

**PGDM, 2013-15**  
**Organizational Behaviour**  
**DM-105**

**Trimester – I, End-Term Examination: September, 2013**

Time allowed: 2 Hours 30 minutes

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 the answer sheet.

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	15
		<b>Total Marks</b>	<b>50</b>

**SECTION A**

- A1. Discuss the differences between functional and dysfunctional conflict. Why should a manager understand conflict?
- A2. Why is organizational political behaviour important to study and understand?
- A3. List four symptoms of structural weakness in any organizational structure.
- A4. Enumerate any five strategies to increase group cohesiveness.
- A5. Explain the various measures that can be taken to increase motivation using Expectancy Theory.

**Turn Over**

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

### SECTION B

- B1. With reference to various personality attributes, explain how personality influences behaviour of people in organizations.
- B2. Name any company with a visible organizational culture. What do you think are the company's values? Has the culture contributed to the organization's performance? Explain.
- B3. What are the various environmental and organizational factors that cause stress for police personnel? How can police personnel be motivated to ensure that the prevailing crime rate goes down?

### SECTION C

Although octogenarian Ingvar Kamprad, the founder of the Swedish-based IKEA, is one of the wealthiest individuals in the world, he nonetheless lives quite frugally. Kamprad avoids wearing suits, flies economy class, takes the subway to work, drives a ten-year-old Volvo, and frequents cheap restaurants. "It has long been rumored that when his self-discipline fails and he drinks an overpriced Coke out of a hotel minibar, he will go to a grocery store to buy a replacement."

Kamprad, who officially resides in Switzerland because of its lower taxes, remains very active in running IKEA even though he relinquished his position as CEO in 1999 in order to comply with Dutch age retirement laws for chief executives. "Kamprad has three sons, who all work for the company (he likes to say that IKEA is his fourth child)."

Kamprad developed an entrepreneurial spirit in his youth. As a youngster, Kamprad rode his bicycle throughout the neighbourhood, selling matches, pens, and Christmas cards to local residents. In 1943 when he was only seventeen years old, Kamprad used a cash gift from his father to form a company called IKEA, a name derived from his initials plus the first letters of the farm and village where he grew up (Elmtaryd and Agunnaryd).

Initially, IKEA was a catalog company that sold pens, picture frames, wallets, and other bargain goods. "Kamprad used his village's milk van to deliver his products when he first started the business. In 1951, IKEA began selling furniture made by local carpenters; six years later Kamprad opened the first IKEA store in Sweden. In 1985 the first U.S. IKEA, which measured three football fields long, opened in a Philadelphia suburb called Plymouth Meeting. Today IKEA is the largest furniture store in the world." With its "hip furniture designs for the cost conscious ... [IKEA] has stores in thirty-three countries, while continuing to expand markets in China and Russia."

**Turn Over**

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

A signature characteristic of the company is that “all IKEA products, from furniture to the now famous mobile kitchens, could be packed in flat, stackable boxes that could be mailed or transported and reassembled at home.” Interestingly, the flat-pack idea for furniture arose by accident when an employee took the legs off a table in order to load it into a customer’s car.

“[T]he IKEA way of doing business combines a very Scandinavian embrace of paternalistic employment policies and a social safety net with a hard-core drive for profits and market share that bows to no competitor, anywhere, anytime.” IKEA’s unrelenting quest for profits reflects Kamprad’s frugality. Indeed, Kamprad’s thriftiness is infused into IKEA’s culture. For example, employees serve as catalog models and managers share hotel rooms when they travel. “Kamprad obviously appreciates what it takes to earn his money and realizes that there are no guarantees to economic success apart from hard work.”

At different times throughout his career, Kamprad became reflective about what he had accomplished and proceeded to jot down bits of his management philosophy. One philosophical gem is: “By always asking why we are doing this or that, we can find new paths. By refusing to accept a pattern simply because it is well established, we make progress. We dare to do it a different way! Not just in large matters, but in solving small everyday problems, too.” Another of his lofty pronouncements is: “Wasting resources is ‘a mortal sin’.” Kamprad also promises “a better life for many.” Like many other wealthy people, Kamprad maintains a personal library, deeming personal intellectual development to be a more worthy pursuit than entertainment.

Even with his long career and extraordinary success with IKEA, Kamprad had his share of challenges. “As IKEA grew, so did Kamprad’s problems, alcoholism, allegations of a Nazi past, deaths at a store opening, but nothing deflected him.” Kamprad describes his association with the ‘new Swedish’ wartime pro-Nazi party as “the greatest mistake of my life.”

On a more positive note, Paul Davis, writing for *EzineArticles.com*, observes, “Kamprad’s age-old wisdom needs to be heard. His personal humility and modesty says a lot about his character.”

- C1. Using the Leadership Grid and its underlying leader behaviours of initiating structure and consideration, explain the leadership orientation of Ingvar Kamprad.
- C2. Use the concepts of transactional, transformational, charismatic, and authentic leaders to describe the leadership of Ingvar Kamprad.
- C3. What are the key leadership lessons provided by Kamprad’s experiences?

X ----- X ----- X