

April 2023
Master of Business Administration (MBA) Examination

(Full Time) (New) First Semester
FT-106C : ORGANISATION BEHAVIOUR

Time 3 Hours]

[Max. Marks 80

Note : Attempt any four questions from Section A. Each question carries 15 marks. Section B is compulsory and carries 20 marks.

Section A

1. "OB is the result of interaction and interdependency between formal, organizational and the human factor variables." Elucidate.
2. Which theory Maslow's Need Hierarchy Theory or Herzberg's Two Factors Theory – does in your opinion better explain the behaviour of people at work in India? Give reasons for your answer.
3. "The most effective leaders show great concern both for task and for people." Comment.
4. (a) How do conflicts occur? How will you resolve conflict in your organization?
(b) Write a note on Organizational Change.
5. What is Learning? Compare and contrast the classical, operant and social learning theories.
6. Write short notes on any two of the following :
(a) Stress Management Techniques (b) Personality Determinants (c) Group Vs. Team.

Section B

7. Analyse the case and answer the questions given at the end :

I have you ever heard of assembly-line workers staging a slowdown because they were concerned about damaging the quality of their product if the manufacturing process was hurried? Perhaps you have heard of managers who refuse to meet demand for products for the same reason? If so, you probably think that these types of activities only happen in the movies and other works of fiction. However, there are subordinates and supervisors who believe that it is worth taking extreme action to maintain high quality. In fact, some people who have done this very thing are working in Spring Hill, Tennessee, at Saturn Corporation—the newest division of the world's largest manufacturing firm, General Motors (GM).

Just over ten years ago, faced with extremely stiff international competition, GM decided to experiment with an entirely new way of creating, manufacturing, and selling automobiles. This trial grew into the Saturn Corporation—the hottest news American auto nameplate in years. In each of its first three years of operation, this company far exceeded its goals and projections for producing high-quality products. As a result, demand for this car greatly outstripped supply. This imbalance was so great that at the end of the 1992 model year, many Saturn dealers had only one car on their showroom floors to display to prospective customers. In fact, many people who wanted to buy a Saturn had to wait three months from order to delivery of their cars. Despite these obstacles, sales of Saturns per dealership were twice that of their nearest competitor—Toyota.

Although GM clearly tried to do many things differently at Saturn from the way they were done at their other subsidiaries (e.g., Chevrolet, Pontiac, Buick), the most major distinction was in a strong belief and reliance on teams. Saturn is organized as a collection of small business teams. These units are responsible for creating their own budgets, ordering necessary parts and equipment, maintaining appropriate inventory and control systems, and even hiring and firing of personnel—all without direct management oversight. These groups are also in charge of organizing their work quality and productivity. In some instances, this has resulted in teams actually reassigning some of their members to other teams because they had more people than necessary to do the job?

P. T. O.

To ensure the success of their team approach, Saturn has been very careful to nurture and develop the concept and its implementation. Even before the manufacturing plant was built, a superteam, the "Group of 99", was selected to make sure that management and labour were fairly represented and that both strongly believed in the value of the team approach. Similarly, although hiring entirely from the ranks of GM's other blue-collar employees, Saturn only selects "those it considers adaptable, able to work well in teams, and possessed of good communication skills."

Once people are selected to work for Saturn and assigned to a team, they are provided training in teamwork. Before production began, new employees were given between 300 and 700 hours of education on topics such as conflict management, problem solving, and interviewing. The company has planned that individuals will receive at least another two weeks of schooling each year.

Some GM veterans are shocked at the fact that the team emphasis is being maintained. Says Milton Pletcher, a human resource administrator with nineteen years of experience at GM, "Walking into a typical situation where they're talking partnership, I would have expected just lip service. That's not what I found." This attitude extends to the line assembly employees as well. "We don't have the back-stabbing and the yelling and the things I've seen," claims Deborah Wikaryasz, who worked at Cadillac before moving to Saturn.

Not only isn't there "back-stabbing," but the teams at Saturn display a high level of camaraderie, trust, and commitment. In one instance, a maintenance team worked thirty-six hours straight to fix a problem in the paint shop. Another team recommended the rearrangement of machinery to improve productivity and quality. Yet a different group called suppliers to tell them of defective parts and to suggest solutions. Says the local United Auto Workers president, Michael Bennett, "You couldn't get people to do that in General Motors."

It seems certain that the emphasis on teams has paid off for Saturn. Absenteeism averages just 2.5 percent as opposed to between 10 and 14 percent at other GM plants. The quality of the cars is the highest of any manufactured in America. In fact, customer satisfaction with Saturn (cost : between \$10,000 and \$17,000) rivals that of cars three to five times more expensive.

Despite all this success, there are some problems lurking on Saturn's horizon. The plant has yet to reach capacity. In fact, 1993's output of 250,000 cars is half that projected by GM in 1983 when the planning for Saturn began. In addition, even with the suggestions of employees, there are still manufacturing bottlenecks that create delays and other inefficiencies. Furthermore, although demand for the product is high, the company is still losing money on this automobile. <https://www.davvonline.com>

Most ominous of all the problems, however, is that the other divisions of GM feel slighted by the popularity and acclaim afforded Saturn. Gordon Stewart, a Michigan Chevrolet dealer, complains, "Saturn advertising creates an image of a special vehicle built in a special place by special people. Where does that leave the rest of what GM builds?" Other dealers believe that Saturn is stealing their customers. Even within the GM hierarchy, Saturn has developed a reputation as a "pampered child." No doubt as competition for resources increases within GM, some will feel that Saturn has already had their share of money and management talent. This may result in additional pressure being brought to bear on this maverick company to increase productivity and profits.

Questions for Discussion :

1. What factors contribute to the cohesiveness of the teams at Saturn ?
2. Identify three norms of group behaviour that you think operate at Saturn.
3. Why do you think that the application of the team concept has been so successful at Saturn ?
4. Do you foresee any problems with the team approach as implemented by Saturn ? Explain what you might do to keep these problems from developing.