

**PGDM (IB) 2017-19**  
**Organizational Behaviour and HRM**  
**IB - 107**

**Trimester I, End-Term Examination, September 2017**

**Time allowed: 2.5 Hours**

**Max Marks: 50**

Roll No: \_\_\_\_\_

**Instruction:** 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**. In case of rough work please use answer sheet.

**SECTION - A**

**[Marks:5\*3=15]**

**There are 5 questions in this section. Attempt any 3 questions. Each question carries 5 marks.**

1. Some people have suggested that the understanding of human behavior at work is the single most important requirement for managerial success. Elaborate your views on it.
2. Citing suitable examples, explain how the attitude of a manager might affect his/her behavior in dealing with subordinates.
3. Identify four groups to which you belong. Identify each as formal or informal. Why did you join each group?
4. What do you think are the two most important challenges for HR managers in the next five years? Give reasons for the same.
5. What is the significance of employee selection? What are the costs of a bad quality selection for the company?

**SECTION - B**

**[Marks:2\*10=20]**

**There are 3 questions in this section. Attempt any 2 questions. Each question carries 10 marks.**

1. Money is not the only source of motivation, but it plays a key role. Explain the role of money as a motivator by considering any three prominent theories of motivation.
2. Suppose you work for a firm that recently transferred in a manager from a different country. This is the manager's first international exposure. What might you do to help this manager adjust in the new environment?
3. You have been appointed the HR Manager of a fast growing multinational company in Delhi. Often managers are reluctant to spare their key employees for training. How would you try to convince them?

**SECTION - C**

**Analyze the case study and answer the questions that follow. Each question carries 5 marks.** **[Marks: 3\*5= 15]**

British Airways has made one of the most stunning turnarounds of any business in history. Much of the credit for that turnaround goes to people—the individuals who manage the firm and operating employees who carry out mundane jobs ranging from handling baggage to preparing meals in flight.

When Margaret Thatcher became prime minister of Great Britain in 1979, many of the country's largest businesses were owned and operated by the government. One of her first agenda items was to privatize (sell to private owners and investors) most of these businesses.

But no one wanted British Airways. The firm had a huge, unproductive work force, suffered from lax management, and was incurring annual losses approaching \$1 billion. Service had slipped badly; many joked that the acronym BA stood for "Bloody Awful".

Thatcher asked John King, a leading British industrialist, to step in and restore British Airways' image, competitiveness, and effectiveness. One of King's first major decisions was to cut the work force. Within a few months of taking over, he cut the payroll from 59,000 to 36,000 employees. To help ease the pain of such a cutback, he offered a generous severance package to all employees who left voluntarily.

Then King made major changes on the firm's board of directors. Membership on the board had been largely symbolic, and directors really knew little about running a business. King convinced most of the current directors to leave and replaced them with experienced executives. He also changed advertising agencies and even moved the firm's insurance coverage to a different carrier.

King also recognized that he needed to direct a lot of attention to the remaining British Airways employees, many of whom felt bitter and insecure. Some of the changes in this area also were largely symbolic. For example, King bought all employees new uniforms (some uniforms had not been changed in over twenty years), adopted a new corporate slogan, and repainted all British Airways aircraft.

King had known all along that his job was not to run the "new" airline. Instead, his charge was to manage its transformation. Thus, while all these changes were going on, he was also looking for a new CEO to take over when the transformation and privatization were complete. Colin Marshall was selected to take over in early 1983 and received immediate opportunities to make his own assessments of the changes taking place.

Marshall recognized that employees needed more than just new uniforms, so he initiated a series of training seminars for them. The seminars were designed to change their attitudes about the company and to motivate them to provide better customer service. These seminars were a big success, and a whole new culture began to emerge.

British Airways was privatized in February 1987. A key part of the initial stock packages was to allow employees to participate in ownership. Around 74 percent of them took advantage of this opportunity. Many noted that as owners they would be even more dedicated to improving service and profits.

Since then, the foundation laid by King and Marshall has paid enormous dividends. British Airways has become the largest airline in the world and also one of the most profitable. And customers rate its service as the best in the industry. The current state of affairs is a far cry from the days of "Bloody Awful," and much of the credit goes to a large group of people working together for a common cause.

## QUESTIONS

1. Identify as many behavioural concepts and processes in this case as you can.
2. Do you think King and Marshall made any serious mistakes?
3. What perils or threats does British Airways face in the future?