6.1 INTRODUCTION

This chapter deals with various aspects of perception such as meaning of perception, process of perception, factors influencing perception and application of perception which has direct implications for human behaviour.

6.2 MEANING OF PERCEPTION

In a simple sense, perception means perceiving i.e., giving meaning to the environment around us. It is perceiving of objects what we are faced with. We can understand the meaning of perception in a better sense if we go through some important definitions of it given by some behavioural scientists.

According to Udai Pareek and others¹ “Perception can be defined as the process of receiving, selecting, organising, interpreting, checking and reacting to sensory stimuli or data”.

Stephen P. Robbins² defines perception as “a process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment”.

¹ Udai Pareek and others
² Stephen P. Robbins
³ Fred Luthans
Fred Luthans\textsuperscript{3} opines that “Perception is an important mediating cognitive process through which persons make interpretations of the stimulus or situation they are faced with”.

Now, perception can safely be defined as a process which involves seeing, receiving, selecting, organising, interpreting and giving meaning to the environment. The functioning of the whole process is influenced by the individual doing the perceiving, the objects or events being perceived, and the environment in which perception occurs.

6.3 PERCEPTION DIFFERS FROM SENSATION

People usually think that sensation and perception are the same. But, there is a clear-cut distinction between the two. In simple words, sensation may be described as the response of a physical sensory organ to some stimuli. Our physical senses i.e., vision, hearing, touch, smell and taste are continuously bombarded by numerous stimuli that are both inside and outside of our body. Our physical sensory organs often react to these stimuli. The reaction of our eye to colour, ear to sound, nose to odor, and so on are the examples of our everyday sensations. What these examples indicate is the sensation activates the functioning of the physical sensory organs\textsuperscript{4}. Thus, sensation precedes perception. In this way, sensation serves as a raw input to be processed so as to make sense out of them to perceive the environment or stimuli around us.


Perception is much more than sensation. As noted before, perception depends upon the sensory raw data, yet it involves a cognitive process that includes filtering, modifying or even changing these sensation raw data to make sense out of them. In other words, the perceptual process adds to / and substracts from the sensory world. A simple illustration may be looking at an object. We see by means of our eyes. Remember it is not our eyes but we what see and tend to see in its totality, with a figure and form against a background. Thus, we find that eyes activate us to see an object, i.e., sensation and what is being seen, i.e., perception. In this seeing process, though both sensation and perception are involved, yet perception process overcomes sensation process to make what is being seen.

Study the following examples. These will help us understand the difference between sensation and perception more clearly

(i) You buy a two-wheeler that you think is the best, but not the one that the engineer says is the best.

(ii) A subordinate's answer to a question on what he heard his boss says, but not on what the boss actually said.

(iii) The same Professor may be viewed by one student as a very good Professor and by another student of the same class as a poor Professor.

(iv) The same item may be viewed by the manufacturing engineer to be of high quality and by a customer to be of low quality.


6.4 PERCEPTUAL PROCESS

We have already defined perception as a process of receiving, selecting, organising, interpreting, checking and reacting to stimuli. This is like an input-throughput-output process in which the stimuli can be considered as 'inputs' transformation of 'inputs' through selection, organisation and interpretation as 'throughputs' and the ultimate behaviour / action as 'output'. This whole perceptual process can be presented as follows.

![Fig. 6.1]

1. RECEIVING STIMULI

The perception process starts with the reception of stimuli. The stimuli are received from the various sources. Through the five organs, we see things / objects, hear sounds, smell, taste and touch things. In this way, the reception of stimuli is a physiological aspect of perception process. Stimuli may be external to us (such as sound waves) and inside us (such as energy generation by muscles)


2. SELECTION OF STIMULI

People, in their everyday life, are bombarded by myriads of stimuli. They cannot assimilate all what they observe or receive from the environment at a time. Hence, they select some stimuli for further processing to attach meanings to them while the rest are screened out. Selection of stimuli is not made at random, but depending on the two types of factors, namely, external factors and internal factors. While external factors relate to stimuli such as intensity of stimuli, its size, movement, repetition, etc., internal ones relate to the perceiver such as his/her age, learning, interest etc. Normally, people selectively perceive objects or things which interest to them most in a particular situation and avoid those for which they are indifferent. This is also called 'selective perception'.

The 'selective perception' involves the following two psychological principles

(I) FIGURE GROUND PRINCIPLE

As we just noted, we select stimuli for further processing that we consider important for us or which we cannot study. The meaningful bits and pieces of stimuli are called the "figure" and the meaningless ones are levelled as "ground". More attention is given to figure and less to ground.


(II) **RELEVANCY**

Relevancy is yet another principle involved in selective perception. In practice, people selectively perceive things that they consider relevant to meet their needs and desires.

3. **ORGANISATION OF STIMULI**

Having selected stimuli or data, these need to be organised in some form so as to assign some meaning to them. Thus, organising the bits of information into a meaningful whole is called "organisation". There are three ways by which the selected data i.e., inputs are organised. These are

(I) **GROUPING**

Grouping is based on the similarity or proximity of various stimuli perceived. The tendency to group stimuli i.e., people or things appearing similar in certain ways has been a common means of organising the perception. For example, all the workers having similarity in certain aspects may be perceived have similar opinion about their boss. Similarly, all the workers coming from the same place may be perceived as similar on the basis of proximity.

(II) **CLOSURE**

When people face with incomplete information, they tend to fill the gaps themselves to make it more meaningful. They may do it on the basis of their experience, hunches, guess or past data. Take an example of an advertisement of an alphabet written by putting electric bulbs. You are have

noticed the name of a newspaper for example. The Hindustan Times in your city or other city shaping the alphabet by putting electric bulbs in broken line. In such case, you tend to fillup the gap among different bulbs to get meaning out of these. Thus, the tendency to from a complete message from an incomplete one is known as closure.

(III) SIMPLIFICATION
When people find themselves overloaded with information, they try to simplify it to make it more meaningful and understandable. In this process, what they do is to subtract less salient information and concentrate on important ones only.

4. INTERPRETATION
The data collected and organised remain meaningless for the perceiver till these are assigned meanings. Assigning meanings to data is called 'interpretation'. Thus, interpretation of data forms one of the most important elements in the entire perceptual process. Strictly speaking, data collected and organised do not make any sense without interpretation. Several factors influence interpretation in organisations. The most important ones are halo effect, attribution, stereotyping, personality, situation, person perceived, etc., These are discussed one by one.

(I) HALO EFFECT
Drawing a general impression about an individual based on a single characteristics or trait is called halo effect. But, it has an important implication for understanding or evaluating an employee in the organisation. An employee, based on halo effect, may be rated as bad in one trait, but good in other traits. Let us illustrate it with an example.
The students of the MBA. 1st semester are asked to appraise their teacher. In doing so, the students may isolate a single trait / characteristics enthusiasm, for example, and do their appraisal / evaluation to be tainted by how they appraise the teacher on this one trait. If the teacher is quiet, assured, knowledgeable, and highly competent, but lacks zeal in his teaching style, he will be rated as poor or lower on this (enthusiasm) and a number of other traits and characteristics. This example well indicates how halo effect can distort one’s perception about another. In organisations, halo effect usually occurs in selection interviews and at the time of performance appraisal. Research studies suggest that halo effect tends to be most extreme when (a) the traits to be perceived are ambiguous in behavioural terms, (b) when the traits imbibe moral overtones, and (c) when the perceiver judging the traits has had limited experience or knowledge.

(II) ATTRIBUTION
Explaining human behaviour in terms of cause and effect is called ‘attribution’. However, attributing casual explanation to a particular human behaviour sometimes tends to distort perception. For example, if a prosperous worker does overtime on any day, it is perceived that he has done it in the interest of organisation. But, if a poor worker also does the same, the action or behaviour is perceived as being for money. A unique tendency is also observed among individuals is that they attribute their own behaviour to situational requirements but explain the behaviour of others by their personal disposition.
(III) STEREOTYPING
When individuals are judged on the basis of the characteristics of the group of which they belong, this is called 'stereotyping'. The word stereotype was applied for the first time in 1922 by Walter Lipmann to perception. Since then, it has become a frequently used term to describe perception. In particulars, it is employed in analyzing prejudice. Most stereotypes have favourable and unfavourable traits. That 'older workers cannot learn new skills', 'over-weight people lack discipline', 'Japanese are nationalistic', 'Indian are fatalistic', and 'workers are anti-management', are some common example of stereotypes. The basic problem with stereotyping is that it is so widespread that it does not give indepth truth. The fact otherwise remains that it may not contain even a shred of truth or may be irrelevant. Thus, stereotyping makes the perception inaccurate based on a false premise about a group.

(IV) PERSONALITY
Personality of the perceiver also affects what is to be perceived. In this context, researchers have reported that secure individuals tend to perceive others as warm not cold and indifferent and persons accepting themselves and having faith in their individually perceive things favourable. These also imply that persons being insecure and non-accepting themselves are less likely to perceive others around them.
(V) SITUATION
The situation or context in which we observe or see things also influence our perception about them. Just think. A management Professor may not notice his 20-years-old girl student in an evening gown and heavy makeup at a marriage party in a five-star hotel. Now, if the same girl student so attired attends his class on next day would certainly catch the Professor’s attention along with that of the rest of the class. This indicates how situations affect our perception. Closely related to situation is time light, heat or other situational factors that affect the perceiver’s perception about the things or events to be perceived.

(VI) PERCEIVER
So far we have learnt how factors residing in objects and situations affect one’s perception about things and events. Factors residing in the perceiver himself/herself do also operate to shape and sometimes distort his/her perception. The perceiver’s attitudes, motives, interests, past experience, and expectations are among the more relevant personal factors/characteristics that affect perception. Let us give an example how personal factors influence what he or she perceives. If you have bought a new Hero Honda, then you suddenly notice a large number of Hero Hondas just like yours plying on the road. Remember, it is unlikely that the number of such Hero Hondas have suddenly increased. Rather, your own purchase (or Hero Honda) has influenced you so you are now likely to notice them around you.
(VII) ACTION

Action is the last phase in the perceptual process. Action is the resultant behaviour of individual emerging from the perceptual process. The action may be positive or negative depending upon favourable perception held by the perceiver. As an example, a student may respond favourably to the motivational intentions of the Professor provided his understanding about his Professor is positive or favourable. The action also may be covert or overt. The covert action relates to change in attitudes, opinion feelings, impressions, etc., The overt action may be in the form of one’s behaviour easily noticeable and visible.

6.5 FACTORS AFFECTING PERCEPTION

Factors that influence perception relate to the perceiver, perceived and situation. All these factors are of two kind — (i) Internal (Endogeneous) Factors, and (ii) External (Exogeneous) Factors. These are now discussed in detail.

INTERNAL FACTORS

These factors reside in the person concerned. These include one’s needs, desires, personality and experience.

(I) NEEDS AND DESIRES

An individual’s perception about stimuli is influenced by, inter alia, his needs and desires at that time. Perception varies depending upon variations in his / her needs and desires from time to time.
Closely related to needs and desires is the personality of the perceiver, which affects what is attended to or perceived in the given situation. As mentioned earlier, research studies suggest that secure individuals tend to understand or perceive others as warm and self-accepting individuals perceive themselves as linked, wanted and accepted by others.

Experience and knowledge serve as basis for perception. While one’s successful experience enhances his / her perceptive ability, failure erodes his / her self—confidence. Successful experience also helps perceiver understand stimuli with more accuracy.

The external factors relate to what is to be perceived and situation. These are size, intensity, frequency, status, etc.,

The principle of size says that the larger the object, the more is the probability that it is perceived. Size attracts the attention of the individual. A full-page spread advertisement attracts more attention than a few lines in a classified section. The reason is not difficult to seek. The size establishes dominance and enhance perceptual selection.
(II) INTENSITY
Intensity is closely related to size. The intensity principle of attention states that the more intense the stimuli, the more likely it is to be perceived. As an example, a loud noise or strong odor will be noticed more than a soft sound and weak odor. Following the intensity principle, the superiors may yell at their subordinates to gain attention. Advertisers use intensity to attract and gain the consumer’s attention.

(III) FREQUENCY / REPETITION
The repetition principle states that a repeated external stimulus is more attention — getting than a single one. It for this reason that advertisers go for repetitions advertising to gain the customer’s attention to their product.

(IV) CONTRAST
According to the contrast principle, the external stimuli which stands out against the background will receive more attention. For example, plant safety signs with black lettering on a yellow background or white lettering on a red background are more attention - attracting.

(V) STATUS
Status held by an individual also influences his / her perception about things or even Researches suggest that people with high status often exert more influence on the perception an individual as compared to those holding low status.
(VI) MOVEMENT

The movement principle says that people pay more attention to a moving object than the stationary ones. People will be attracted more by a running train than one standing on the platform.

6.6 IMPROVING PERCEPTION

By now it is learnt that perception precedes behaviour. How one (say, boss) will behaviour with others (say, subordinates) depends on how the former perceives the latter. More accurate the perception, the better will be behaviour and vice versa. Inaccurate perception distorts behaviour. And in this lies the need for and importance of improving perception. Perception can be improved by making various attempts. Following are the important ones that can help one improve his / her perception.

(I) PERCEIVING ONESELF ACCURATELY

In order to perceive others accurately, one first needs to perceive oneself accurately. Therefore, one needs to improve more awareness about himself / herself. Frequency and better interaction with peers; free, frank and open communication with others and mutual trust are some commonly adopted practices for perceiving oneself more accurately.

(II) IMPROVING ONE’S SELF-CONCEPT

When people successfully accomplish what they want, it develops a sense of self-regard and self-esteem. It is called “self concept”. Research studies suggest that people having self-concept tend to perceive others more accurately.
Abraham Maslow also contends that self-actualising people have more accurate perceptions about themselves and others that those who are not self-actualising. It also indicates that correct perception about oneself helps perceive others also more accurately.

(III) BE EMPATHETIC

Empathy means to be able to see a situation as it is perceived by other people. In a way, it is like putting your feet in another's shoes. Looking at a problem from others' point of view enables the person to perceive the other side of the problem.

(IV) HAVING POSITIVE ATTITUDE

Positive attitude makes one's perception positive or more accurate. Hence, the managers need to try to overcome their personal bias, get rid of any negative feelings, if any, they have of others. These enhance an individual's perceptual skill.

(V) AVOIDING PERCEPTUAL DISTORTIONS

As discussed earlier, some factors such as halo effect, stereotyping, attribution, first impression, etc. distort one's perception about things or problems. Therefore, sincere and continuous efforts should be made to guard oneself against such biases. This, in turn, will improve one's perceptual ability.
(VI) COMMUNICATING OPENLY

Experience suggests that sometimes perception gets distorted due to communication gap or and inadequate communication. In such case, effective communication needs to be developed to ensure that true and right message reaches the right place and at the right time. This will enable to know the problem in a better perspective which, in turn, will improve person’s perception about the problem.

In short, it can be summed up that perception skills can be enhanced by

- Knowing and perceiving oneself accurately.
- Seeing a situation / problem as it is experienced by others, i.e. empathy.
- Having positive attitude towards the problems and situations we are confronted with.
- Improving one’s self-esteem or self-concept.
- Avoiding the common biases in perception.
- Making two-way/effective communication to dispel mis-communication or lack of communication.
- Making a conscious effort to avoid attribution.
6.7 INSURANCE POLICY HOLDERS PERCEPTION OVER VARIOUS POLICIES OF LIC OF INDIA

LIC of India introduced around 128 different types of Life Insurance Policies with a view to satisfying the needs of investors. Each policy is distinctive from other policies in the way or the other. Accordingly, the policy holders have to receive information about the policies and have to select policies. How actually they receive information and what are the sources of information needs re-examination. The LIC of India on its own, through its agents and through different media popularizes its policies. The perceptual process in selecting a policy may based on several criteria. Which criteria is perceived by the policy holder shall be ascertained only means of an empirical study. Besides are insurance, among other things, severs two prominent purposes viz., coverage of risk and promoting savings. When it is savings what will be the for savings. When it is savings what will be the income for savings. As such a number of factors may be listed to understand the perception of policy holders therefore, as a perceptual analysis the following analysis may be pertinent to the proposed study.

i - Choosing a kind of policy
ii - Motives of taking policies
iii - Preference towards LIC's policies over other competitors.
iv - Which source of knowing LIC policies is relied most
v - LIC's competitive edge over other insurers in the market
vi - Perception over settlement of claim by the LIC
vii - The feature or features of LIC policies which influence the decision of policy holders the most.
viii - Our perception of the reasons for preferring LIC policies
Rather fixing the points for the investor’s perception on the basis of assumption it will be meaningful to test the perception of policy holders by means of empirical tests based on the first hand information collected from the LIC policy holders.

CONCLUSION

Perception is a process which involves seeing, receiving, selecting, organizing interpreting and giving meaning to the environment. As for as the LIC policies are concerned perception is understanding the features of policies. Perceptual process is selection process. Several factors influence interpretation and they are halo effect, attribution, stereotyping, personality, situation and perceiver. Perceiver’s attitudes, motives, interests, past experience and expectation are among the more relevant personal factors that affect perception. The factors affecting perception may be internal factors and external factors. Theoretically perception can be improved. The perceiver LIC of policy holders may be affected by different kinds of policies, motives and features of policies, reasons for preferring one kind LIC policy. In Chapters VII, VIII and IX empirical analyses have been made to understand the perception of policy holders towards the various policies of LIC.