



UNIVERSITY OF RUHUNA

FACULTY OF MANAGEMENT AND FINANCE

**Bachelor of Business Administration Degree Programme 2000 Level First
Semester End Examination (November / December 2021)**

Academic Year 2020/2021

BBA 21033 – Organizational Behavior

Instructions: The Question paper contains 05 questions and 04 pages.

Answer only four (4) Questions including question number one (1).

Time: Three hours (03)

Total Marks: 70

1. Read the following hypothetical case and answer the questions given below.

“Loss may be the result of a decision”

“The Gayani enterprises” is a small-scale organization established in Matara city run by Mr. Ranganatha, a retired senior manager in a governmental own limited company in Sri Lanka. He was born in Matara and he was an entrepreneurial character who was inspired to create new businesses. He started his business in 2012, and the aim of the business is to provide essential commodities to the people who reside in urban areas of the city. As the owner of the company, Mr. Ranganath recruited 10 management undergraduates as part-time employees to work on a flexible work schedule from the nearest government university located in Matara. The Company had several advantages such as locating nearest to the highway entrance, a safe environment, plenty of essential food suppliers especially Agri base entrepreneurs and employees who had rural-based value systems.

Mr. Ranganath had sound knowledge and abilities of interpreting perception of others, handling various emotions, leadership qualities, team working, applying of motivational theories due to his long experience in the semi-government organization. Based on his knowledge, he designed

all the jobs applying the principles of five core dimensions suggested by the Job characteristic model. Further, he designed the jobs giving opportunities for undergraduates to select their jobs as flextime, job sharing, or telecommuting. All the selected part-time employees had full freedom to manage their working and academic role. With 25 years of experience, Mr. Ranganatha developed a good management information system that assists to make accurate timely decisions. Further, all part-time employees had opportunities to involve in the decision-making process as a result they can give their creative ideas which are valued by the owner. Moreover, Mr. Ranganath developed a mechanism to communicate their grievances and solve them without any delay.

After five years of establishing the organization, it had expanded to a large-scale limited organization with more branches in different areas of the country. Specifically, Mr. Ranganath now has a high profitable branch of export. Few part-time employees had recruited to the board of directors after their graduation. It had been earning more than eight million net profits per month when coming to the year 2018. Some business experts revealed through their empirical research that the secret of success of the organization is the leadership qualities of the president as well as recruiting policy of rural-based undergraduates on the flexible jobs.

Suddenly, Mr. Ranganath died of a serious heart attack and his son came to the Gayani Enterprises (Pvt) as the new president. He is a qualified financial manager with more than two years of international experience. After the new president, some changes were incorporated into the existing business policies. Qualified financial managers were recruited as permanent employees to the Account branches and stopped recruiting part-time undergraduates. Flexible working jobs were further encouraged but he focused targets covering employees. All employees were encouraged to behave in line with the formal structure of the organization. Moreover, all promotions and benefits were linked to the performance. After a one-year period, old directors were changed and some of them resigned from the organization.

Even if, as a result of the decisions taken by the president, the company's financial performance was increased in a dramatic way and all administrative activities became formalized. Later some drawbacks were observed in the organization and few directors (experts in finance) were dominated the company. In this condition, some attractive senior managers tried to establish a

union in the organization, however, they were fired by the president with the information given by the dominant directors.

Meanwhile, a new government was formed in the country in 2019 and the government recruited more than 60,000 graduates into the governmental services. With this government policy, more than 200 graduates resigned from the organization. End of 2020, the profits of the organization had decreased by 50 percent. Some experienced employees had also resigned from their posts. Many complaints from customers had been received to the organization on e-businesses. Further, Sri Lanka Export Development Board (SLEDB) and Consumer Affairs Authority had filed several cases on the Court considering violating of exporting rules. Meanwhile, the relative importance of informal communication in the organization had been increasing. However, dominated directors argued and blame the covid 19 pandemics on organizational worse conditions. They are sure that all of the issues in their organization will be solved in the future after neutralizing of covid 19 pandemic. President also agreed with them.

- I. Do you agree with financial directors' ideas? Explain your answer. (03 Marks)
 - II. Identify leadership styles applied by the two Presidents in the organization. Justify your answer. (03 Marks)
 - III. Do you agree with the changes made by the new President? Give your comments. (07 Marks)
 - IV. If you have been appointed as a consultant of the president, how do you consult the President to overcome this worst condition of the company? Explain using your organizational behavioral knowledge. (09 Marks)
- (Total Marks 22)

2. "Perception is the process by which individuals select, organize, and interpret the input from their senses to give meaning and order to the world around them"

- I. List out and briefly explain the factors that influence the individual perception process? (08 Marks)
 - II. Explain with examples how attribution theory can be used to predict individual behavior. (08 Marks)
- (Total Marks 16)

3. "Personality refers to the ways in which people react and interact with others and individuals' personality is determined with many factors".

I. Briefly explain with appropriate examples the factors that determined the individuals' personality.

(08 Marks)

II. Discuss the contribution of the Big five personality traits on the success of the job performance in an organization.

(08 Marks)

(Total Marks 16)

4. "Although most of the people have given high consideration on money, it doesn't do much to improve happiness after existence needs (food, clothing, and shelter) are met."

I. Explain this statement using any motivation theory which you have learnt in the classroom.

(08 Marks)

II. Discuss how Expectancy theory can be applied to motivate employees.

(08 Marks)

(Total Marks 16)

5. Write short notes on four (04) of the following concepts.

- I. Five stage Group Development Model
- II. Emotional intelligence of employees in an organization
- III. Characteristics of Effective communication
- IV. Barriers to changing employee attitudes
- V. Learning theories
- VI. Decision-making models in an organization

(Each carries 04 Marks)

(Total Marks 16)
