

**PGDM(RM), 2022-24**  
**Effective Managerial Communication**  
**Course code:RM-102**  
**Term– I, End-Term Examination: September 2022**

Time allowed: 2 Hours  
Max Marks: 40

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

**Instruction:** Students are required to write Roll No on every page of the question paper. All instructions on the reverse of the admit card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Total Marks
A	Minimum 4 questions with internal choices and all COs (Course Outcomes) covered in the question paper	4*5	20
B	Compulsory Case Study	2*10	20
			<b>40</b>

**SECTION A – (5 marks \* 4 questions) = 20 Marks**

**A1a.(CO1) The Dangers of Miscommunication**

Even the smallest miscommunication with a supplier can result in unexpected and undesirable situations. “Mistakes can happen for a variety of reasons including, human error,” said Jacob Yount of JLMade, who has been sourcing since 2003.

“Assuming anything is the first step to a disaster,” he added. One such example is that of Beretica. They instructed their supplier not to use any kind of staples on the packaging and carton; it must be metal-free (as a safety standard of their customer). The supplier agreed with this easy instruction, and their QC team also mentioned it in face-to-face meetings with factory executives. This instruction was written on the purchase order and the pro forma invoice. It looked like everything was clear. But at the final inspection, they surprisingly found that there were even more staples on the cartons than usual, they used these extra staples for more secure packaging. It was the peak season for the factory. Among many orders, the production department misunderstood this very easy instruction coming from the sales department of the factory. They guessed Beretica wanted more solid and secure packaging than the standard. Besides, the sales person did not control the production himself in terms of requirements that were instructed.

Beretica lost two days for shipment due to repackaging.

**Q.** What caused the miscommunication between Beretica and their supplier? Discuss what can be done to prevent such barriers in communication.

**OR**

**A1b. (CO1)** Flipkart.com has put up billboards across the main, arterial roads of Mumbai. The billboards advertise the Mega Independence Day Sale coming up. They hope their billboards can grab the attention of drivers and pedestrians on these busy roads. List the

steps of the Communication Model and apply that model to Flipkart.com's billboard advertising.

**A2a. (CO2)** Adam is a manager at a New Mexico-based retail company. He has flown to Japan to discuss a potential partnership with a local Japanese company. His business contact, Zoltan, is his counterpart within the Japanese company. Adam has never been to Japan before, and he's not familiar with their cultural norms. Adam and Zoltan ran into some difficulties during their business negotiations. Adam took no time to explain the terms, conditions & policies of the company, the various steps involved in the process, financial requirements, the official documents, the time schedule etc. Adam spoke quickly and profusely because he wanted to achieve the purpose and seal the deal as soon as possible. Adam even used nonverbal cues for negotiations and communication. However, Zoltan wanted to get to know Adam, how comfortable he was feeling and how did he like the country, the food and the weather conditions. However, Adam felt that Zoltan was not responding to his talking points because he was not looking Adam in the eyes.

**Q.** What inferences can you draw from this meeting? How do the non-verbal signals affect communication in the meeting?

**Q.** What are the cross cultural factors affecting communication in this case?

**OR**

**A2b. (CO2) Sensodyne toothpaste:** Consider the information to be found on a tube of Sensodyne bought in Holland and on a tube bought in France.

- *Same product:* both tubes show identical ingredients (in English) and the same product description ('Sensodyne for sensitive teeth') in their respective languages.
- *Same message:* the Dutch tube gives the following message in Dutch: 'Daily use of Sensodyne protects sensitive teeth and prevents the pain from returning.' The French tube gives the following message in French: 'If used daily, it prevents the sensitivity from returning.'
- *The difference on the Dutch tube:* 'Brushing twice a day brings a lasting result.' *On the French tube:* 'After three weeks' use you will be able to notice the improvement in your dental sensitivity and regain the pleasure of savouring everything you like.'

**Q.** Using your understanding of cultural dimensions, comment on the reasons for the difference in message on the French and Dutch toothpaste tubes.

**A3a (CO3)** The Manager at BloomsCorp Retail Store was taking his usual round of the floor when he bumped into Ashish, a diligent worker who always delivered beyond call of duty. Standing next to Ashish was his supervisor. The Manager casually asked Ashish, "Any problems?" Ashish almost blurted out how the workers were unhappy with the new rotational shift timings, but checked himself and uttered, "Everything's alright." He was reluctant to speak in front of the Supervisor who was standing nearby. Moreover, he thought that the Manager really did not want to listen to what he had to say. A more appropriate comment from the Manager could have been, "If you have any problems, I have an open-door policy and have reserved Wednesday afternoons to meet with workers." This would allow Ashish to present his or her message effectively to the Manager.

**Q.** What barriers to listening can you identify in the given scenario? Discuss how such barriers can be avoided in professional communication.



**OR**

**A3b. (CO3)**

In one laboratory experiment, 112 subjects were assigned to serve as either a speaker or a listener and asked to pair up, sitting face-to-face. The speakers were asked to talk for 10 minutes about their attitudes toward a proposal for basic-universal income or a possible requirement that all employees must also volunteer. The listeners were instructed to “listen as you listen when you are at your best.” But half of the listeners were randomly distracted by text messages (e.g., “What event irritated you the most recently?”) and were instructed to answer those texts briefly (so the speakers saw that they were distracted). Afterward, the speakers were asked questions about whether they were worried about what their partner thought of them, whether they acquired any insight while talking, and whether they were confident in their beliefs. It was found that speakers paired with good listeners (versus those paired with distracted listeners) felt less anxious, more self-aware, and reported higher clarity about their attitudes on the topics. Speakers paired with undistracted listeners also reported wanting to *share* their attitude with other people more compared with speakers paired with distracted listeners.

**Q.** What recommendations will you make for becoming an effective listener on the basis of the given study?


**A4a (CO 4)** Identify and briefly explain the principles of persuasion used in the following Facebook advertisement:

 **Neil Patel** ✓  
on Wednesday 

Do you want to learn how to increase traffic to your business and convert your visitors into actual PAYING customers?

Not only have I helped grow companies like Amazon, NBC, GM, HP and Viacom, I've used my own 3-step process to build four different multi-million dollar businesses.

I'm going to show you exactly how I did all this on my FREE webinar.



**Neil Patel's Free Webinar: Converting Prospects Into P...**  
Register for Neil Patel's free webinar above!

NEILPATEL.COM [Learn More](#)

👍 16    💬 Comment    ➦ Share

OR

**A4b (CO 4)** Prepare the outline of a 10-minute presentation in which you persuade your audience to buy a consumer product you enjoy using or in which you advocate a particular action your audience can take. Focus on building credibility and capturing attention to help you make your case and incorporate visual aids in your outline that will help you show what you mean.

## SECTION B – CASE STUDY (20 Marks) (CO 1 and CO 2)

### LG DISPLAY WROCLAW: CREATING A WORKPLACE OF JOY

In January 2009, Ji-Hyung Kim, LG Display's (LGD) Country Director of Poland was developing a new operations strategy for the factory that had opened four years ago. The factory in Wroclaw, Poland was essential to the company's Eastern European operations, making the plant a gate-of-entry and control center for the emerging markets of the region. The emphasis was of high importance and was made known to all plant employees, and

the management at LGD's headquarters was looking forward to having operational efficiency and healthy financial statements at the end of the year. To enable this, the company had been giving Kim and the local managers a hand in reinforcing and supporting their activities. Kim, who was sure of this support, relied on his professional background and human management skills to make the plant in Poland a swiftly organized and managed factory that had short lead times, lowered costs and better manufacturing capabilities.

Being nearly 5,000 miles away and eight hours behind the company headquarters in Seoul, Korea, Kim expected to face some cultural and geographical challenges for the Polish operation. He was also concerned with the timing of business meetings with headquarters and the long flights employees had to take if face-to-face business meetings were necessary for certain important internal decisions, such as many new product development processes. Other than that, he was convinced that the cultural differences would be negligible since tasks were purely operational and did not require much local adaptation. As he was given full responsibility and control in forming his local team, he decided to manage the local talent in the traditional Korean way.

But shortly after its early development stage, LGD Wroclaw began to suffer from a high turnover rate of local employees. Local talent, which joined the company on the promise of working for a global manufacturer of state-of-the-art products, became unhappy for various factors. The sum of these factors had not only increased costs of talent acquisition but also lowered efficiencies and manufacturing capabilities. Kim and his team needed to know what was causing such conflicts and believed immediate action must be taken. What were the underlying causes of the high turnover rate and how could they make improvements? Was the working environment harsh or were headquarters managers treating the local employees in a wrong manner? Although the motto of LGD Wroclaw was to make the company a joyful place to work, the company was nowhere near being a "joyful company" that it had expected to be. The company was losing its reputation in the local market and a solution had to be found to create a beneficial environment for the global management and the local employees.

Kim's target was to raise the general employee competency level by 85% within the next nine months. Although the time was short, Kim believed that this would be a reasonable goal considering the fact that he had full-fledged support from the company headquarters. Kim wondered if the suggestions to increase employee engagement at the Wroclaw plant will be able to produce quick results to save "face" or dignity in front of his headquarters.

## **THE COMPANY**

LGD was the world's largest manufacturer of liquid crystal display (LCD) panels with revenues of KRW16.27 trillion (USD 14.66 billion) and operating income of KRW 1.2 trillion (USD 1.1 billion). The company originally began as part of a South Korean company called Geumsung (later called LG Electronics) in 1987. It made breakthrough innovations in the LCD industry by developing the world's first 20.1" TFT-LCD for TVs in 2000, the first 52" TFT-LCD for high-definition televisions (HDTV) in 2002, the first 55" TFT-LCD by 2003 and the first 100" LCD panel in 2006. Within those years, the company opened module-assembly plants in Nanjing and Guangzhou in China, and in Wroclaw in Poland, operating a total of 11 manufacturing plants altogether. The high brand recognition not only established a platform of trust but also enabled good talent acquisition.

## **THE LAUNCH OF LGD WROCLAW, POLAND**

On 6 September 2005, LGD announced that it would open a TFT-LCD module plant in Wroclaw, a small city in southern Poland approximately 340 km away from Warsaw. This

was not only a big step for LGD but also a major investment for Poland and the Polish workforce. The news of this travelled fast across the country, creating a buzz of enthusiasm among potential employees. Despite the size of the European market, no global brand had ever set up a manufacturing plant in the area before. This was the first time a global manufacturer commenced its production in Europe. Nearly two years after the initial announcement, operations began with an initial capacity of three million modules per year, and the company had an optimistic outlook for the future.

The Polish plant was important for LGD because it offered a demographic advantage and significant cutbacks in distribution costs. Furthermore, the geographical adjacency to target markets gave LGD a head start compared with the main competitors. The company predicted several benefits from the Wroclaw plant, including the high-quality labour available in Poland and the high level of support from the Polish government. LGD decided to return the favour of the local government by creating an affluent work environment and contributing to a positive workplace that gave the local workforce the opportunity to work for a global manufacturer.

### **ISSUES AT LGD WROCLAW**

The LGD factory in Poland was meant to be a melting pot of the know-how of the global headquarters and the diligence of the local talent. The intention was to create a significant location in Eastern Europe with distribution and manufacturing advantages over the competition. However, the company's Polish factory did not operate as successfully as they had hoped. At an early stage, LGD Wroclaw had an employee turnover rate of around 10%, which was twice of Poland's industrial average of 5%. The turnover rate was especially important in emerging markets with tech-manufacturing capabilities because of the time lost in educating new employees and a better learning curve. But the high turnover rate was creating an additional cost burden on the company.

Furthermore, the overall production operating rate was very low, and the defect ratio and return defect ratio of the plant was high in comparison to other plants. Employees were losing motivation to work at LGD Poland due to the lack of mutual trust between the company and its employees, leading to low levels of employee satisfaction. Low levels of motivation accounted for the main reason behind the high turnover rate, and many new employees were also affected by the negative comments of the unsatisfied employees who were leaving. Employees leaving the company claimed that the main reasons for leaving were difficulties in communicating with the Korean managers. They further claimed that the lack of successful communication actually enhanced the cultural gap between the two parties, resulting in more complications at work. To them, the Korean managers showed little or no effort in trying to establish rapport or sympathy with them, seemed to show no respect to the local standards of the Polish culture and continued to ignore comments made by their local employees. This not only fueled arguments and disagreements, but also fostered lack of enthusiasm and engagement.

Because the managers didn't know how to share information with employees, employees believed that it was a personal attack and that made them question their managers motive and trust. Employees also stated that on top of information not being shared, they also were not aware of the manufacturing process they were a part of. "Since the employees were only performing routine tasks in the plant, it hindered their capability to feel a sense of belonging to the company and of ownership towards their jobs" Employees are not understanding how their job is crucial to the line of business and what an important part they play.

During their exit interviews, the local employees while sharing their reasons to quit remarked:

*Manager Hong would come to work on a Friday and tell our team that we will be having an overnight workshop on Saturday and Sunday to foster team bonding and "brotherhood". I was told Korean people were all about building friendships and strong relationships within the workplace, but I see these people all day during weekdays. I would like to spend some quality time with my family for at least two days a week instead of meeting my co-workers that I don't really click with, on my precious weekends!*

*I could not understand why people stay here overtime when our shift is in fact over and there is no more work to do. Manager Kim apparently stays in the office until late at night, but him staying overtime gives me no reason to do the same. Yet it's funny how people give me the strange look every time I leave the office at 6pm. It seems as if they are trying to make me feel guilty about leaving the office on time. I don't feel the least bit guilty, but I definitely don't feel too comfortable.*

Other employees shared that "the atmosphere of the company was too rigid and cold" and they were using their off hours to "run away from the corporate culture"

As a result of the information gathered from exit interviews and several other sources, LGD Wroclaw decided to conduct an internal survey to understand more about the cultural misunderstandings that local and expat employees were facing in September 2008. The management hoped the study would help in finding the reasons of the dispute and point them in the right direction in establishing solutions to create positive results.

Director Kim also decided to organise a taskforce consisting of both Polish and Korean employees to provide solutions to these issues. He believed that by doing so he would be able to achieve two main objectives: firstly, identify and solve the current problems and secondly, create a platform where employees from different cultural backgrounds would establish rapport and get to understand each other's perspective on business.

## **CHANGE MANAGEMENT**

Kim and the taskforce agreed upon a new set of goals to be achieved by the end of December 2009. The CEO had given the following orders to Kim:

*The managers of LGD Wroclaw should be attentive listeners and considerate of the culture of their local employees. We should develop a stimulating company culture where everybody would be excited to go to work in the morning.*

The ultimate goal of LGD Wroclaw was to create an atmosphere of a "joyful workplace" where employees felt they had ownership of their work and were loyal to the company.

## **QUESTIONS**

- 1. What were the major challenges for LG Wroclaw? What could LGD have done to try to ensure smooth operations when they initially launched their plant in Wroclaw?**
- 2. Using the Hofstede's dimensions, compare the cultures of Poland and Korea. How do the Polish and Korean employees differ?**

