### Lesson 14.10

## UNDERSTANDING GROUP DYNAMICS IN ORGANIZATIONS

### INTRODUCTION

Work groups are a common arrangement within today's business organizations. Work is being restructured around groups of all kinds and in all sizes of organizations. Managers need an understanding of group behavior and the concept of teams in order to appreciate what groups can and cannot do within organizations and how groups function.

Any one member in group can influence the behavior of the individuals in the group and teamwork. We will examine some basic characteristics of groups including the types of work groups, the development of informal groups, and the manner in which groups operate.

### UNDERSTANDING GROUP BEHAVIOR

Groups exhibit different behavior—more than just the sum total of each group member's individual behavior. In this section, we're going to look at various aspects of group behavior.

#### What is a Group?

A group is defined as two or more interacting and interdependent individuals who come together to achieve particular objectives.

- 1. Groups differ from mere aggregates of individual because the latter have no interdependence, interaction, or common goal.
- 2. Groups differ from organizations because the latter involve systematic efforts and are engaged in the production of goods and services.
- 3. Teamwork occurs when groups are able to work efficiently and effectively together to achieve organizational goals.

# There are a number of types of work groups

- 1. A **formal group** is a group officially planned and created by an organization for a specific purpose.
  - a. A **command** or **functional group** is a formal group consisting of a manager and all the subordinates who report to that manager.
    - 1) Each identifiable work group consisting of manager and subordinates is a command group.
    - 2) A linking is an individual who provides a means of coordination between command groups at two different levels by fulfilling a supervisory role in the lower-level group and a subordinate role in the higher-level group.

2. Informal groups are natural social formations that appear in the work environment. An **informal group** is a group that is established by employees, rather than by the organization, in order to serve group members' interests or social needs. Informal groups are unplanned groups.

- a. An interest group is an informal group created to facilitate employee pursuits of common concern.
- b. A friendship group is an informal group that evolves primarily to meet employee social needs.

# **Overview of Group Dynamics**

Formal and informal work groups are becoming increasingly important competitive factors in organizations. Teamwork is the result of groups working together to effectively and efficiently achieving organizational goals. Formal groups include command and task groups. Informal groups include interest and friendship groups. A useful way to analyze groups is to view them as systems that use inputs, engage in various processes or transformations, and produce outcomes.

Managers can help bring about higher performance from formal work groups by weighing the characteristics of members they assign to particular groups. Group members should have taskrelevant expertise and appropriate interpersonal skills. Also, it has been found, that a degree of diversity among group members usually adds to performance. Group training, particularly for diverse groups, has been found to be useful.

Members may be attracted to a group for a number of reasons including being attracted to or liking other members of the group, liking the activities of the group, the goals or purposes of the group, because the group satisfies an individual's need for affiliation, and/or because the group can help an individual achieve a goal outside the group. The absence of attraction can prevent the group from achieving high performance. Member roles in groups include group task roles, group maintenance roles, and self performance. Member roles in groups include group task roles, group maintenance roles, and self oriented roles. The size of the group has also been found to have significant bearing on the group's performance. Mid-sized groups, from five to seven members, seem to be an optimum size according to recent research. Smaller groups can often exacerbate individual differences. Large groups tend to be when working in groups than when working alone. Free riding is particularly likely when members exhibit individualism rather than collectivism. Managers can combat social loafing by several methods. Assign just enough people to do the work is one key method. Other methods include making each individual's work visible, providing for individual feedback, have people work with those the respect, have standards to actually measure group performance, and making rewards contingent on a combination of individual and group performance.

The work group processes usually result in greater or lesser performance than would occur if the individuals worked alone rather than as members of the group. This process is called synergy. Managers strive to have a positive synergy from the group rather than negative. Three key characteristics of the group help determine the synergy levels. These are group norms, group cohesiveness, and group development. Norms are the behaviors of group members that are acceptable to the group. Norms stem from explicit statements by supervisors and coworkers, critical events in a group's history, primacy, and carryover behaviors. Group cohesiveness has important consequences for group communication, satisfaction, performance, hostility and aggression toward other groups, and a group's willingness to innovate and change. Factors influencing the amount of cohesiveness in a group include whether or not members of the group share attitudes and values, the amount and severity of external threats to the group, whether or not the group experiences recognizable successes, the degree of difficulty encountered in joining the group, and the size of the group. One view of group development shows groups passing through five distinct stages: forming, storming, norming, performing, and adjourning. A group's performance varies depending on the stage it is in.

A special kind of group behavior is found in group meetings. Because of the considerable amount of time spent in meetings, it is important for managers to know how to maximize group meeting effectiveness. This chapter includes an excellent short guide for how managers can lead more effective group meetings. Groups can also help facilitate creativity and innovation in the organization. Some of the major mechanisms that organizations use to encourage the creative and innovative capacity of groups include the use of task forces, or ad hoc committees, and teams, particularly entrepreneurial and self-managing teams.