

FACULTY OF MANAGEMENT STUDIES

UNIVERSITY OF DELHI

Semester Examination 2012

Name of the Examination: MBA (FT) I Year (October- November 2012)

Paper Name: Organizational Behaviour

Paper No.: MBAFT- 6101

Time Allowed: 3 Hours

Max Marks: 50

INSTRUCTIONS: ATTEMPT ALL QUESTIONS

S.No.		No. of Marks
1.	<p>Read the following situation and discuss the questions that follow:</p> <p style="text-align: center;">Worldview Steel</p> <p>As far as anyone could remember, the steel industry in the country was stable and certain. If steel manufacturers could produce quality steel at a reasonable price, that steel would be sold. However, in 1980s and 1990s, inflation, a national economic downturn, reduced consumption from autos, and competition from steel makers in other countries changed the steel industry. Steelmakers shifted to spacialized steel products. They had to market aggressively, make efficient use of internal resources, and adpat to rapid fire changers.</p> <p>Worldview steel employed 2,500 people, made 3,00,000 tons of steel a year, and was more than a hundred year old. For quite a number of these years, functional structure worked fine. As the environment became turbulent and competitive, however, Worldview Steel managers realized that they were not keeping up. Fifty percent of the Worldview orders were behind schedule. Profits were eroded by labour, material and energy cost increases. Market share declined.</p> <p>In consultation with outside experts, the Chairman of Worldview Steel saw that the company had to walk a tightrope. It had to specialize in a few high-value-added products tailored for separate markets, while maintaining economies of scales and sophosticated technology within functional departments. The dual pressure led to an unusual solution for a steel company: a matrix structure.</p> <p>Worldview steel had four product lines: open die forgings, ring-mill products, wheels and axels, and steelmking. A business manager was given responsibility and authority of each line. The role included preparing a business plan for each product line and developing targets for production costs, product inventory,</p>	15 (5x3)

shipping dates, and gross profits. Functional vice-presidents were responsible for technical decision relating to their functions. Two functional departments – field sales and industrial relations- were not included in the matrix because they worked independently. After a year the Worldview Steel was on track. Ninety percent of the orders were now delivered on time and the market share also recovered. Both productivity and profitability increased steadily.

- i. How would the matrix structure of the organization Worldview Steel appear? Draw it.
- ii. Why did it take one year for the Worldview Steel to recover? What were the problems associated with the structure?
- iii. Why was it able to show the positive results after one year? What were the advantages of the current structure?

2.

Attempt any two questions of the following:

20 (10x2)

- A. You have been made the Project Leader for a very challenging Project that was your dream from a very long time. As a leader you have to deal with members from different units who are going to support you in the completion of this work. The group includes members from finance, marketing, production, information services and HR, all of whom will have to move to the some different location for three months. Describe the evidences or behaviors that you might observe during each stages of group development. How can you enhance the cohesiveness of the group?
- B. Srikanth Pillai is a marketing manager and is planning to launch a new health drink. His people tell him that the market for health drink is already very congested, but he brushes aside their objections. He has had a sterling record in launching new products, and is confident that he can do the same thing this time too. He has a marketing research team but does not use its services to learn more about his target customers. Is Srikanth right in his approach in taking the decision? How can you help him to take the decision?
- C. How would you use the Expectancy model of motivation in the following situations?
 - (i) You want two employees to switch their vacations from winters to spring so that job needs will be fulfilled during the winter.
 - (ii) You believe that one of your young employees has excellent potential for promotion and want to encourage her to prepare for it.

3.

Attempt any three questions from the following:

15 (5x3)

- a. Would the knowledge of Transactional Analysis be useful for training employees in a service department of an electronic utility to deal more effectively with customers who complain about the service? How?
- b. Does it make more sense to change a person's leadership style or situation? Defend your position with examples.
- c. How does the personality of an individual affect his/her perceptions? Suggest a few strategies to bring about changes in a person's attitudes.
- d. How do emotions differ from moods? Discuss with examples.

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