

Course: BBA Part III

Paper: XIII

Topic: Significance of Organizational Behaviour

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Significance of Organizational Behaviour

Understanding the importance of Organisational Behaviour provides direction to the Organisation. Organisational behaviour has great relevance in today's business environment. Studying OB helps to understand and predict organisational life. It also helps to understand the nature and activities of people in an organisation. It has great need and significance to motivate employees and to maintain interrelations in the organisation.

Importance of Organisational Behaviour

The need and importance of organisational behaviour are as under:

1. Skill Improvement:

- Study of Organisational Behaviour helps to improve skills.
- This includes the ability of employees and use of knowledge to become more efficient.
- It also improves managers, as well as other employees, work skill.

2. Understanding Consumer Buying Behaviour:

It also an important part to improve the marketing process by understanding consumer (buying) behaviour.

3. Employee Motivation:

OB helps to understand the basis of Motivation and different ways to motivate employees properly.

4. Nature of Employees:

- Understanding of personnel and employee nature is important to manage them properly.
- With the help of OB, we can understand whether employees or people are Introvert, Extrovert, Motivated, Dominating etc.

5. Anticipating Organisational events:

- The scientific study of behaviour helps to understand and predict organisational events.
- For example Annual Business Planning, Demand Management, Product line management, Production Planning, Resources Scheduling, Logistics etc.

6. Efficiency & Effectiveness:

Study of organisational behaviour helps to increase efficiency and effectiveness of the organisation

7. Better Environment of Organisation:

OB helps to create a healthy, ethical and smooth environment in an organisation.

8. Optimum or Better Utilization of Resources:

- Study of OB helps to understand employees and their work style and skill better way.
- By understanding this, management can train and motivate employees for optimum utilization of resources.

9. Importance of OB in the Goodwill of organization:

Organisational Behaviour helps to improve Goodwill of organization.

This is all about the significance and importance of organisational behaviour and its impact on overall business activities. Ultimately OB helps to increase efficiency and productivity. This may lead to an increase in the profit of the organisation.