### MBA (FT) I Year - October/November 2017

#### MBAFT-6101

## Organizational Behaviour

Time: 3 Hours Max. Marks: 50

Instructions: There are two sections in this paper. Attempt all questions from Section A and any two questions from section B.

### SECTION A (26 Marks)

## 1. Read the following case and answer the questions that follow (10 Marks)

## The Cosmetic Queen and The Software King

Leaders come in many different shapes, sizes, and colors, but despite sometimes considerable differences, they all can command the respect of their followers. Consider two completely different leaders. Mary Kay Ash of Mary Kay Cosmetics and Bill Gates of Microsoft. It is rare to find two CEO's who are more different yet equally effective. Ash and Gates come from different generations and different socioeconomic and educational backgrounds, have practiced different approaches to their businesses and different leadership styles, and even focused on different goals. However, they both have been described as highly intelligent, passionate about their business, energetic, driven, and extremely well regarded leaders in their respective industries.

Mary Kay Ash, who died in November 2001, created Mary Kay Cosmetics in 1963 when she was in her forties with \$5,000 in savings and the help of her family. Her organization puts God and family ahead of career while providing career opportunities for women. With \$ 3.7 billion in sales, more than 3.5 million part-time and full-time employees, and one of the best selling skin care and colour cosmetics lines in the United States, the company is undoubtedly successful. Staying close to one's family and providing support during personal crises are concepts that are the core of the organization, along with a focus on fairness and balance. She stated: "Many women have made the mistake of changing their beliefs to accommodate their work. It must be the other way round." While she ran her company, Mary Ash played the role of mother figure, maintaining her image as an accessible, nurturing, and successful woman. While the mostly female Mary Kay consultants participate in training and seminars, their husbands take classes on how to support their spouses. During the Las Vegas-style event, the company gives away pink Cadillac, lavish trips, and jewelry to its top performers to recognize their achievements. Mary Kay is a cosmetic company that is on a mission to create opportunities to allow women to be successful, and its leader was proud to admit that caring about people was what she was all about.

Bill Gates has built Microsoft on intelligence and continual learning. His company dominates the world's software industry, and he is one of the richest men in the world. Highly intelligent and curious, Gates states: "The key point is that you have got to enjoy what you do every day. For

me, that's working with very smart people and its working on new problems". He has been described as acerbic, confrontational, condescending, rude, completely task focused, and one of the hardest working executives in the world. Nothing gets done and no new idea gets developed without Gates approval. Gates is known for his cunning business sense and his cognitive abilities. He keeps a close eye on his own performance. For example, Gates spends a quarter of his time on the road, preaching the "Microsoft gospel." During these trips, he evaluates his performance by keeping track on how full his schedule is. After one such trip that included 14 speeches, more than a dozen personal meetings, and 25,000 miles of air travel, Gates stated: "It was a great trip. The guys filled my time really well." A focus on performance, intense competition, and technological innovation drive Microsoft. Little concern is given for an individual's balance and non-work related life. The strong culture built around competence and dominating competitors has helped keep Microsoft the leader in its industry.

- a. How would you describe each of the two leaders in terms of their style? How are they similar? How are they different?
- b. How would you differentiate the followers of both of them on the basis of their characteristics?

## 2. Read the following case and answer the questions that follow (10 Marks)

### Smart Amit Or Is He?

Amit Solanki, a very bright and ambitious young executive was born and raised in Delhi and graduated from a reputed college in Delhi. He met his future wife Sonam, who was also from Delhi, in college. Amit then did his MBA from the Faculty of Management Studies, Delhi University, while Sonam earned a degree in law from the same University. Immediately after their post-graduation, they were married and Amit is now in the seventh year with Brand Corporation, which is located in Gurgaon, and Sonam works for reputed Law firm in South Delhi.

As part of the expansion plan, the board of directors of Brand has decided to build a new branch plant. The president personally selected Amit to be the manager of the new plant and informed him that a job well done would guarantee him a vice presidency in the corporation. Amit was appointed chairperson, with final decision making privileges, of an adhoc committee to determine the location of the new plant. At the initial meeting Amit explained the ideal requirements for the new plant. The members of the committee were experts in transportation, marketing, distribution, labour economics and public relations. He gave them one month to come up with three choices for the new plant.

A month passed and the committee reconvened. After weighing all the variables, the experts recommended the following cities in order of preference with a definite consensus: Navi Mumbai, Bangalore and Faridabad. Amit could clearly see that committee members had put a great deal of time and effort into their report and recommendations. Amit thanked them for their job and told them that he would like to study the report with more depth before he made his final decision.

After dinner that evening he asked his wife, "Dear, how would you like to move to Navi Mumbai?" her answer was quick and sharp. "Heavens, no!" she said, "I have lived all my life in the North and I am not about to move into an alien land. I have heard that the biggest attraction in Navi Mumbai is rains and traffic jams. That kind of life is not for me."Amit weakly protested, "But, Dear, my committee has strongly recommended Navi Mumbai to the best location for our new plant. Their second choice is Bangalore and that third was Faridabad. What am I going to do?" His wife thought a moment and then replied, "Well, I would consider relocation to or commuting from Faridabad, but if you insist on Navi Mumbai or Bangalore, you'll have to go by yourself."

The next day Amit called the committee together and said, "You should all be commended for doing an excellent job on this report. However, after detailed study, I am convinced that Faridabad will meet the needs of our plant better than Navi Mumbai or Bangalore. Therefore, the decision will be to locate the plant in Faridabad. Thank you all once again for a job well done!"

- a. Did Amit make a rational decision? Which approach has been used by Amit to arrive at the decision?
- b. Which techniques could be used by the committee arrive at a decision to select the new plant site?
- 3. A growing Indian company Alpha Pvt. Ltd. was negotiating with foreign collaborators Heinkel Honks Corp. Rishabh, Managing Director of Alpha and Anshuman, the Finance Director, who were very close friends, were under strain because of the unexpected visit from the Heinkel Honks. Below are given different transactions that frequented between them. Analyze these transactions and describe them with the help of a diagram. (6 Marks)

### Transaction 1:

Rishabh: We have just received a mail that Heinkel Honks representative will arrive tomorrow morning. Can you have the final estimates prepared for him? Anshuman: Yes, most of the estimates have been typed out and a few pages remain; in the meantime we shall begin making photostats, and they should be ready by midnight, well in time for the morning meeting.

### b. Transaction 2:

Rishabh: Under normal circumstances they should have been ready. Anshman: You think nobody around here works except having coffee and snacks?

#### Transaction 3:

Rishabh: Are you sure the estimates will be ready?

Anshuman: There's adequate time.

# SECTION B (12x2 = 24 Marks)

- 4. If you were being paid inequitably in your job, which strategy do you think would be most helpful to you in resolving the inequity? What are the different types of inequity likely to be experienced?
- 5. Write a memo describing the most challenging stressors at your Institute. Be specific in describing the details of these stressors. What might you do to change them?
- 6. Think of a new team or group in which you participated during last six months. Describe and explain the degree to which the development of this team or group matched the five stage model of team development.
- 7. Identify a specific personality factor that seems particularly interesting to you. Provide an example from your experience of a situation when this factor seemed strongly related to your attitude and behavior.