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EASTERN UNIVERSITY, SRI LANKA  
FACULTY OF COMMERCE AND MANAGEMENT  
PART I EXAMINATION IN BBA/ COM 2000/ 2001 (REPEAT)  
(OCTOBER/ NOVEMBER 2001)

**BBA 206 Organizational Behaviour**

**Time: 03 Hours**

Answer **five** questions including question No. 01.

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01. Read the following case study and answer the questions given below.

### HUMANIZED ROBOTS

Helen was stumped. Sitting in her office at the plant, she pondered the same questions she had been facing for months : how to get her company's employees to work harder and produce more. No matter what she did, it didn't seem to help much.

Helen had inherited the business three years ago. It is a toy business. When her father, Jake passed away unexpectedly. Toys machine parts were founded four decades ago by Jake and had grown into a moderate size corporation. Helen makes replacement parts for large – scale manufacturing machines and the firm is headquartered in Colombo city and has three plants scattered throughout Sri Lanka.

Although Helen grew up in the family business, she never understands her father's approach. Jake had treated his employees like part of his family. In Helen's view, however, he paid them more than he had to, asked their advice far more often than he should have, and spent too much time listening to their ideas and complaints. When Helen took over, she vowed to change how things were done and bring the firm into the 21<sup>st</sup> century. In particular, she resolved to stop handling employees with kid gloves and to treat them like what they were: the hired help.

In addition to changing the way employees were treated, Helen had another goal for toys. She wanted to meet the challenge of International Competition. Japanese firms had moved aggressively into the market for heavy industrial equipment. She saw this as both a threat and an opportunity. On the other hand, if she could get a toehold as a parts supplier to these firms, toys could grow rapidly. On the other hands the lucrative parts market was also sure to attract more Japanese competitors. Helen had to make sure that toys could compete effectively with highly productive and profitable Japanese firms.

From the day Helen took over, she practiced an altogether different philosophy

to achieve her goals. For one thing, she increased production quotas by 20%. She instructed her first – line supervisors to crack down on employees and eliminate all idle time. She also decided to shut down the company soft – ball field her father had built. She thought the employees really didn't use it much, and she wanted the space for future expansion.

Helen also announced that future contributions to the firm's profit – sharing plan would be phased out. Employees were paid enough, she believed, and all profits were the rightful property of the owner – her. She also had private plans to cut future pay increases to bring average wages down to where she thought they belonged. Finally, Helen changed a number of operational procedures. In particular, she stopped asking other people for their advice. She reasoned that she was the boss and knew what was best. If she asked for advice and then didn't take it, it would only stir up resentment.

All in all, Helen thought, things should be going much better. Output should be up and costs should be way down. Her strategy should be resulting in much higher levels of productivity and profits.

But that was not happening. Whenever Helen walked through one of the plants, she sensed that people weren't doing their best. Performance reports indicated that output was only marginally higher than before but scrap rates had soared payroll costs were indeed lower, but other personnel costs were up. It seemed that turnover had increased substantially and training costs had gone up as a result.

In desperation, Helen finally had hired a consultant. After carefully researching the history of the organization and Helen's recent changes, the consultant made some remarkable suggestions. The bottom line, Helen felt, was that the consultant thought she should go back to that "Humanistic nonsense" her father had used.

No matter how she turned it, though, she just couldn't see the wisdom in this. People worked to make a buck and didn't want all that participation stuff.

Suddenly, Helen knew just what to do: She would announce that all employees who failed to increase their productivity by 10% would suffer an equal pay cut.

She sighed in relief, feeling confident that she had finally figured out the answer.

### **Case Questions :**

- i. How successful do you think Helen's new plan will be?

(08 Marks)

- ii. What challenges does Helen confront?  
(10 Marks)
  - iii. If you were Helen's consultant, what would you advise her to do?  
(10 Marks)
- (Total 28 Marks)

- 02.
- i. What do you mean by 'Attribution theory'? What are its implications for explaining organizational behaviour?  
(05 Marks)
  - ii. What are the factors, which contribute to organizational political behaviour?  
(04 Marks)
  - iii. Contrast classical conditioning, operant conditioning and social learning theories?  
(09 Marks)
- (Total 18 Marks)

- 03.
- i. How employees can express their dissatisfaction with the organisation? Discuss?  
(06 Marks)
  - ii. As a manager how would you go about trying to make someone a better organizational citizen?  
(06 Marks)
  - iii. Discuss the following statement "Group Cohesiveness is the good, warm feeling we get from working in groups and is something that all group leaders should strive to develop in the groups they lead"?  
(06 Marks)
- (Total 18 Marks)

- 04.
- i. Briefly explain the major sources of Organizational Resistance to change?  
(06 Marks)
  - ii. What are the effects of organizational design on employee behaviour?  
(05 Marks)
  - iii. How to overcome the major Resistance to change in an organization? Explain?  
(07 Marks)
- (Total 18 Marks)

05. i. Describe the three sources of potential stress, which of these are controllable by Management?

(08 Marks)

ii. Do you agree that a certain degree of stress is necessary to induce high energy and motivation? Briefly explain with examples.

(05 Marks)

iii. What can organizations do to reduce the employees' stress?

(05 Marks)

(Total 18 Marks)

06. Write short notes on the following.

i. Organisational Development

ii. Nominal group Technique

iii. Types of power

iv. Organizational culture

v. Inter group conflict

vi. Sources of Innovation

(06 x 03 = 18 Marks)

07. i. What do you mean by the term 'leadership' and distinguish leadership from management?

(5 marks)

ii. What are the major dimensions of leadership behaviour?

(5 marks)

iii. How do Theory X and Theory Y influence the behaviour of employees. Justify your answer with regard to leadership approach.

(8 marks)

(Total 18 marks)

8. i. What do you mean by the term "personality"?

(4 marks)

ii. How do the biological, demographical and the situational factors that contribute to personality development?

(8 marks)

iii. How does the study of personality helps to understand organisational behaviour?

(6 marks)

(Total 18 marks)