

THE OPEN UNIVERSITY OF SRI LANKA
MASTER OF BUSINESS ADMINISTRATION IN HUMAN RESOURCE MANAGEMENT
MCP 2134 – ORGANIZATIONAL BEHAVIOUR
FINAL EXAMINATION – DECEMBER 2010



DURATION : THREE (03) HOURS

Date : 18.12.2010

Time : 1.30p.m. – 4.30p.m.

No. of Questions :05

No. of Pages : 04

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.

Kingston Company

The Kingston Company, located in Ontario, was a medium sized manufacturing firm, which made a line of machine parts and marketed them to plants in the southeastern section of the province. Harold Kingston, the president and majority share holder in the company, held a master of business administration degree from an American university and was a vigorous supporter of the usefulness and value of a graduate business education. As a result, he had on his staff a group of four young MBAs, to whom he referred as the “think group” or “troubleshooters”.

The four members of the group ranged in age from the youngest at 23 to the oldest at 35, with the two intermediate members being 27. They were all from different universities and had different academic backgrounds. Their areas of interest were marketing, organizational behaviour, operations research, and finance. All had been hired simultaneously and placed together in the think group by Mr. Kingston because, as he put it, “With their diverse knowledge and intelligence, they ought to be able to solve any of this company problems”.

For their first month on the job, the “Big Four”, as they became known in the firm, familiarized themselves with the company’s operations and employees. They spent half day every week in conference with Mr. Kingston and his executive committee, discussing the goals and objectives of the company and going over the history of the major policy decisions made by the firm over the years. While the process of familiarization was a continuing one, the group decided after four weeks that it had uncovered some of the firm’s problems and that it would begin to set out recommendations for the solution of these problems.

From the beginning the members of the group had worked long hours and could usually be found in the office, well after the plant had closed, discussing their findings and trading opinions and ideas. The approach to problem solving that they adopted was to attack each problem as a group and to pool their ideas. This seemed to give a number of different slants to the problems and many times helped clear away the bias that inevitably crept into each member’s analysis.

Mike Norton, the finance specialist and the younger member of the group, and Jim Thorne and Dave Knight, the operations research man and the behavioural management man, respectively, spent a lot of time together outside the work environment. They seemed to have similar interests, playing tennis and golf together and generally having a keen interest in sports. They managed to get tickets together to watch the local professional football games, and ice hockey tickets, and so on. The fourth and oldest member of the group, Cy Gittinger, did not share these interests. The only "sports" he played were shuffleboard and croquet; and he didn't join other three too often after work for a beer in a local bar, since he also abstained from alcohol.

The group, from the beginning, was purposely unstructured. All the members agreed to consider themselves equals. They occupied one large office, each having a desk in an opposite corner, with the middle of the room acting as a "common". Basic decisions usually were made with the four men pacing about in the open area, leaning against the walls and desks, and either squeezing or bouncing "worry balls" of a rubber putty substance, used for cleaning typewriters, off the walls. The atmosphere was completely informal, and rest of the firm kidded the members of the group about the inordinately large amount of typewriter cleaner used in the room when there were no typewriters to be seen.

While consensus was not required, the group members found that they were able to agree on a course of action most of the time. When they were unable to do so, they presented their differing opinions to Mr. Kingston, in whose hands the final decision rested. They acted in a purely staff capacity, and, unless requested to help a particular manager and authorized to do so by Mr. Kingston, they confined their reports to the president and his executive committee. Reports usually were presented in written form, with all four members of the group present and contributing verbal support and summation.

The group realized that working in close contact would result in strained relations on occasion, and the members agreed to attempt to express their feelings accurately and try to understand issues from the other members' point of view. Jokes about "happiness boys", "junior baruchs", "peddlers", and "formula babies" were bandied about, and each of the four made a conscious effort to see the biases introduced by his field of interest. Attempts at controlling the discussion and establishing a leadership position were handled by pointing out the behaviour to the individual involved.

However, as the months passed, there seemed to be a growing uneasiness in the relationship between Norton, Thorne and Knight and the fourth member, Gittinger. The three brought their feelings out one day when they were playing golf. At the 19th hole over a drink, Thorne commented on the amount of time Gittinger spent talking to Mr. Kingston in his office. They all spent a great deal of time out of their office talking to managers and workers although the plant, gathering data on various problems; but Thorne remarked Gittinger seemed to confine his activities to the upper levels of management far more than the others did. The other two had made the same observation but felt that it was really hard to put a finger on anything "wrong" about consulting with the president continually. They agreed that their fact-finding did not generally require as much time at higher levels as Gittinger was devoting; but when the point was brought up in subsequent discussion at the office. Cy explained that to get information from Mr. Kingston, he found an "indirect" approach, which entailed a certain amount of small talk, was most successful.

After the group had been functioning for 10 months, Mr. Kingston called them into a meeting with his executive committee and went through an appraisal of their performance. He was, he said tremendously pleased that his think group had performed so well, and he felt vindicated in his belief in the potency of applying the skills learned in graduate business school. His executives added their words of praise. Then Mr. Kingston brought up a suggestion he said he and Cy Gittinger had been discussing for the past month and a half, to appoint one of the group members as a coordinator. The coordinator's job would be to form a liaison between Kingston and the executive committee on one hand and the group on the other hand also to guide the group, as a result of the closer ties of the coordinator with the management team, in establishing a set of priorities for different problem areas.

When Mr. Kinston had finished describing the proposal, which, it seemed, met with his and the committee's approval, Jim Throne remarked that, this procedure seemed to be unnecessary in the light of the previous smooth functioning of the group and began to explain that such a change would upset the structure and goals of the group. He was interrupted by Mr. Kingston, who said he had an important engagement. "We'll leave the working out of all the details to you men," he said. "We don't want to impose anything on you, and we have all agreed that you should be the ones to work out just how this new plan can be implemented". At this point the meeting ended.

As the group walked back to their office, Gittinger was the only one who talked. He wondered aloud who would be the most suitable man for the coordinator's job and repeated Mr. Kingston's words, citing the advantages that would accrue to the company with the creation of such a position. Since it was 4.45 p.m., they all cleared their desks and left the plant together, splitting up outside to go home.

At 6p.m., Thorne called Norton to ask him what he thought about the developments of the afternoon. The latter expressed surprise, anger, and resentment that the decision had been made without the consultation of the group and remarked that Knight, to whom he had just been talking, felt the same way. The trio made arrangements to meet for the dinner at their downtown athletic club at 7 p.m. that evening to discuss the situation.

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. What are the major behavioural issues you have identified in this case? Analyze those issues using relevant concepts and theories. (20 marks)
- II. What would you suggest as a remedial course of action to deal with the situation that has arisen due to Mr. Kingston's decision to appoint a coordinator? Justify your answer. (20 marks)

2. I. "It is necessary to launch a motivational programme to get the work done through people to achieve organizational objective(s) effectively and efficiently. Explain how far theories of motivation provide a framework to motivate employees belonging to different levels in the hierarchy of an organization. (10 marks)
- II. Elaborate how to link rewards to performance of those employees. (10 marks)
3. "It is said that management can not implement organizational change exactly as expected". Discuss the validity of this statement and show a procedure to be followed in order to implement a proposed organizational change to the desired extent. (20 marks)
4. I. What is meant by the term 'organizational culture'? Define it and discuss its characteristics. (06 marks)
- II. "Despite the significant barriers and resistance to change, organizational culture can be managed and changed over time". Discuss how culture in an organization can be changed. (14 Marks)
5. I. What do you mean by the term 'job satisfaction'? Briefly explain the major factors that influence job satisfaction? (10 marks)
- II. Discuss important out comes of job satisfaction that can be seen practically in your work environment. (10 marks)

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