This is a take home exam and students are required to answer ALL questions.

Read the following case and answer question A1 (40 marks).

Helen Bowers 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 when her father, Jake Bowers, passed away unexpectedly. Bowers Machine Parts was founded four decades ago by Jake and had grown into a moderate-size corporation. Bowers makes replacement parts for large-scale manufacturing machines such as lathes and mills. The firm is headquartered in Kansas City and has three plants scattered throughout Missouri.

Although Helen grew up in the family business, she never understood 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. In particular, she resolved to stop handling employees with kid gloves and to treat them like what they were: the hir edhelp.

In addition to changing the way employees were treated, Helen had another goal for Bowers. 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 one hand, if she could get a toehold as a parts supplier to these firms, Bowers could grow rapidly. On the other, the lucrative parts market was also sure to attract more Japanese competitors. Helen had to make sure that Bowers 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 percent. She instructed her first-line supervisors to crack down on employees and eliminate all idle time. She also decided to shut down the company softball 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 percent would suffer an equal pay cut. She sighed in relief, feeling confident that she had finally figured out the answer.

Source: Griffin, R. W. & Moorehead, G. *(2012). Organizational Behavior: Managing People and Organisation*, South-Western: Cengage Learning

Question A1

a. Using the Herzberg Dual Factor Theory, what does Bowers Machine Parts situation tell you about employee motivation?

(15 marks)

b. If you were Helen's consultant what would you suggest to Helen to keep her employees motivated and improve job satisfaction?

(15 marks)

c. Evaluate which of the three management skills (technical, conceptual and human) does Helen seems to lacking?

(10 marks)

[TOTAL 40 MARKS]

Answer **ALL TWO (2)** questions (**60 Marks).**

QUESTION B1

Managers are faced with dozens of decisions that need to be made every day. As their organisation grow, the decisions generally become more frequent, more complicated, and have more serious ramifications. Sometimes it's not about making the right decision, but just making a decision at all. The most successful business owners, entrepreneurs and managers in the world will tell you they have made many wrong decisions throughout the lifetime of their careers, but those failures always lead to valuable learning experiences, so above all, it's important to find ways to make the tough decisions.

a. Discuss why managers need to have good decision making skills?

(9 marks)

b. Today's business world revolves around making decisions, which are often risky ones made with incomplete or inadequate information and under intense time pressure. Explain how managers can blend the guidelines for making effective decisions under these conditions in today's world.

(21 marks)

[TOTAL 30 MARKS]

QUESTION B2

SWOT is an acronym used to describe the particular Strengths, Weaknesses, Opportunities and Threats that are strategic factors for a specific company. A SWOT analysis should represent an organisation's core competencies while also identifying opportunities that the firm is not currenctly able to take advantage of due to a lack of appropriate resources (Wheelen & Hunger, 2012). A SWOT analysis looks at internal and external factors that can affect a business.

a. The internal SWOT analysis is based on resources, capabilities and core competencies of a company. List and explain any **TWO (2)** examples of:
   i. Resources
   ii. Capabilities

(10 marks)

b. The external SWOT analysis refers to the opportunities and threats that can affect a business. Explain any **THREE (3)** opportunities and any **THREE (3)** threats that can affect a company. You may use relevant examples to support your answer.

(20 marks)

[TOTAL 30 MARKS]

--END OF TAKE HOME EXAM -