



UNIVERSITY OF RUHUNA

FACULTY OF GRADUATE STUDIES

Master of Business Administration Degree Programme Semester I

Examination (January 2020)

Academic Year 2019/2020

MBA 103: Management and Organizational Analysis Duration: Three hours

The Question Paper contains 07 questions.

#### Instructions

- Answer five (05) questions including question number 01
- The candidate is responsible for legibility of writing.
- Answer should be to the point, and will be rated on criteria such as logical presentation, clarity of definitions, use of practical examples, analytical capacity and innovative rationality.
- Marks are allotted as indicated against each question.

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(1) Read the Case Study and answer the questions given below.

#### Electrical Manufacturing Company

Barbara Russell, a manufacturing vice president, walked into the monthly companywide meeting with a light step and a hopefulness she hadn't felt in a long time. The company's new, dynamic CEO is going to announce a new era of empowerment at Electrical Manufacturing Company, an 80-year-old, publicly held company that had once been a leading manufacturer and retailer of electrical products and supplies. In recent years, the company experienced host of problems such as; market share was declining in the face of increased foreign and domestic competition, new product ideas were few and far between,

departments such as manufacturing and sales barely spoke to one another, morale was at an all-time low, and many employees were actively seeking other jobs. Everyone needed a dose of hope.

Martin, who had been hired to revive the failing company, briskly opened the meeting with a challenge, "As we face increasing competition, we need new ideas, new energy, and new spirit to make this company great. And the source for this change is you -each one of you." He then went on to explain that under the new empowerment campaign, employees would be getting more information about how the company was run and would be able to work with their fellow employees in new and creative ways. Martin proclaimed a new era of trust and cooperation at Electrical Manufacturing Company. Barbara felt the excitement stirring within her; but as she looked around the room, she saw many of the other employees, including her friend Harry, rolling their eyes. "Just another pile of corporate crap," Harry said later. "One minute they try downsizing, the next reengineering. Then they dabble in restructuring. Now Martin wants to push empowerment. Garbage like empowerment isn't a substitute for hard work and a little faith in the people who have been with this company for years. We made it great once, and we can do it again. Just get out of our way." Harry had been a manufacturing engineer with Electrical Manufacturing Company for more than 20 years. Barbara knew he was extremely loyal to the company, but he and many others like him were going to be an obstacle to the empowerment efforts.

Top management assigned selected managers to several problem-solving teams to come up with ideas for implementing the empowerment campaign. Barbara loved her assignment as team leader of the manufacturing team, working on ideas to improve how retail stores got the merchandise they needed when they needed it. The team thrived, and trust blossomed among the members. They even spent nights and weekends working to complete their report. They were proud of their ideas, which they believed were innovative but easily achievable: permit a manager to follow a product from design through sales to customers; allow salespeople to refund up to Rs.500 worth of merchandise on the spot; make information available to salespeople about future products; and swap sales and manufacturing personnel for short periods to let them get to know one another's jobs.

When the team presented its report to the department Heads, Martin was enthusiastic. But shortly into the meeting he had to excuse himself because of a late-breaking deal with a major hardware store chain. With Martin's absent, the department heads rapidly formed a wall of resistance. The director of human resources complained that the ideas for personnel changes would destroy the carefully crafted job categories that had just been completed. The finance department argued that allowing salespeople to make Rs.500 refunds would create a gold mine for unethical customers and salespeople. The legal department warned that providing information to salespeople about future products would invite industrial spying.

The team members were stunned. As Barbara mulled over the latest turn of events, she considered her options: keep her mouth shut; take a chance and confront Martin about her sincerity in making empowerment work; push slowly for reform and work for gradual support from the other teams; or look for another job and leave a company she really cared about. Barbara realized there would be no easy choices and no easy answers.

### Questions

(i). What are the critical issues and problems in this scenario?

(20 Marks)

(ii) Can you think of the ways Barbara could have avoided the problems her team faced in the meeting with department Heads?

(10 Marks)

(iii) If you were Barbara Russell, what would you do now? Why?

(10 Marks)

(Total 40 Marks)

(2)

(i) Why is it important to understand the different perspectives and approaches to management theory that have evolved throughout the history of organizations?

(05 Marks)

(ii) Based on your experience of work, describe some ways in which the principles of Scientific Management are still used in organizations.

(05 Marks)

(iii) "Max Weber's model of Bureaucracy accurately represents the structure and functioning of public sector organizations in Sri Lanka". Give your comments in respect of each element of the model.

(05 Marks)

(Total 15 Marks)

(3)

(i) Do you think that most managers in real life use a contingency approach to increase their leadership effectiveness? Explain.

(05 Marks)

(ii) "Every individual employee in an organization plays a role in controlling work activities." Do you agree with this statement, or do you think control is something that only managers are responsible for? Defend.

(05 Marks)

(iii) Describe how managers can motivate group members to achieve organizational goals and reduce social loafing in groups and teams.

(05 Marks)

(Total 15 Marks)

(4)

(i) "Even though organizational culture often leads to create more favorable consequences towards the organizational development, sometimes it causes to create dysfunctional aspects as well". Do you agree? Explain with an appropriate example.

(05 Marks)

- (ii) Some managers perceive that Sri Lankan culture as a barrier for applying of modern management concepts. Critically examine the validity of this opinion citing examples.

(05 Marks)

- (iii) Describe the steps that an organization can take to maintain its culture.

(05 Marks)

(Total 15 Marks)

(5)

- (i) "Politics is not inherently bad. It is merely a way to get things accomplished within the organizations". Do you agree or disagree? Defend your position.

(04 Marks)

- (ii) "The workplace today is more stressful than it was in the past ". Support your argument.

(04 Marks)

- (iii) "Any organization is subjected to pressure for change that can come from different forces". Discuss this statement with your own experience in your workplace.

(07 Marks)

(Total 15 Marks)

(6)

- (i) "A Parochial and Ethnocentric organization is bound to fail". Justify your opinion with suitable examples.

(05 Marks)

- (ii) Discuss the Proactive and Reactive motives for organizations to go international by giving examples.

(05 Marks)

- (iii) Why do you think it would be a challenge and risky to manage international business in the contemporary business environment? Rationalize through a real world scenario.

(05 Marks)

(Total 15 Marks)

**(7) Write short notes on five (05) of followings**

- (i) Social responsibility and Social responsiveness.
- (ii) Approaches to study organizational behavior
- (iii) Nature of the ethical organizations
- (iv) Blake's and Mouton's Managerial Grid
- (v) New Decision Making Approaches
- (vi) Organizational Communication Networks

(Each carries 03 Marks)

(3x5 = Total 15 Marks)

