

The Open University of Sri Lanka  
 Faculty of Management Studies  
 Master of Business Administration in Human Resource Management  
 Final Examination 2021/2022, Semester I  
 OSP9334/ MSP9334/ MCP2134- Organizational Behaviour  
 Duration: 03 Hours



Date: 03<sup>rd</sup> April 2022  
 p.m.

Time: From 9.30 a.m. to 12.30

No. of Questions: 05  
 Pages: 03

No. of

**Instructions:** ANSWER **FOUR (04)** QUESTIONS INCLUDING **QUESTION NO. 01**, WHICH IS COMPULSORY.  
 ALL ANSWERS SHOULD BE WRITTEN NEATLY AND FOCUSED.

1. Read the following case study and answer the questions given at the end.

### Chris Cunningham

Elizabeth Stover was the president of Stover Industries, an amalgamation of several small companies in the electrical parts industry. She and her husband had inherited one of the group of companies from her father-in-law. Mrs. Stover, an engineer, elected to run the company while her husband pursued a separate career as a dental surgeon. In addition to the original inheritance, Mrs. Stover had purchased three other companies to make the present Stover Industries. Mrs. Stover was only 31 years old. She was dynamic individual, full of ideas and drive. In the space of a year, she had welded Stover Industries into a profitable organization known for its aggressiveness.

Mrs. Stover integrated the four companies into a unified organization by welding the individual management into one unit. Some individuals were let go in each organization as it was purchased and became part of Stover Industries. In several other instances, executives of the newly purchased companies resigned because of difficulties in working for such a young and driving boss. The four plants continued as individual manufacturing units of the company and together employed approximately 475 production workers. Some problems arose in integrating the individual sales staff, since the original companies had been competing with each other. Consequently, the salesmen had overlapping territories. This was gradually being worked out; but the sales people were permitted to keep their own old customers, making it next to impossible to assign exclusive territories to each sales person.

The sales staff included 17 men and the sales director. The sales director had been with the original Stover Company as sales manager. He knew Elizabeth Stover well and was able to work as her complacent subordinate. Most of his time and energy was devoted to routine direction and coordination of the sales team. Although a trusted lieutenant of Mrs. Stover, the sales director was not much more than titular head of the sales force. Mrs. Stover provided the active leadership.

Mrs. Stover had personally hired Chris Cunningham, a college classmate, as a salesperson for the organization. Chris shared some of Stover's drive and enthusiasm and, in a short time, had justified Mrs. Stover's choice with a sensational sales record. In terms of sales performance, Chris Cunningham's record left little to be desired.

Yet Chris represented a thorny problem to Mrs. Stover. The problem, as outlined by Mrs. Stover, appeared to her to shape up in the following fashion;

*I hired Chris because we knew and admired each other in our college days. Chris was always a leader on campus, and we had worked well together in campus affairs. Chris was just a kind of a person I wanted in this organization—a lot of drive and originality, combined with tremendous loyalty. The way I operate, I need a loyal organization of people who will pitch right in on the projects we develop.*

*Chris has already been proven a top-notch performer and will probably be our best salesperson in a year or two. Could one ask for anything better than that?*

*Here is where the rub comes in. Chris is the sort of person who has absolutely no respect for organization. A hot order will come in, for example, and Chris will go straight to the plant with it and the raise hell until that order is delivered. It doesn't make any difference that our production schedule has been knocked to pieces. The order is out, and Chris has a satisfied customer. Of course, that sort of thing gets repeat business and does show well on Chris's sales record. But it has made running our plant a constant headache. It is not only the production people who have felt the impact of Cunningham on the operations. Chris gets mixed up with our engineering department on new designs and has even made the purchasing department furious by needling them to hurry supplies on special orders.*

*You can just imagine how the rest of the organization feels about all this. The other salespeople are pretty upset that their orders get pushed aside—and are probably a bit jealous, too. The production people, the engineers, the purchasing agent, and most of the rest of the staff have constantly complained to me about how Chris gets in their hair. On a personal level, the staff say they like Chris a lot but that they just cannot work with such a troublemaker in the organization.*

*I have talked to Chris many times about this. I have tried raising hell over the issue, pleading for change, and patient and rational discussion. For may be a week after one of these sessions, Chris seems like a reformed character, everyone relaxes a bit, and then bang-off we go again in the same old pattern.*

*I suppose that in many ways Chris is just like me—I must admit I would probably be inclined to act in much the same way. You see, I have a lot of sympathy for Chris's point of view.*

*I think you can see now what my problem is. Should I fire Chris and loose a star sales person? That does not make too much sense. In fact, Chris is probably the person who should be our sales director, if not immediately at least in few years. But without the ability to get along with the organization, to understand the meaning of 'channels' and 'procedures', Chris is not only a valuable and talented addition to the company, but a liability as well. Should I take a chance on things eventually working out and Chris getting educated to the organization? Should I put on a lot of pressure and force a change? What would that do to Chris's enthusiasm and sales record? If I just let things go, then there is a real danger to my organization. My executive will think I have given Chris the green light, and they will transfer their antagonism to me. I certainly cannot afford that.*

**Source:** Cohen, A.R., Fink, S.L., Gadon, H., and Willits, R.D., (2001). *Effective Behaviour in Organizations; Cases, Concepts, and Student Experiences*. McGraw Hill Companies Inc., New York.

**Questions:**

- I. Analyze the situation, which Mrs. Stover was facing. Use relevant theories and concepts you have learned in 'Organizational Behaviour' to elaborate your answer.

(20 marks)
- II. What would you suggest as remedial course of action to the situation faced by Mrs. Stover? Justify your answer.

(20 marks)
  
2. Discuss how managers can overcome major challenges facing today's organizations with the competitive business environment, by using the knowledge that you gained from 'organizational behaviour'.

(20 marks)
  
3. "It is said that management cannot implement organizational changes exactly as expected".  
Discuss the validity of this statement and explain the procedure to be followed in order to implement a proposed organizational change to the desired extent.

(20 marks)
  
4. "There is a significant positive impact of employee job satisfaction on organizational effectiveness".
  - I. What are the major factors influence on employee job satisfaction? Explain.

(08 marks)
  - II. Discuss how significant outcomes employee job satisfaction impact on organizational effectiveness. Use practical examples to elaborate your answer.

(12marks)
  
5. I. Discuss how do organizational cultures develop, highlighting four steps that commonly occur.

(10 marks)
- II. "Despite the complexity, significant barriers and resistant to change, it is possible to change organizational culture over time".  
Describe how can organizational culture be changed.

(10 marks)

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