

**Organizational Behaviour - II**  
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**Lecture –13**  
**Functions of Cooperation and Competition**

Welcome back in the previous sessions we have understood about the nature of competition and cooperation. We have understood about the factor which leads to competition and cooperation at the individual level at the organizational group level and between organizations also. In discussion now we will be discussing on the functions of cooperation and competition. Now what it leads to how it helps both in the group level and at the organizational level we will be discussing those functions now. So, let us begin.

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What are the functions of competition and cooperation we will discuss on the various useful functions over here in this lecture session which leads to like helps in business operations and organizational progress.

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**Functions of Cooperation**

- Mutuality
- Alternative idea & solutions
- Mutual support & reinforcement
- Synergy
- Collective action
- Expansion of resources

The functions of cooperation will be starting with first. It helps in mutuality it helps in alternative ideas and solutions it helps in mutual support and reinforcement it helps in synergy it helps in collective actions and of course expansion of resources we will be explaining each of these in details.

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**Functions of Cooperation**

- **Mutuality**

Cooperation tends to limit the scope of conflicting interests and keep attempts to influence each other to search for a solution of problems mutually. In a cooperative relationship others capabilities are strengthened and vice versa.

Now mutuality, cooperation helps to limit the scope of conflicting interests and keep attempts to influence each other to search for a solution towards the problems mutually. In a cooperative relationship others capabilities are strengthened and vice versa. So, I get to understand like what are my capabilities I can get to see like what are the other person's capabilities and how I can enrich the other person help the other person to perform and vice versa together we support each

other and move forward.

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**Functions of Cooperation**

- **Alternative idea & solutions**

Feeling of agreement with the ideas of others and a sense of basic similarity in beliefs and values, as well as confidence in one's own ideas and in the value that other members attach to those ideas, are obtained in cooperative groups. In many cases communication of ideas are verbal and members pay attention to one another and accept the ideas.

Alternative ideas and solutions: Feeling of agreement with the ideas of others and the sense of basic similarity in beliefs and values as well as confidence in one's own ideas and in the value that the other members have attached to those ideas are obtained in very cooperative groups. It is important that we understand our ideas and we find a similarity between what we believe in and what others believe in.

And we get to understand what is the value of the worth given to our efforts our beliefs and values by the others. And there is reciprocity also and this leads to cooperation and it leads to like better alternative idea generations. Because I get to appreciate other persons views and the advice and similarly the other person also appreciates and tries to learn from my views. So, in many cases communication of ideas is verbal and members pay attention to one another and accept the ideas.

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**Functions of Cooperation**

- **Mutual support & reinforcement**

Cooperation helps the members to be generally more satisfied with the group and its solutions as well as being impressed by the contributions of other group members through mutual support and reinforcement.

Mutual support and reinforcement: Cooperation helps the members to be generally more satisfied with the group and solutions as well as being impressed by the contribution of the other group members through mutual support and reinforcement. So, we need to support each other's effort we need to support each other beliefs and values and that acts as a reinforcement also. Like if we are encouraging others if we are supporting others that itself acts as a reinforcement for improving on the performance.

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**Functions of Cooperation**

- **Synergy**

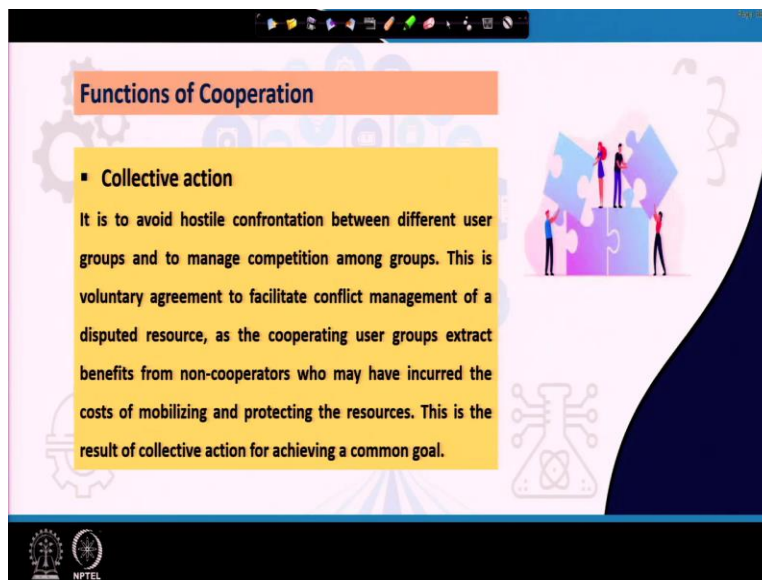
Cooperation is team-work within and between group of companies in business surroundings. Base of these groups is statement about common vision, goals and activities which are common ground for their mutual cooperation interactions. It follows that for successful cooperation it is necessary to consider the connection which demonstrates certain benefits or added value from synergy.

Synergy: Cooperation is a teamwork within and between groups of companies in business surroundings. The base of this group is the statement of a common vision goals and activities which are common ground for their mutual co-operations and interactions. So, it follows that for

successful cooperation it is very much necessary to consider the connection which demonstrates certain benefits or added value from synergy like how we can get something which is more even than the addition of it to separate parts.

So, what is the added values from synergy the and how this connection how this bond is going to help into that the focus is on if that becomes a like that that is there is a clarity regarding that then it the cooperation helps us to move towards the synergy.

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The slide is titled "Functions of Cooperation" in an orange header. Below the header, a yellow box contains a bullet point: "Collective action". The text below the bullet point reads: "It is to avoid hostile confrontation between different user groups and to manage competition among groups. This is voluntary agreement to facilitate conflict management of a disputed resource, as the cooperating user groups extract benefits from non-cooperators who may have incurred the costs of mobilizing and protecting the resources. This is the result of collective action for achieving a common goal." To the right of the text is an illustration of four stylized human figures standing on a large, multi-colored puzzle piece. The background of the slide features faint icons of gears, a lightbulb, and a network diagram. At the bottom left, there are logos for an institution and NPTEL.

Collective action: So, in order to avoid the hostile confrontation between different user groups and to manage competition amongst the group members it is important that collectively people work together. So, this is a voluntary agreement to facilitate conflict management of a disputed resource. So, as the cooperating user group extracts benefits from non-cooperators who may have incurred the cost of mobilizing and protecting the resources.

So, this is the result of collective action for achieving a common goal. So, we understand like if we are cooperating with each other then we can make better utilization of the resources rather than only just for non-cooperators who like who may have incurred the cost of mobilizing and protecting the resources. But the benefits are extracted by the people who have cooperated with each other in utilizing the resources.

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**Functions of Cooperation**

- **Expansion of resources**

Expansion of resources is a strategy adopted when an organization enters into a mutual agreement with the competitor to carry out the business operations and compete with one another at the same time, with the objective to expand the market opportunity.

Expansion of resources: So, whenever there is a limited resource, cooperation helps to expand the resource. So, it is a strategy adopted when an organization enters into a mutual agreement with the competitor to carry out business operations and compete with one another at the same time with the objective to expand the market opportunity. So, I will try to get into a new area and try to compete with you and you also get into my area and try to compete with me.

So, this is where I finally find the expansion of the resources expansion to expand the market opportunity like we both of us mutually agree to do it and then. So, this is the like we can tell there's an agreement which happens with the competitor. So, that you can get a bigger market share market opportunity you can expand your market and where we try to collaborate and again compete with one another at the same time based on our mutual agreement.

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**Functions of Competition**

Competition performs many useful functions -

- Sense of identity
- Sense of responsibility
- Internal standards
- Achieving excellence
- Individual creativity
- Individual autonomy
- Source of motivation
- Conducive to progress

Now after understanding the functions of cooperation, it is essential we also understand the functions of competition. So, big it we should not be remaining with the idea like cooperation is always good and competition is always bad, no. Competition healthy competition is very good and healthy competition is used which serves many useful functions. Like it develops a sense of identity it develops a sense of responsibility it says internal standards.

It helps in achieving excellence it like improves individual creativity individual autonomy it is it acts as a source of motivation and it is conducive to progress and also like it helps in preventing resources being like being there with getting concentrated in only the powerful hands. We will try to see each of these in details now.

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**Functions of Competition**

- **Sense of identity**

Organizational identity has been emerged as an important function of competition. Managers construct an internal story through competencies and intangible identity attributes which they believe both legitimates and distinguishes their organization. Members of the team and organizational employees demonstrate impact of organizational identity on sense making, strategic issues interpretation, organizational learning and competitive rivalry.

Sense of identity: Organizational identity has been emerged as an important function of competition. So, managers construct an internal story through competence is an intangible identity attributes which they believe both legitimate and distinguishes their organization. So, members of the team and the organizational employees demonstrate. Impact of organizational identity on sense making strategic issues interpretation organizational learning and competitive liability.

So, the more you identify with your organizations you try to develop you like you try to inculcate in yourself the values of the organization's expectations of the organizations and that influences how you explain things how you understand things how you represent yourself to the outside world to other business organizations. And in that process with the sense of identity that you gradually develop in yourself you start becoming the brand ambassadors for the organization.

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**Functions of Competition**

- **Sense of responsibility**

Competitive conditions affect organizational sense of responsibility towards society as well to its employees with respect to specific dilemmas. Managers have a duty to take competitive condition of their firms and staff members into account for strategic decisions and approach to relationship building with stakeholders.

Sense of responsibility: Competitive conditions affect organizational sense of responsibility towards society as well as with employees with respect to specific dilemmas. Managers have to take a duty to take a competitive condition of their firms and staff members into account for strategic decisions and approach to relationship building with stakeholders. So, how you are going to get your competitive advantage how you are going to remain in the minds of the stakeholders.

How you are going to like build your corporate reputation and who what is your like competitive environment who are there in that environment like who are your competitors and what are you what are their competencies what are your competencies. And like what is your; macro and micro environmental factors. These are going to decide on like what are the; managers sense of responsibility towards the society towards the other stakeholders.

And even to the other competitors. So, whenever you are talking of stakeholders the competitors are also your stakeholders in one sense and you do have an ethical responsibility towards your competitors also and you cannot like you do some activities which are detrimental or to the interest or to or are really like shocking for the existence of the other customers also you need to be ethical in your moves and your relationship with your competitors also.

So, these needs to be kept in mind whenever and that means a great sense of responsibility not

only to oneself not only to your employees not only to your society but also to your competitors. If you are interested in learning more about it you can like check with our business ethics discussions where we have discussed on like the responsibility towards the stakeholders and responsibility towards the competitors also, ethical responsibilities of organizations towards the competitors as one of the important stakeholders.

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Functions of Competition			
Sense of responsibility: Specific strategy under different level of organizational competitiveness			
Intensity of competition	Fierce	Strong	Weak
Dominant generic competitive strategy	Low cost strategy	Product differentiation strategy	Low cost or product differentiation
Specific social responsibility strategy	Self regulation	Compliance with the spirit of law	All social responsibility strategies are possible
	Legal compliance	Stakeholder management	
	Reputation protection	Brand reputation management & ethical reporting and Ethical product differentiation	

Whenever we are discussing of sense of responsibility, we have specific strategy under different level of organizational competitiveness. So, the intensity of competition could be fierce strong or weak and in dominant generally competitive strategy. Under fierce competition we have low-cost strategy and in strong competition we have product differentiation strategy and in weak competition we have low cost on product differentiation anyone.

Under specific social responsibility strategy, we have under fierce competition like either self-regulation and in strong like intensity of competition we have compliance with the spirit of law. And under fierce strategy whenever you are talking of legal complaints in strong competition its strong intensity, we are talking of stakeholder management. In fierce competitive situations we are talking of reputation protection and in strong competitive situations we are talking of brand reputation management and ethical reporting and ethical product differentiation.

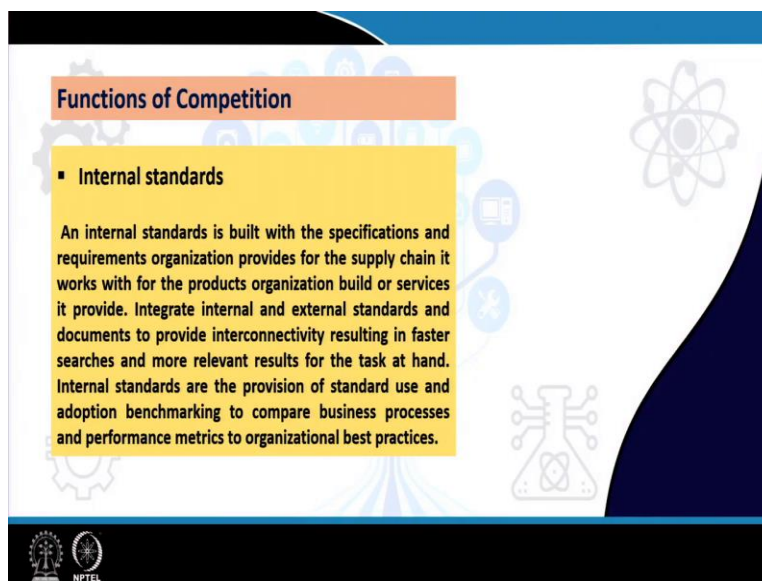
And in weak intensity of competition then any one or all of the social responsibility strategies are

possible. So, what we find over here in developing depending on the intensity of the competition whether it is fear strong or weak how we see like what is the; who are my competitors what are the external factors what is the market situations what is the what is the nature of product or service that we are competing for.

So, we tell like whether the intensity is fear strong and weak. And like if it is a dominant generic competitive strategy what are the strategies, we take but if it is specific strategy for social responsibility like and responsibility towards the society at large and to the stakeholders at large. And then also to the other competitors we also have different kinds of strategy based on whether it is a fierce competition strong competition or weak competition and if you see like whenever we are talking of fears competition.

So, what becomes more important is like if you can see self-regulation. So, this is very important like control on my own self laden by values to understand like what I am aiming for and how it is affecting the people or the organizations or the stakeholders that like that my business is going to affect. So, self-regulation is very important whenever we are talking of fierce competition.

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**Functions of Competition**

- **Internal standards**  
An internal standards is built with the specifications and requirements organization provides for the supply chain it works with for the products organization build or services it provide. Integrate internal and external standards and documents to provide interconnectivity resulting in faster searches and more relevant results for the task at hand. Internal standards are the provision of standard use and adoption benchmarking to compare business processes and performance metrics to organizational best practices.

The slide features a blue header with the title 'Functions of Competition'. Below the title is a yellow box containing a bullet point for 'Internal standards' and a paragraph of text. The background is white with faint icons of a gear, a lightbulb, and a network diagram. At the bottom left, there are logos for a university and NPTEL.

Then also improving on the internal standards: An internal standard is built with the specifications and requirements organization provides for the supply chain it works with for the product organizational bills or services it provides. Integrate internal and external standards and

documents to provide interconnectivity resulting in faster searches and more relevant results for the task at hand.

So, internal standards the provisions of standard use and adoptions of benchmarking to compare business processes and performance matrices to organizations best practices. So, this whenever we are talking of competition and whenever we are talking of comparing oneself with the others comparing one's own past performance with the future performance then like generally, we come across the terms of performance metrics and understanding also what are the desirable best practices.

So, if we are competing. So, it helps in like improving on the internal standards by revisiting it by comparing it with the industry standards also benchmarking it and finding out where we are and what we can achieve.

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**Functions of Competition**

- **Achieving excellence**

Competition helps mobilize a work group to achieve more than it would have because of the pride keeps members from wanting to finish poorly in the eyes of their peers.

Whether the incentive is economic--bonuses, for example-- or simple prestige, competition motivates people effectively to achieve excellence of their performances with efficiency, lower costs and greater sense of morale.

So, next comes of course is achievement excellence or the achieving excellence. Competition helps immobilize the work group to achieve more than what you have we should have done if they would have become complacent because of the pride keeps members from wanting to finish poorly in the eyes of others specifically their peers. So, if you are competing for a position if you are competing for a reward.

And like if there is a social esteem which is built in you then what happens you will not want yourself to be like appearing to be as a poor performer in the eyes of your others. Whom you value like their opinion their recognition is valuable for you. So, in that case you would want to compete for better performance for giving doing things in a much better way. So, whether the incentive is an economic like bonuses or it is simple prestige competition motivates people effectively to achieve excellence of their performances with efficiency lower cost and greater sense of morale.

But again, we are here talking of healthy competition where we are trying to raise the bar every time based on what we achieved last time and we are trying to reach that bar with self-determination with motivation like we can do it, belief in oneself and like we want to do that. So, that it is again helping us to proceed further and improving on us like past performance and improving ours like equipping us with better skills better knowledge etcetera and then it leads to of course individual creativity.

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**Functions of Competition**

- **Individual creativity**

Creativity has been described as the organization of thoughts in a way that leads to different understandings of a situation. Every individual has creativity within himself or herself in the form of three components namely: (i) expertise, (ii) creative thinking skills and (iii) motivation.

So, creativity has been described as the organization of thoughts in a way that leads to different understandings of a particular situation. Every individual has a creativity within himself or herself in the form of three components like expertise, creative thinking skills and motivation.

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**Functions of Competition**

- Three components of individual creativity

The diagram shows three overlapping circles: 'Expertise' (top-left, grid pattern), 'Creative thinking skills' (top-right, diagonal lines), and 'Motivation' (bottom, vertical lines). The central intersection of all three circles is labeled 'Creativity'. An arrow points from the word 'Creativity' to this central intersection.

So, these are the three components of individual creativity the expertise based on the knowledge domain based on your education that you have had based on maybe the trainings that you have had their creative thinking skills. This is based on the cognitive skills that you have to think in a different way and because you are motivated. Third important component is you need to be motivated to do things differently.

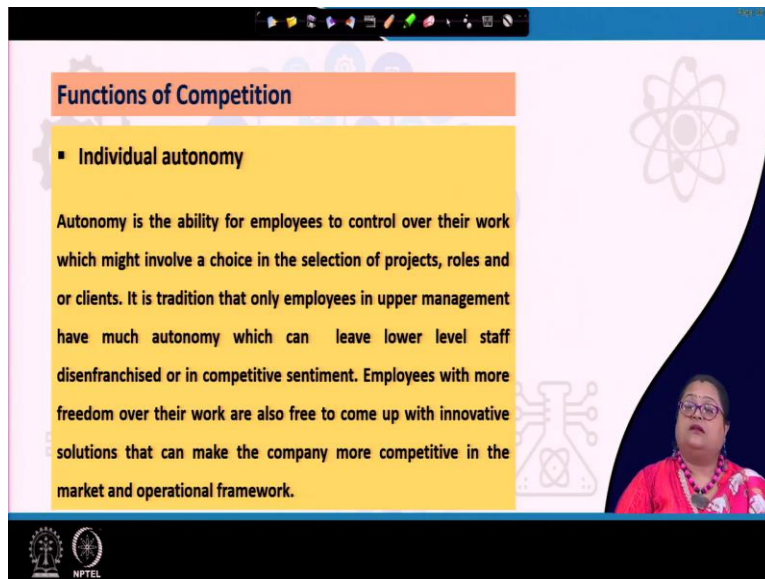
So, expertise; creative thinking skills and motivation together; when they like try to overlap with each other; merge with each other or what you get as a part of that synergy over here is creativity. So, these whenever we are talking of competition then people are compete based on their different levels of expertise and their creative thinking skills and based on the different levels of motivation, they are bringing out different nature of creativity and their approach trying to solve a problem in different ways.

So, because people are competing with each other new ideas generate which are very helpful for the organization and also for the progress of the group as such. So, competition because people are competing to give a better solution to a particular problem then individual creativity is also nurtured as a process of aid. In the next discussions we will focus on problem solving and creativity where you get to understand more about the effect of creativity on the problem solving.

What are the different kinds of creative solutions possible what are the different natures of

problem what you understand by creative thinking and so, on.

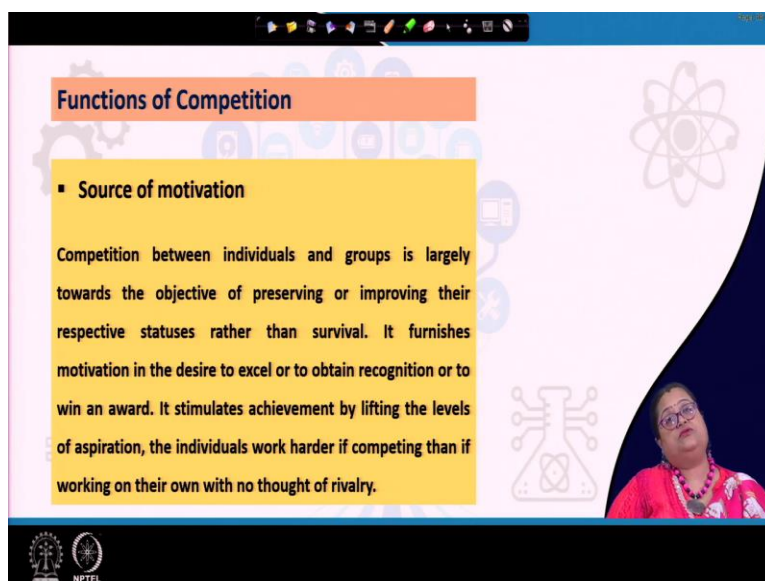
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The screenshot shows a presentation slide with a title bar at the top containing navigation icons and a timestamp of 23:01:41. The slide title is "Functions of Competition" in an orange box. Below it, a yellow box contains a bullet point: "▪ Individual autonomy". The text below the bullet point reads: "Autonomy is the ability for employees to control over their work which might involve a choice in the selection of projects, roles and or clients. It is tradition that only employees in upper management have much autonomy which can leave lower level staff disenfranchised or in competitive sentiment. Employees with more freedom over their work are also free to come up with innovative solutions that can make the company more competitive in the market and operational framework." The slide features a background with faint icons of a brain, a gear, and a beaker. A small inset video of a woman in a red top is visible in the bottom right corner. The NPTEL logo is at the bottom left.

Competitions also have seen generating individual autonomy. Autonomy is the ability for the employees to have control over their work which might involve a choice in the selection of projects roles or clients. It is a tradition that employs in upper management have much autonomy which can leave the lower-level staff de-enfranchised or in competitive sentiment. Employees with more freedom over their work are also free to come up with innovative solutions that can make the company more competitive in the market and in the operational framework.

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The screenshot shows a presentation slide with a title bar at the top containing navigation icons and a timestamp of 23:49:41. The slide title is "Functions of Competition" in an orange box. Below it, a yellow box contains a bullet point: "▪ Source of motivation". The text below the bullet point reads: "Competition between individuals and groups is largely towards the objective of preserving or improving their respective statuses rather than survival. It furnishes motivation in the desire to excel or to obtain recognition or to win an award. It stimulates achievement by lifting the levels of aspiration, the individuals work harder if competing than if working on their own with no thought of rivalry." The slide features a background with faint icons of a brain, a gear, and a beaker. A small inset video of a woman in a red top is visible in the bottom right corner. The NPTEL logo is at the bottom left.


Source of motivation competition between individuals and groups is largely towards the

objective of preserving or improving their respective statuses rather than survival. So, it furnishes motivation in the desire to excel or to obtain recognition or to win a reward. So, it stimulates achievement by lifting the levels of aspiration as we are talking of like setting your bar higher.

And the individual work harder if competing than in working than if it is working on their own with no thought of rivalry. So, this is a very important discussion over here wherever we are talking of competing with others and that is why raising our bar higher. But if this competition leads to unhealthy like interactions with others trying to block the existence of the other party trying to like sabotage the other person's goals and like aspirations.

So, that that is not taken to be a healthy competition rather it is advisable like the source of motivation should not be comparing and trying to like do better than what others are doing. Because next day the other person may again do better than you and then you will feel frustrated but it is rather trying to focus on one's own self and trying to do improve on what I did years today and what I can do today and try to find out what better we can do tomorrow.

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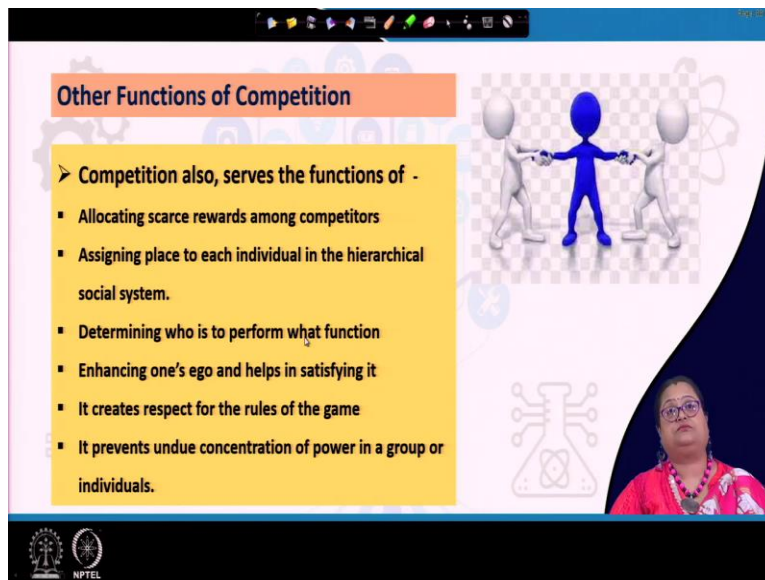
The slide features a title bar 'Functions of Competition' in an orange box. Below it, a yellow box contains a bullet point 'Conducive to progress' followed by three lines of text: 'Competition provides the individuals better opportunities to satisfy their desires for new experiences and recognition. It is the opposite of ascribed status. It believes in achieved status. Those who denounce it ask for fixity of status and thus pull back the forces of progress. It is therefore, assumed that competition is a pre-requisite to organizational progress.' The slide is decorated with faint icons of a gear, a lightbulb, a network, and a chemical flask. The NPTEL logo is in the bottom left corner.

So, it is conducive to progress competition provides the individuals better opportunities to satisfy their desires for your experience and recognition. It is the opposite of ascribed status it is an achieved status. Those who denounce it ask for fixity of status and thus pull back the forces of



progress it is therefore assumed that competition is a prerequisite for organizational progress as we are repeating healthy competition healthy conflict is always encouraged provided, we are doing it in ethically provided. We are co-existing and we are not blocking the other person's existence.

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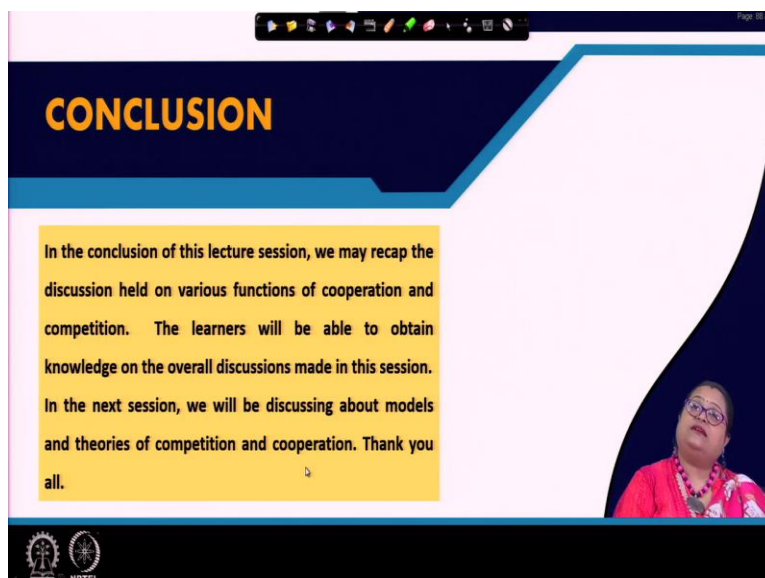
**Other Functions of Competition**

- Competition also, serves the functions of -
  - Allocating scarce rewards among competitors
  - Assigning place to each individual in the hierarchical social system.
  - Determining who is to perform what function
  - Enhancing one's ego and helps in satisfying it
  - It creates respect for the rules of the game
  - It prevents undue concentration of power in a group or individuals.

The slide features a 3D illustration of three stick figures (one blue, two white) holding hands in a circle. The NPTEL logo is visible in the bottom left corner.

The other functions of competition are allocating skills resources amongst competitors, assigning place of to each individual in the hierarchical social system. Determining who is to perform what function, enhancing one's own ego and helps in satisfying it. It creates respect for the rules of the game; it prevents undue concentration power in a group or an individual.

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**CONCLUSION**

In the conclusion of this lecture session, we may recap the discussion held on various functions of cooperation and competition. The learners will be able to obtain knowledge on the overall discussions made in this session.

In the next session, we will be discussing about models and theories of competition and cooperation. Thank you all.

The slide features a 3D illustration of a stick figure (one blue, two white) holding hands in a circle. The NPTEL logo is visible in the bottom left corner.

So, in the conclusion of this lecture session we may recap the discussion that it had on various functions of cooperation and competition. So, the learners will be able to obtain knowledge on the if they follow the slides or the overall discussion made on the session based on the different functions of cooperation and competition. In the next session we will be discussing about the models and theories of competition and cooperation.

Thank you all till then meet you then in the next lecture where we are going to discuss on the different models of competition and cooperation, thank you.