectives by doing a fresh L-I-M (Like-Intend-Must) analysis.

- Is there enough movement indicated to produce a package? This is an important question to be answered as we do not want to package a deal too soon. That way the deal could be half baked or we might reduce the chance of it being acceptable.

- How can you address your package to meet some/all of your opponent's inhibitions?

- What concessions are you looking for? Compare it against the signalled possibilities of concessions that the opponent has shown willingness to concede or to consider.

- What negotiating room do you have in you current position?

- Which concessions are you going to signal in the package?

- What do you want in return?

- How equitable is the concession rate?

- Draw up list of conditions and place them in front of the package.

- Have all the possible variables in the package been considered

6) Bargaining: That's what negotiating looks like to a third person as a spectator. But for a negotiator this phase will be successful only if the groundwork has been done.

- Everything must be conditional. Consider this almost a firm rule – without exceptions.

- Decide what we require in exchange for the concessions.

- List and place that at the front of our presentation.

- Signal what is possible if, and only if, the opponent agree to your conditions.

- If the signal is reciprocated present proposals, restating conditions.

- Keep all the unsettled issues linked and trade-off a move on one for a new condition or a move on something else.

- Be ready to bring back into contention any previously 'settled' issues if we need negotiating room under pressure of opposition on a point.

7) Closing and Agreeing: This is the final phase where the deal gets finalized and sealed. Closing means ending the bargaining and reaching a stage where we push the opponent to make a decisions on agreeing or otherwise. This is true of overall negotiation process as well as for individual concessions. Agreeing refers to our response to the opponents close.

15.11 Influencing and Persuasion Skills

Many situations arise where you need to influence the behaviour or attitudes of managers, superiors, colleagues, customers, clients, suppliers and subordinates. Often, you either do not

have or do not wish to use position power. You have to rely on influencing others through assertiveness, negotiation and empowering skills. Influence is an respectable way to change other people's actions ("these are the benefits of doing this.") the other ways are-

Command ("You have to do this.") or

Manipulation ("If you do not do this, I will lose my job.")

Influence is much wider in depth   and dimension. It is:

- A process not an action
- A set of skills-including body language, listening, building rapport, planning, probing and explaining
- A set of attitudes –including confidence, trust, patience and belief in win-win outcomes
- It is getting people to do things because they want to.
- It requires one to be other focused rather than self focused
- It enables proactive leadership

Persuasion is one dimension of influence. It is a direct communication when benefits are stated in a reasoned arguments and competent views dealt with in a respectful manner. The two principles of persuasion are

- **Honour and Respect:** These are communicated in various ways-You can respect people's time by being sensitive about the timing of your communication.
- **Understanding the other person's Frame of Reference:** Each of us have a unique personality but one can get to know a great deal about the other perso**n by approaching things from their point of reference**, asking questions and listening.

The first problem one faces while communicating is getting someone's undivided attention. They are probably thinking about something else when you want to communicate with them. So you must grab their attention and get it focused on what you want to communicate. You can use something called the 'hook'. Just like a fish being hooked on a line, you need to 'hook' the other person with a real reason for focusing on you. Secondly, when you have hooked someone, how do you keep them there? This can be achieved through a statement, a group of statements or a question that create curiosity.

The third technique is by using something called 'emotional word pictures' (EWPs). These can simultaneously communicate with a person's heart and mind, to convey understanding and emotional feelings. In order to appeal to anyone's motivation to act, we must know these two biggest motivators. The first is: *the desire for gain.*

The other is: *fear of loss.* In any communication you must examine your argument and analyse which desires or fears you are appealing to. This will help you plan the communication suitably.