

K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH

Program:PG(RM) / PG(Comm) Trim I
Subject: Leadership and Organizational Behavior

Maximum Marks: 50

Duration: 3 hours

Date : 22/09/2016

Notes:

- 1. Q 1 is compulsory**
- 2. Answer any 4 – Q2 to Q7**
- 3. All questions carry equal marks**

1. Vimal Mittal (Mittal), a bright, young and ambitious MBA graduate from a top business school in the country was in search of a challenging career opportunity. After a brief hunt, he accepted the job of a territory sales manager in Access Pvt. Ltd. The job seemed challenging and he also saw in it adequate opportunities to prove himself. The pay was also quite alluring as compared to other offers he received at that time. At Access, Mittal had a large team of sales representatives to manage and the responsibility of reviving the team's performance, which had been deteriorating over the previous three years.

Mittal spent some time studying the organization, the department and the people in his team to understand the systems and procedures followed and the reasons for the dismal performance of the team. He tried to discover the strengths and weaknesses of each member in the team. Once this initial study was done, Mittal on his own developed an action plan for restructuring the organization, as he considered it necessary to improve the performance and productivity of his team.

After announcing the restructuring of the organization, Mittal fired one of the employees for non-performance. He did not consult his team members on any matter. They were compelled to abide by, and conform with whatever he decided even if the decision was likely to have a detrimental effect on the organization. New rules and regulations were simply imposed upon the team members. This resulted in a lot of resentment among them. They refused to abide by the rules laid down by Mittal, even when they felt that these would help improve the productivity and profitability of the organization.

The top management was also not convinced about his action plan for restructuring the organization. It wanted some time to review his proposal. Although it was not openly stated, the top management began to perceive Mittal as sole cause for the escalating problems with the workforce and the falling productivity levels. This resulted in further friction between the management and Mittal. The delay caused by the top management in implementing Mittal's proposals also made his subordinates question his credibility.

There were also a couple of rumors being spread in the organization about the manner in which Mittal handled his team. Added to all this, the members of other teams in the organization began to compare their own productivity levels with that of Mittal's team. The poor productivity of Mittal's team began to adversely affect the productivity of other teams in the organization. Mittal was also disturbed by anonymous complaints made against him that alleged that he was mismanaging his team and that it had resulted in adversely affecting the team's performance and lowering their morale. Due to having to concentrate on preventing the spread of these rumors, Mittal could not devote attention to the lowering levels of productivity and plummeting profits in the organization. Finally, he quit the job out of sheer frustration.

- a) "Mittal's efforts to reorganize the organization failed miserably mainly due to his inability to develop a strong power base in the organization." Substantiate this statement by explaining how Mittal could have developed a strong and positive power base for himself in the organization.
 - b) Briefly discuss the various bases of power. Identify Vimal Mittal's source of power.
2. ABC Oil Company has 3 divisional offices located in Mumbai, Ahmedabad and Pune. The decision is made to consolidate the divisions into a single regional office to be located in Mumbai. The reorganization means transferring more than 150 employees, eliminating some duplicate managerial positions and instituting a new hierarchy of command. The people affected by the change have no say whatsoever in the choice. For those in Ahmedabad and Pune who may dislike the change, their only recourse is to quit. What do you understand by the term "work change"? Suggest strategy to manage change. What are the various ways in which management can overcome resistance to change?
 3. a) 2007 was a banner year for Comptech Computer Corporation, a leading manufacturer of personal computers. The company surpassed Rs. 600 crore in sales nearly seven times its revenues 2002, the year RohitSharma took over as the Sr. Vice President Marketing. Sharma was a target driven, no-nonsense leader. His vision was to create Rs 1,000 crore enterprise by the year 2010 but things slowly started to crumble around him. What once had been an open and productive atmosphere that cultured teamwork was now deteriorating under the strains of political infighting and allegations of favoritism. RohitSharma headed a team of 12 members. Most of his team members perceived him as a biased supervisor as he overly tend to support and take a positive view of the actions of one of his team members just because he had a very dynamic personality with a fantastic command over English. The other team members felt that RohitSharma was making a serious error of perception. What is this kind of error in perception known as? Compare and contrast RohitSharma's

perceptual error with other perceptual error?

b) Rahul Khanna was extremely pleased with the performance of Anjali Sharma, the new creative executive of his advertising agency. Within six months of appointment, Sharma's performance brought fame to the company which, in turn, helped the company obtain many new contracts. Her creative genius and hard work was evident in all her projects. Impressed with her performance, Khanna called her to his cabin and offered her a cheque in recognition of her outstanding performance. He felt that a monetary incentive would boost her morale and motivate her to perform even better. However, Khanna failed to see any happiness or enthusiasm in Sharma's face when she received the cheque. She thanked him for it and left. Besides there was no expected improvement in Sharma's performance during the weeks that followed. What do you feel was wrong with the way Khanna intended to motivate Sharma? Discuss the motivational theory that best accounts for Sharma's reaction.

4. a) "Effective management of organizational diversity helps build strong and competitive organizations due to the synergy created by the talents of a diverse workforce." Discuss the advantages of workforce diversity and explain how management in all organizations are trying to capitalize on the synergy obtained from such diversity.

b) "While a shared set of values and beliefs does help to draw a group of people closer, it could stifle creativity and growth in an organization." Explain how a strong organizational culture can become detrimental to the survival of an organization.

5. a) What are the main components of attitude? Explain the concept of cognitive dissonance with relevant example.

b) Explain Big Five Model of Personality.

6. a) What impact does emotional labor have on employees?

b) What are the differences between distributive and integrative bargaining?

7. Short Notes (any two)

a) Trait and behavioral theories of Leadership

b) Organizational Structure

c) Stages of group development