

**EASTERN UNIVERSITY, SRI LANKA**

**Faculty of Commerce and Management**

**Second Year/First Semester Examination in Bachelor of Business**

**Administration/Commerce – 2012/2013 (March 2015)**

**(Proper/Repeat/Re-Repeat)**

**MGT 2053 Organizational Behaviour**

Answer all five (5) questions

Time: 03 hours

Read the case study given below and answer the questions

**ABUSIVE CUSTOMERS CAUSE EMOTIONS TO RUN HIGH**

Telephone customer-service representatives have a tough time these days. With automated telephone systems that create a jumble for customers, result in long hold times, and make it difficult for them to speak to an actual human being, a customer's frustration often settles in before the representative has had time to say "hello." Says Donna Earl, an owner of a customer-service consulting firm in San Francisco, "By the time you get to the person you need to talk to, you're mad."

Erin Calabrese knows all too well just how mad customers can get. A customer-service representative at a financial services company, she still vividly recalls one of her worst experiences—with a customer named Jane. Jane called Calabrese over some charges on her credit card and began "ranting and raving." "Your ##### company, who do you think you are?" yelled Jane. Though Calabrese tried to console the irate customer by offering a refund, Jane only called Calabrese an "idiot." The heated conversation former customer-service representative who worked in New Jersey also recalls the effects of the abusive calls on her family. "My children would say, 'Mom, stop talking about your work. You're home.' My husband would say the same thing," she said.

Emma Parsons, who quit her job as a customer-service representative for the travel industry, was frustrated by the inability to do anything about abusive customers and the mood they'd put her in. "Sometimes you'd

finish a call and you'd want to smash somebody's face. I had no escape, no way of releasing." She said that if she did retaliate toward an abusive customer, her boss would punish her.

Some companies train their representatives to defuse a customer's anger and to avoid taking it personally, but the effort isn't enough. Liz Aherarn of Radclyffe Group, a consulting firm in Lincoln, New Jersey, says customer-service employees who work the phones are absent more frequently, are prone to illness, and are more likely to make stress-related disability claims than other employees. It is apparent that in the world of customer service, particularly when interactions take place over the phone, emotions can run high, and the effects can be damaging. Although the adage "the customer is first" has been heard by many, companies should empower employees to decide when to hang up. Calabrese, shaking, handed the phone to her supervisor and left her desk.

Sometimes customers can be downright racist. One customer-service representative finally quit her job at a New Jersey company because she constantly heard racial remarks from customers. After she quit, they heard her Spanish accent. "By the time you leave, your head is spinning with all the complaints," she said.

Unfortunately, these employees have little choice but to take the abuse. Many companies require customer-service employees to keep positive emotions at all times to maintain satisfied customers. But the job could be an emotional nightmare that doesn't necessarily end once the calls stop. Calabrese stated that she would frequently take her negative emotions home. The day after she received the abusive call from Calabrese went home and started a fight with her roommate. It was "an all-out battle," recalls Calabrese. "I just blew up." It is appropriate to put the customer second. Otherwise, employees are forced to deal with abusive customers, the effects of which can be detrimental to both the individual and the company.

#### Questions:

- a) From an emotional labour perspective, state how does dealing with an abusive customer lead to stress and burnout?

5) If you were a recruiter for a customer-service call center, what personality types would you prefer to hire and why? In other words, what individual differences are likely to affect whether an employee can handle customer abuse on a day-to-day basis?

(06 Marks)

6) Emotional intelligence is one's ability to detect and to manage emotional cues and information. How might emotional intelligence play a role in responding to abusive customers? What facets of emotional intelligence might employees possess who are able to handle abusive customers?

(08 Marks)

7) What steps should companies take to ensure that their employees are not the victims of customer abuse? Should companies allow a certain degree of abuse if that abuse results in satisfied customers and perhaps greater profit? What are the ethical implications of this?

(09 Marks)

**(Total 28 Marks)**

a. Define **Organizational behaviour** and state the contribution made by various **disciplines** and specify their specialties in the individual, group and organizational level of behaviour.

(06 Marks)

b. Differentiate between **Groups** and **Teams** and explain the five-stage model of Group Development.

(06 Marks)

c. Define **change** and **planned change**. What are the **individual** and **organizational** sources of resistance to change?

(06 Marks)

**(Total 18 Marks)**

a. What is the **Myers-Briggs Type Indicator (MBIT)**, and what does it measure?

(06 Marks)

b. Explain **attribution theory** and list the three determinants of attribution.

(06 Marks)

c. Define **power** and describe the various **bases of Power**.

(06

(Total 18 M

Q4)

a. What are the early theories of **motivation** and how they are similar and different?

(06 M

b. What are the key parts of the **communication** process, and how do you distinguish formal and informal communication.

(06 M

c. What are the contributions made by contingency theories of leadership and how it is relevant to Organizational Behaviour?

(06 M

(Total 18 M

Q5)

a. State the differences between **distributive and integrative** bargaining and specify the five stages in the **negotiation** process.

(06 M

b. Contrast the three components of an **attitude** and specify the relationship between attitudes and behavior.

(06 M

c. Explain how individual differences and organizational constraints affect decision making.

(06 M

(Total 18 M