



**THE OPEN UNIVERSITY OF SRI LANKA  
BACHELOR OF MANAGEMENT STUDIES DEGREE PROGRAMME - LEVEL 5  
MCU 3206 – ORGANIZATIONAL BEHAVIOUR  
FINAL EXAMINATION – 2013**

**DURATION : THREE (03) HOURS**

**Date : 30.06.2013**

**Time : 1.30p.m. – 4.30p.m.**

**No of Questions : 07**

**No. of Pages : 03**

**Instructions :** Answer **Five (05)** questions **including Question No. 01**, which is compulsory.

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

Long after passing out from the university, Nalaka met Chanaka at a party of a Old Students' Association of the university. Chanaka is a factory manager at a large scale company, manufacturing toys. While talking to Chanaka, Nalaka tried to get an idea of the leadership style that Chanaka is having.

Chanaka : "I don't make decisions at my factory".

Nalaka : "Do you use democratic leadership?"

Chanaka : "No. I don't make decisions. My subordinates are led to make decisions. No point for me to do their job".

Actually, Nalaka didn't really believe what he was hearing. He thought that Chanaka would invite him to visit the factory. Nalaka asked him when he could come to see the factory. Chanaka said "come, anytime you like, except Mondays between 10.00am and 12.00noon".

In the of middle of following week Nalaka went to Chanaka's office. He did not even have a secretary for his office. He was lying on a sofa, half asleep. He was awakened by Nalaka's arrival. Then he offered Nalaka a seat.

Their conversation began by Nalaka asking about Chanaka's routine work done every day. "I sleep a lot. I read four or five memos, which I get from the head office every week". Nalaka could not believe what he was hearing. Chanaka aged fifty years, obviously a successful manager telling Nalaka that he doesn't do anything.

Chnaka : "If you don't believe what I am saying, check with my subordinates". He said that he has six departments and each department has a manager.

Then Nalaka requested him to choose one of them to whom he could talk.

Chanaka : "No. I can't do that. Remember, I don't make decisions. Here are the names and numbers of my department managers. You call them".

Nalaka did just that. He picked Indika who is the manager for Quality Control Department. Nalaka dialed his number and told him that he wants to have a discussion with him about the leadership style of his boss. Indika said "you can come here and meet me. I have got nothing to do all day".

When Nalaka arrived at Indika's office, he was staring out of the window. They sat down and started to talk.

- Indika : "I bet Chanaka has told you he doesn't make decisions".
- Nalaka agreed with him
- Indika : "It is all true. I have been here for almost five years and I have never seen him making decisions".
- Nalaka : "I couldn't figure out how this could be. How many people work here?"
- Indika : "about two hundred people".
- Nalaka : "How does this factory operate more efficiently than other factories?"
- Indika : "We are number one out of four toys manufacturing factories of our company. Thus, this is the oldest factory. Our equipment may be outdated. But, they are as efficient as they came".
- Nalaka : "What does Chanaka do?"
- Indika : "Chanaka attends staff meetings on Monday 10.00am to 12.00noon. But, other than that I know nothing".
- Nalaka : "I think he makes all the decisions at that once a week staff meeting".
- Indika : "No. Each department heads tells what key decisions he has made last week. We then, criticize each other. Chanaka says nothing. The only thing he does at those meetings is listening and reporting on any happening to head office".

Nalaka wanted to learn more. So, he went back to Chanaka's office and he could see that Chanaka was chipping his fingernails. What followed was a long conversation in which Nalaka learned the following facts.

The two hour staff meeting is presided over by one of the department heads. They choose among themselves who will be their leader. It is a permanent position. Any problem that has come up during the work, if it cannot be handled by a particular manager, will first be considered by the other managers together. Only if the problem is still unresolved will it be taken to the leader. All issues are resolved at that level. They are never taken to Chanaka's level.

The performance records at Chanaka's factory are well known to the company. Two of last three factory managers of the company have come from Chanaka's factory. When recommending a candidate for a factory manager, Chanaka selects the department head who presides over the staff meeting. So, there is a great deal of competition to lead the meetings. Additionally, whenever there is a vacancy for department manager at Chanaka's factory, the best people of the company apply for it.

Questions:

- I. Is Chanaka's leadership style effective? Explain the leadership style exhibited by Chanaka using a relevant theory of leadership. Use suitable examples where necessary to elaborate your answer. (16 marks)
- II. Would you like to work with Chanaka? Explain why. (12 marks)

2. "Organizational Behaviour is built upon contributions from different types of behavioural disciplines". Discuss. Elaborate your answer with suitable examples. (18 marks)
3. Discuss how the knowledge of managers about 'inherited characteristics' and 'learned characteristics' of human behaviour helps them to take pro-active actions to avoid human conflicts in their organizations. Elaborate your answer with practical examples. (18 marks)
4. "Organizations seek to develop in their employees' attitudes and behaviour which are tuned with the organization's mission and objectives"  
I. What is meant by 'attitudes'? Distinguish between attitudes and behaviour. (09 marks)  
II. Discuss the stages of a programme which set out to change the attitudes of employees. (09marks)
5. "To face the challenging situations in current competitive business environment, motivated employees in an organization is an important factor".  
I. What is meant by 'process of motivation'?. (06 marks)  
II. Discuss the necessity of launching a motivational programme for employees in an organization for its effectiveness. (12 marks)
6. I. Explain the meaning of the term 'learning'. (06 marks)  
II. Discuss how 'punishment' might lead to an unexpected result in an organization. Use practical examples to elaborate your answer. (12 marks)
7. I. Explain what is meant by 'effective communication'? (06 marks)  
II. Discuss the steps that can be taken by a manager to maintain the effectiveness of communication in an organization. (12marks)

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