Roll No. _____
(Do not write anything on question paper except Roll No.)
[This paper consists of FOUR Pages]

Jagan Institute of Management Studies
End-Term Examination, December 2017 – January 2018
Trimester II – PGDM 2017-19

Organizational Behaviour
ET_PG_OB_0301

Time: 3 Hrs.   *M. Marks: 70*

INSTRUCTIONS: Attempt any FIVE questions including Q1 & Q7 which are compulsory.

Q 1   Attempt any THREE of the following:
     a) Lewin's three step-model of change helps to deal with resistance to change
     b) High group cohesiveness leads to high group productivity.
     c) Stress at times results in high productivity, yet the reverse is also true.
     d) The value system of a manager influences decision making in an organization.   **15**

Q 2   Alba Ltd is doing well under the leadership of Tapas Sen and has a respectable standing in the automobile parts market. Tapas believes in concentrating heavily on advertising to improve the image of the company in the eyes of its customers and stakeholders. Vikas Malhotra, VP (Engineering) has a different perspective. He believes that the quality of the product will speak for itself and customers will appreciate and acknowledge good quality. Tapas find Vikas's ideas illogical and immature. He has communicated clearly too all the employees that as the owner of the company, he would take all decisions in the best interests of the company. This has created some bitterness in the relationship between Tapas and Vikas. Tapas does not approve of the decisions that Vikas takes in his absence and always asks Vikas for clarifications on his return. Since Vikas does not want to confront Tapas, he tries to evade the issues as long as possible. Tapas feel that it is impossible to continue working with Vikas and therefore it is time to meet up and take a decision about their future working relationship.
     a) How do Vikas and Tapas perceive each other? Are they right in their perception and each other's evaluation?
     b) If you were in Tapas's place, how would you handle the situation? What would you do if you were in Vikas's place?   **12**

Q 3   Radical Furniture, an office furniture manufacturer, recently reorganized its structure around teams. Ranjit who earlier worked independently on

contemporary furniture design is now assigned tp modular office design team (MOD) which does work he finds less challenging and interesting. He also believes that some low performing individuals have been put into the team. Vidya, the new team member also agrees with Ranjit. She told him, "Listen, I know you are upset about some low performers assigned to the team but that's what team is all about. I think the strength of the team magnifies when we work together". Ranjit still not convinced opines, "I have worked here for the past five years and I am very good what I do. My performance review over the year confirms that and I have enjoyed being in the highest category. But now things will change. This year onward my evaluation, rating and pay raises are going to depend on how well the team performs. I am really frustrated and demoralized because fifty percent of my evaluation will depend on my team. They knew I was a lone performer and now they are forcing me to work with team".

a) Do you think Radical furniture has taken the right decision to restructure its people around teams?

b) What can the organization do to make Ranjit be a part of the team and accept the appraisal process? **12**

Q 4 M/s MACinzoom   Creative choice is a medium sized organization dealing with manufacture of small plastic toys employing   250 employees. The company has ensured not to use any toxic chemical in the raw material. This organization has a tradition of "following the leader". The decision making is centralized and the productivity of the employees is low. You have been entrusted the responsibility of overall improvement. The HR department is headed by Mr. ISHAI Shoko nun from Japan, who wishes to make changes in the Organization Culture to foster innovation? Discuss with reference to the various steps essential to initiate the concept. **12**

Q 5 a) Explain in brief some of the personality tests widely used by the organisations these days for identifying and classifying traits in their hiring decisions. Also describe the key traits in the Big Five Personality Model and explain how these five traits predict behaviour at work?

b) Explain the concept of Cognitive Dissonance in context of employee's attitudes and behaviour with the help of a suitable example. "The desire to reduce dissonance depends on the importance of elements creating dissonance, the degree of influence, individual believes he or she has over the elements and the rewards that may be involved in dissonance". Explain. **12**

Q 6 **a)** The display of emotions is important to negotiations and customer service and the experience of emotions is closely linked to job attitudes and behaviours that follow from attitudes. Explain.

b) Reinforcement can be positive or negative in shaping the human behavior. Discuss with suitable examples. **12**

Q 7 Read the case and answer the questions given at the end.

Starbucks Returns to Its Roots

You are probably so used to seeing Starbucks coffee shops everywhere that you might not realize the company went from just 11 stores in 1987 to 2,600 in the year 2000. This incredibly rapid growth sprang from the company's ability to create a unique experience for customers who wanted to buy its distinct brand of lattes and mochas wherever they found themselves. At Starbucks' core, there was also a culture of treating each customer as a valued guest who should feel comfortable relaxing and taking in the ambience of the store. Whether you were in the company's founding location in Seattle, Washington, or at the other end of the country in Miami, Florida, you knew what to expect when you went to a Starbucks.

This uniform culture was truly put to the test in the face of massive expansion, however, and by 2006 Starbucks' chairman and former CEO Howard Schultz knew something had gone wrong. He noted that, "As I visited hundreds of Starbucks stores in cities around the world, the entrepreneurial merchant in me sensed that something intrinsic to Starbucks' brand was missing. An aura. A spirit. The stores were lacking a certain soul." Starbucks' performance had become lackluster, with hundreds of planned store openings being canceled and hundreds more stores being closed.

So, Schultz took the dramatic step of coming back as CEO and engaging in a companywide effort to change the corporate culture back to what it had been before its expansion. All 7,000 Starbucks stores were closed for a single afternoon as part of a training effort of 135,000 baristas. Quality control was a primary mission; baristas were instructed to pour every glass of espresso like honey from a spoon, to preserve the flavor. This emphasis on quality over speed ran counter to the principles of mass production, but it was just what the company needed to ensure it could retain its culture. Espresso machines that obscured the customers' view were replaced with lower profile machines that allowed baristas to look directly at guests while making beverages. And "assembly-line production," like making several drinks at once, was discouraged in favor of slowly making each drink for each customer.

Schultz is convinced his efforts to take the culture back to its roots as a neighborhood coffee shop—one entranced with the "romance of coffee" and treating every customer as an old friend—has saved the company. Today, Starbucks earns more than $10 billion in annual revenue and serves more than 50 million customers a week around the globe.

Questions:

a) What factors are most likely to change when a company grows very rapidly, as Starbucks did? How can these changes threaten the culture of an organization? **6**

b) Why might this type of radical change process be easier for Starbucks to implement than it would be for other companies? **6**

c) A great deal of the return to an original culture has been credited to Howard Schultz, who acted as an idea champion. Explain how Schultz's efforts to change the Starbucks culture fit with the notion of culture change. **6**

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