PGDM, 2017-19
Organizational Behaviour
DM-107

Trimester – I, End-Term Examination: September 2017

Time allowed: 2 hrs 30 min

Max Marks: 50

Roll No: _____

Instructions: Students are required to write Roll No. on every page of the question paper; writing **anything** except the Roll No. will be treated as **Unfair Means.** All other instructions on the reverse of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	3*5 = 15
		Total Marks	**50**

SECTION A

A1.   How do the Big Five traits affect our decision making process?

A2.   Participative, considerate leader behaviours that demonstrate a concern for people appear to enhance the health and well-being of team members. Substantiate with examples.

A3.   Identify and explain any two group processes that are responsible for gains, so as to make the actual group effectiveness more than the potential group effectiveness.

A4.   What is the relationship between power and political behaviour? Explain what type of person is more likely to engage in political behaviour.

A5.   Explain some of the salient skills that make leaders and change agents more effective.

SECTION B

B1.   Human motivation at the workplace is very dynamic and organizations are experimenting with various strategies to increase the motivation levels of their employees. With the help of various motivation theories and newer options, suggest a detailed plan for motivating a diverse workforce in an IT firm.

B2.   Explain the attribution process and how attributions affect managerial behaviour.

B3.   Explain why Social skills and Relationship management are considered to be an integral part of Emotional Intelligence. Elaborate how managers can use these to improve the performance of their team members and buffer their stress levels.

Turn Over

SECTION C

Newskool Grooves is a transnational company developing music software. The software is used to compose music, play recordings in clubs, and produce albums. Founder and CEO Gerd Finger is, understandably, the company's biggest fan. "I started this company from nothing, from just me, my ideas, and my computer. I love music – love playing music, love writing programs for making music, love listening to music – and the money is nice, too." Gerd says he never wanted to work for someone else, to give away his ideas and let someone else profit from them. He wanted to keep control over them, and their image. "Newskool Grooves is always ahead of the pack. In this business, if you can't keep up, you are out. And we are the company everyone else must keep up with. Everyone knows when they get something from us, they are getting only the best and the newest."

The company headquarters are in Berlin, the nerve center for the organization, where new products are developed and the organizational strategy is established. Newskool outsources a great deal of its coding work to programmers in Kiev, Ukraine. Its marketing efforts are increasingly based in its Los Angeles offices. This division of labour is at least partially based on technical expertise and cost issues. The German team excels at design and production tasks. Because most of Newskool's customers are English speakers, the Los Angeles office has been the best group to write ads and market products. The Kiev offices are filled with outstanding programmers who don't require the very high rates of compensation found in German or U.S. offices. The combination of high-tech software, rapid reorganization, and outsourcing makes Newskool the very definition of a boundaryless organization.

Gerd also makes the final decision on hiring every employee for the company and places a heavy emphasis on independent work styles. "Why would I want to put my company in the hands of people I can't count on?" he asks with a laugh. "They have to believe in what we are doing here, really understand our direction and be able to go with it. I am not the babysitter; I am not the school master handing out homework. School time is over. This is the real world."

Employees want to work at this company because of its cutting edge. Newskool's software is used by a number of dance musicians and DJs, who have been the firm's core market, seeing it as a relatively expensive but very high-quality and innovative brand. Whenever the rest of the market for music software goes in one direction, it seems like Newskool heads in a completely different direction in an effort to keep itself separate from the pack. This strategy has tended to pay off. While competitors develop similar products and therefore need to continually lower their prices to compete with one another, Newskool has kept revenues high by creating completely new types of products that don't face this type of price competition.

Unfortunately, computer piracy has eroded Newskool's ability to make money with just software- based music tools, and it has had to move into the production of hardware, such as drum machines and amplifiers that incorporate its computer technology. Making this massive market change might be challenging for some companies, but for an organization that reinvents itself every 2 or 3 years like Newskool does, the bigger fight is a constant war against stagnation and rigidity.

The organization has a very decentralized culture. With only 115 employees, the original management philosophy of allowing all employees to participate in decision-making and innovation is still the lifeblood of the company's culture. One developer notes, "At Newskool, they want you to be part of the process. If you are a person who wants to do what you are told at work, you are in trouble. Most times, they can't tell you what they want you to do next – they don't even know what comes next! That's why they hire employees who are creative, people who can try to make the next thing happen. It's challenging, but a lot of us think it is very much an exciting environment."

Turn Over

Because so much of the work can be performed on computers, Gerd decided early to allow employees to work outside the office. The senior management in Berlin and Los Angeles are both quite happy with this arrangement. Because some marketing work does require face-to-face contact, the Los Angeles office has weekly in-person meetings. Employees who like Newskool are happiest when they can work through the night and sleep most of the day, firing up their computers to get work done at the drop of a hat. Project discussions often happen via social networking on the company's intranet. The Kiev offices have been less eager to work with the boundaryless model. Managers say their computer programmers find working with so little structure rather uncomfortable. They are more used to the idea of a strong leadership structure and well-defined work processes.

"When I started," says one manager, "Gerd said getting in touch with him would be no problem; getting in touch with L.A. would be no problem. We're small, we're family, he said. Well, it is a problem. When I call L.A., they say to wait until their meeting day. I can't always wait until they decide to get together. I call Gerd – he says, 'Figure it out.' Then when I do, he says it isn't right and we have to start again. If he just told me in the first place, we would have done it."

Some recent events have also shaken up the company's usual way of doing business. Developers in the corporate offices had a major communications breakdown about their hardware DJ controller, which required many hours of discussion to resolve. It seems that people who seldom met face-to-face had all made progress, but had moved in opposite directions! To test and design the company's hardware products, employees apparently need to do more than send each other code; sometimes they need to collaborate face to face. Some spirited disagreements have been voiced within the organization about how to move forward in this new environment.

The offices are experiencing additional difficulties. Since the shift to newer products, Sandra Pelham in the Los Angeles office has been more critical of the company. "With the software, we were more limited in the kinds of advertising media we could access. So now, with the hardware – real instruments – we finally thought, 'All right, this is something we can work with!' We had a whole slate of musicians and DJs and producers to contact for endorsements, but Gerd said, 'No way.' He didn't want customers who only cared that a celebrity liked us. He scrapped the whole campaign. He says we are all about creativity and doing our own thing, until we don't want to do things his way."

Although the organization is not without problems, there is little question Newskool has been a standout success in the computer music software industry. While many are shuttering their operations, Newskool is using its market power to push forward the next generation of electronic music-making tools. As Gerd Finger puts it, "Once the rest of the industry has gotten together and figured out how they are all going to cope with change, they will look around and see that we are already three miles ahead of them down the road to the future."

C1. Identify some of the problems likely to occur in a boundaryless organization like Newskool Grooves. What are the advantages of boundaryless organizations?

C2. Consider some of the cultural issues that will affect a company operating in such different parts of the world. Are the conflicts you observe a function of the different types of work people have to perform?

C3. Based on what you know about motivation and personality, what types of people are likely to be satisfied in this company?

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