

12 IGD

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INSTITUTE OF MANAGEMENT TECHNOLOGY  
GHAZIABAD  
End-TERM EXAMINATION 2012  
IGD: INDIVIDUAL AND GROUP DYNAMICS  
PGDM - (All sections)

Time allowed: 75 Minutes  
Max Marks: 45  
Closed Book Examination  
Instructions:

1. All parts of a question must be answered at one place.
2. Give proper rationale/justification for your answers to reveal that you have a sound understanding of organizational behavioural concepts. General and casual answers will not fetch any marks, and in fact may even invite penalty.

Attempt Any Three Sections

SECTION 1

**CASE STUDY: NORDSTROM: SALESPEOPLE ARE THE TOP PRIORITY**

Over the last 100 years, Nordstrom's success has been attributed to its sales staff. Nordstrom prides itself on customer service and has a culture in which pleasing the customer is paramount. The company's leadership understands this and treats their employees well, so that they will treat customers well. Nordstrom has been consistently selected as one of the 100 Best Companies to Work For in America, and more than 3,000 of its employees have been with the company for more than ten years. Nordstrom's corporate structure can be illustrated as an inverted pyramid. The customers are at the top level of the pyramid, the salespeople at the middle, and the board of directors at the bottom. This illustrates the powerful positions in the organization that the sales staff enjoy. They are encouraged to make their own decisions and do whatever they think is appropriate to best serve their customers. For example, at a Seattle store, a customer shopping right before a flight left her plane ticket behind. The salesperson who found it called the airline to ask them to print a new ticket. When they refused, the salesperson used some money from petty cash to hail a cab and deliver the ticket to the customer at the airport. Nordstrom has done an exceptional job at retaining employees. What does it take to get a job at Nordstrom? At Nordstrom, the focus is on hiring the personality and

training the skill. They focus on hiring nice people with a positive, motivated, and committed attitude. Previous retail experience or a college degree has never been a prerequisite for succeeding at Nordstrom. The company makes great efforts to understand the applicant's personality, how they feel about themselves, and their attitudes toward serving customers. When Nordstrom expanded into Southern California in the 1970s and looked for new employees, they ran a newspaper ad that began "Wanted: People Power" and followed with a list of desirable attributes. The ad did not mention what job was available or even the company, but it was successful in that it attracted the type of people that the company was looking for. In fact, that ad attracted Len Kuntz, eventually became vice president/regional manager of the Washington/Alaska region. Personality and attitude are keys to success at Nordstrom.

Question:

1. The regional manager of Human Resources suggests that you start using a personality assessment tool in hiring new employees for your store. Describe any personality tests you will use for the purpose. Explain clearly why you will use this(these) test(s). (15)

## Section -2

### **CASE -MOVING FROM COLLEAGUE TO SUPERVISOR**

Cheryl Kahn, Rob Carstons, and Linda McGee have something in common. They all were promoted within their ORGANIZATIONS INTO MANAGEMENT POSITIONS. AND EACH FOUND THE TRANSITION A CHALLENGE. Cheryl Kahn was promoted to director of catering for the Glazier Group of restaurants in New York City. With the promotion, she realized that things would never be the same again. No longer would she be able to participate in water-cooler gossip or shrug off an employee's chronic lateness. She says she found her new role to be daunting. "At first I was like a bulldozer knocking everyone over, and that was not well received. I was saying, 'It's my way or the highway.' And was forgetting that my friends were also in transition." She admits that this style alienated just about everyone with whom she worked. Rob Carstons, a technical manager at IBM in California, talks about the uncertainty he felt after being promoted to a manager from a junior programmer. "It was a little bit challenging to be suddenly giving directives to peers, when just the day before you were one of them. You try to be careful not to

offend anyone. It's strange walking into a room and the whole conversation changes. People don't want to be as open with you when you become the boss." Linda McGee is now president of Medex Insurance Services in Baltimore, Maryland. She started as a customer service representative with the company, then leaptfrogged over colleagues in a series of promotions. Her fast rise created problems. Colleagues "would say, 'Oh, here comes the big cheese now.' God only knows what they talked about behind my back."

#### Question

A lot of new managers err in selecting the right leadership style when they move into management. Why do you think this happens? Which leadership theories, if any, could help new leaders deal with this transition? How? (15)

### Section -3

#### Case - Frustrated at age 30

Rishi Ram is 30. But if you listened to him, you'd think he was 60 and washed up. "I graduated college at a great time. It was 1996. I started as an analyst for Accenture, worked as a health-care IT consultant for two other firms, and then became Chief Technology Officer." By 2001, Rishi Ram was making Rs 2.5 million (Rs 25 lakhs) a year plus bonus, driving an expensive BMW car, and optimistic about his future. But Rishi Ram has become a statistic. He's one of 40 million Indians born between 1966 and 1975 whose peak earnings may be behind them. Rishi Ram now makes Rs 9.5 lakhs as a technology analyst at a hospital and is trying to adjust to the fact that the go-go years of the late 1990s are history. Like many of his generation, Rishi Ram is mired in debt. He owes Rs 4.5 million on his home loans and has run up more than Rs 5,00,000 on his credit cards. He faces a world very different from the one his father found when he graduated college in the early 1960s. "The rules have changed. And we generation Xers are getting hit hard. We had to go to college to get a decent job. But the majority of us graduated with high student debt. The good news was, when we graduated, the job market was great. I got Rs 100000 hiring bonus on my first job! The competition by employers for good people drove salaries up. When I was 28, I was making more money than my dad, who had been with the same company for over 20 years. But my dad has job security. And he has a nice retirement

plan that will pay him a guaranteed pension when he turns 60. Now look at me. I don't know if I'll ever make Rs 2.5 million again. If I do, it'll be in 20 or more years. I have no job security. I'm paying Rs 20000 a month on my college loans. I'm paying another Rs 5000 a month on my credit card account, and Rs 42000 per month on home loan. I've got 30 more payments on my BMW car. And my wife says it's time for us to start a family. I don't know whether I'll be in a job after 6 months. "I'm very frustrated. I feel like my generation got a bad deal. We initially got great jobs with unrealistically high pay. I admit it, we were spoiled. We got used to working 1 job for six months, quitting, then taking another and getting ourselves a 25 or 30 percent raise. We thought we'd be rich and retired by 40. The truth is that we're now lucky to have a job and, if we do, it probably pays half what we were making a few years ago. We have no job security. The competition for jobs, combined with pressures by business to keep costs down, means a future with minimal salary increases. It's pretty weird to be only 30 years old and to have your best years behind you!"

Question: Analyze Rishi Ram's lack of motivation using

- (a) Adam's equity theory (10)
- (b) Maslow's Theory of Motivation (5)

#### Section 4

You are an executive in a consumer products corporation. The President assigns you to form a task force to develop new product for the organization. You are permitted to choose its members.

- a) How will you ensure high effectiveness of the team? Discuss. Include selection of team members in your answer. (10)

#### Section 5

Case - *Sir Richard Branson: The Development of an Entrepreneur*

Explain the words in italics (right hand corner of case). What lesson does it have for the organizations? Use your understanding of various theories while answering this question.

## D Sir Richard Branson: The Development of an Entrepreneur

Virgin is one of the most respected brands in Great Britain and is rapidly becoming an important global brand as well. The Virgin brand was started in the 1970s with a small mail order record company that grew out of a student magazine. Since then Richard Branson has developed the Virgin brand into a veritable entrepreneurial empire.

### Branson: The Background of a Developing Entrepreneur

In the first chapter of his autobiography, Richard Branson reminisces about some of his childhood experiences—ones that would have a profound effect on his development as an adult and an entrepreneur. Branson writes that his parents, especially his mother, continually set challenges for him and his sisters, Vanessa and Lindi, in order to make them independent. These challenges were physical in nature rather than academic. According to Branson, he and his sisters were soon setting physical challenges for themselves.

A loving family played an important role in Branson's development. "We were a family that would have killed for each other—and we still are," says Branson. Teamwork was also a hallmark of the family. Branson's parents treated him and his two sisters as equals. They valued their children's opinions and only provided advice when the children asked for it. Branson's mother was very entrepreneurial, as was his Aunt Clare. Each developed several different ways of making money.

Despite his enormous entrepreneurial success, Branson still lacks a high school diploma. In school, he was a pitiful student but a superb athlete. Though he was dyslexic and had vision problems, his inability to read, write, and spell, and his poor performance on tests were blamed on stupidity or laziness. In commenting on Branson's academic miseries as a child in relation to his athletic and future entrepreneurial successes, one observer noted:

3 Airlines, Virgin Books, Virgin Limousines, Virgin Megastores, Virgin Vacations, Necker Island, Radio Free Virgin, Virgin Cola, and V2 Music, among numerous others.

Branson is not a conventional businessperson—and he never intended to be one. In fact, Sir Richard is about as far removed from the stereotypic CEO as one can possibly imagine. "He continues to be a corporate iconoclast, defying conventional wisdom, pushing the envelope, poking fun at the big guys, saying exactly what he thinks and doing exactly what he wants." Branson has irreverence for authority that he claims to have inherited from both of his parents.

Branson relishes becoming involved in "industries that charge too much (music) or hold consumers hostage (cellular) or treat them badly and bore them to tears (airlines)." His aim is to upset the status quo in these types of industries.

2 In the end, it was the tests that failed. They totally missed his ability and passion for sports. They had no means to identify ambition, the fire inside that drives people to find a path to success that zigzags around the maze of standard doors that won't open. They never identified the most important talent of all. It's the ability to connect with people, mind to mind, and soul to soul. It's that rare power to energize the ambitions of others so that they, too, rise to the level of their dreams.

A passion for sports, adventure, family, and entrepreneurship define Sir Richard's life. Branson has broken several air and land speed and distance records while racing boats and hot air balloons in his pursuit of adventure. He structures his work schedule so that he has ample time to spend with his family and friends. Indeed, Branson's efforts to synthesize work, play, and life seem to be the hallmark of his business model and business success.

### Branson: The Entrepreneur

Branson began building his entrepreneurial empire in his teenage years. At the age of 17, being frustrated with the rules and regulations of schools and brimming with activism, Branson and a friend, Jonny Gems, started a magazine called *Student*. The magazine tied many schools together and focused on the students themselves rather than the schools. After publishing the first issue of *Student*, Branson received a note from the headmaster of the school that he and Gems attended. The headmaster wrote: "Congratulations, Branson. I predict that you will either go to prison or become a millionaire."

Branson dropped out of school and continued to pursue his entrepreneurial interests. His next venture was a discount music business called Virgin Records. Then entrepreneurial venture after entrepreneurial venture developed, and as the saying goes: "The rest is history!" Sir Richard—knighted by the Queen of England in 2000—has mostly majority stakes in over 200 companies that constitute his \$7.9 billion entrepreneurial empire. The companies cut across a diverse array of business lines, including Virgin Atlantic

4 Branson also relishes teamwork and brings it into play in his entrepreneurial ventures. He has an "advisory team, whose job is to capture his entrepreneurial ideas and wrestle them into some kind of corporate structure that is both attractive to investors and palatable to him." Branson also gives others opportunities to develop their ideas into business ventures that he backs.

Sir Richard's entrepreneurial ventures and work pique his intellectual curiosity and provides the education he was never able to get in school. "What really sets him apart from other CEOs is that he doesn't mind surprises. He thrives on them. Start-up problems don't bother him at all. Neither do unforeseen battles."

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(16.5)

91-08-13

INSTITUTE OF MANAGEMENT TECHNOLOGY

GHAZIABAD

PGDM (All Sections)

End-terms Examination

Individual and Group Dynamics

2013-15

Note:

Closed Book Examination

All Questions are compulsory

No doubts/clarifications shall be entertained.

In case of doubts/clarifications, make reasonable assumptions and proceed

Time: 2.00 hours

Total Marks: 30

### Case 1: Domino's Pizza takes a bite out of turnover

Nine million miles that's how far you would travel if you went to the moon 37 times. Coincidentally, that's also how far Domino's pizza delivery drivers travel each week in more than 60 countries. The 170,000 employees who work in the 8800 stores in these nations get 1.3 million pizzas out the door each day. And they've been doing this every day since 1960, when the brothers, Tom and James Monaghan, brought their first small pizzeria in Ypsilanti, Michigan. The recipe for keeping these employees working happily at their jobs is something the company takes as seriously as its pizza recipe. And just as Domino's totally redesigned its pizzas "from the crust up" in 2010 to keep customers coming back for more, it also has been rethinking its approach to employees to keep them coming back to work.

This is no minor concern for Domino's pizza, considering that annual turnover within stores has been more than 150 percent, resulting in an entirely new crew about every nine months. Although these figures are lower than the industry average of fast food, the fact that it costs upward of \$2500 to replace an entry-level worker (and 1 times more for a manager) was enough to make boosting employee retention a priority for the Domino's corporate management team in Ann Arbor. In 2005, under the leadership of David Brandon, Domino's launched several initiatives to tackle the turnover problem, which continued when Patric Doyle assumed the CEO post in 2010.

Brandon's approach was straight forward. Because employees tended to leave when managers resigned, he focused primarily on managers. Unlike some other CEOs facing the same problem in their companies, he opted not to buy his managers' loyalty by raising their pay. He believed that would have only a small and temporary effect on retention. Instead, he initiated a three-prong approach, beginning by hiring better managers. With this in mind, Domino's officials worked with researchers to develop an online test to select managers who had adequate levels of financial know-how and whose management styles were appropriate for the company. Once managers were selected, they were trained thoroughly in ways of effectively recruiting employees and interviewing them so as to ensure their success.

2) The second focus of the retention effort involved giving store managers tools to assess how well their employees are performing. This consisted of computerized tracking systems that enable them to learn how long the pizza production process is taking and to identify star performers as well as those who need additional help.

3) Third, although Brandon is not a fan of across-the-board pay increases, he believes firmly in creating incentives for managers that reward them for outstanding performance. This led to a system of bonuses based on store profits in addition to stock options for managers whose store

sales grew while also creating highly satisfied customers. The effect was to align the financial interests of the managers with those of the company.

Since these efforts were put in place, turnover at Domino's Pizzas has been cut in half-a vast improvement whose impact has been felt on the bottom line. And in an era of crust-thin margins, such developments are welcomed for sure.

Answer the following questions

Q.1 Analyze the effectiveness of the three initiatives by Brandon using appropriate theory of motivation (6)

Q.2 How might making an effort to promote job satisfaction contribute to reducing turnover? As a manager of a Domino's store, what exactly could you do to help in this way? (3)

### Case 2: Sir Richard Branson: The Development of an Entrepreneur

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A loving family played an important an important role in Branson's development. "We were a family that would have killed for each other-and we still are," says Branson. Teamwork was also a hallmark for the family. Branson's parents treated him and his two sisters as equals. They valued their children's opinions and only provided advice when the children's opinions and only provided advice when the children asked for it. Branson's mother was very entrepreneurial, as was his Aunt Clare. Each developed several different ways of making money.

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*In this end, it was the tests that failed. They totally missed his ability and passion for sports. They had no means to identify ambition, the fire inside that drives people to find a path to success that zigzags around the maze of standard doors that won't open. They never identified the most important talent of all. It's the ability to connect with people, mind to mind, and soul to soul. It's that were rare power to energize the ambitions of others so that they too, rise to the level of their dreams.*

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Answer the following questions

4 Q 1. Using the various personality theories, how would you describe Sir Richard Branson's personality? (5)

Q 2. What perceptions have you formed of Richard Branson? To what extent have the barriers to social perception influenced your view of Branson? (4)



Q 3. How do attributions factor into understanding the background of Branson's entrepreneurial development? (3)

Kindly answer any of the following two cases:

Case 3: Inside the Peloton: Social dynamics of Tour de France

(A)

Each July, bicyclists race across the French countryside in the Tour de France. The race, first run in 1903, now consists of about 180 of the world's best cyclists, who meander through tiny villages, up and down steep mountain grades, and after gruelling 3,407 kilometres (slightly over 2117 miles), complete their 23-day-long journey along Paris's famed Champs-Elysees. To the winner goes 400000 Euro (currently about US\$517,840). For seven consecutive years (until 2009, when Alberto Contador became the official winner), American Armstrong crossed the finish line first, but despite how it may look from outside, the tour, as it is called for short, is very much a team sport.

To appreciate the team dynamics, it is necessary to understand what goes on inside the peloton, a cycling term for "pack" - a picturesque mob of competing teams seen gliding along the route. The complex social arrangements that occur within them belie the bucolic surroundings in which they peddle. As one observer put it, "What appears to be a random mass of bicycles is really an ordered complex web of shifting alliances, crossed with brutal competition, designed to keep or acquire the market's most valued currency: energy."

Pelotons consists of about 20 teams of nine riders, each of whom has a speciality. For example, there are *routers*, two or three particularly fast rides who help create drafts for their team's leader in flat terrain; *hill specialists*, who have strength and stamina to support the leader in gaining ground by creating a slipstream (a field of low wind resistance) as they go up mountains; and *domestic*, usually new riders who wear a shoulder bags to help carry supplies between the team car and various members. Together, these individuals have a common objective: to position leaders for a win.

Its not only members of one's own teams who work together; sometimes, tiny groupings of enemies from different teams form momentary alliances when race decision dictate-sometimes hundreds per day. For example, members of two opposing teams riding knuckle-to knuckle at 60mph may help one another by cutting temporary deals, each taking turns blocking others through upcoming twists and turns. As long-time Tour commentator Phil Liggett observed, "you have to make friends of enemies. And just as quickly, enemies of friends."

Within the peloton, unspoken rules develop. For example, riders may be given a chance to lead the pack, such as when they enter their hometowns (allowing them to enjoy the glory and admiration) and when they go to areas with lot of television coverage (allowing them to please their sponsors). Cooperation between teams also is important when nature calls. Usually, bathroom breaks (more actually, trips to the woods) when everyone agrees they will.

During one race, however, frenid rider Dante Coccolo took it upon himself to defy the rules. When everyone stopped for a break, he charged ahead. Later, when he took his own bathroom break, some other cyclists grabbed his bike and threw it into a ditch. Slowed down and ostracized,

Coccolo's team had to get him another bike. He finished in next-to-last place that year and never again rode in the Tour. Lessons learned

Answer the following questions

1. What examples of role differentiation are found in this case? To what extent do they help achieve the desired goals? (3)
2. What social norms are illustrated? How do they may help each team's mission, and how are they enforced? (4)
3. Teams of nine are used in this case. Do you think they would be more effective if they were smaller in size, or does the situation dictate the team size used? To what extent would larger teams help or hinder effectiveness? (2)

OR

Case 3: PIXAR  
(B)

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### CASE PIXAR

In a little over a decade, Pixar has managed to produce seven blockbuster hits. Its leadership in producing animated motion pictures results from an amalgamation of contributing factors, including the three individuals who lead this innovative organization. Ed Catmull, John Lasseter, and Steve Jobs represent the driving forces behind one of the most cohesive teams in the industry. Pixar consists of three departments: animators, the story department, and the art department. Cross-functional teams comprise members of each of these departments who are integrated together to facilitate communication and thus produce groundbreaking movies.

Companies rise and fall quickly within the moviemaking industry. Pixar has managed to pull all of its resources together to create something magical each and every time it produces a movie. How is this success achieved? Pixar has retained the majority of the employees who started with the company at its initiation, which has been a huge advantage. Employees within each team know the strengths and weaknesses of every other team member and therefore can collaborate effectively. Pixar also has established Pixar University to train new employees, which enables them to have an immediate impact after they complete their three-month training program. The success of Pixar thus is rooted in the team atmosphere created by the organization.

- 11.1 Are cross-functional teams a necessity for the continued success of Pixar? Explain. (4)
- 11.2 What makes teams at Pixar different from other teams? Explain. (5)

Sources: C. Conley, "Innovation All the Time," *BusinessWeek Online*, September 19, 2006; "Corporate Overview," [http://www.pixar.com/company/info/about\\_us/overview.htm](http://www.pixar.com/company/info/about_us/overview.htm) (June 26, 2007); S. Darling, "How Pixar Changed Animation - for Good," October 10, 2001, [http://news.bbc.co.uk/1/1/2001/06/010626\\_1\\_pixar\\_1.shtml](http://news.bbc.co.uk/1/1/2001/06/010626_1_pixar_1.shtml) (June 26, 2007); E. Milford, "What Makes Pixar Run?" *May 2004*, <http://www.technewsworld.com/story/34107.html> (June 26, 2007).

6.5

15 1GrD

**INSTITUTE OF MANAGEMENT TECHNOLOGY – Ghaziabad**

**PGDM – 1<sup>st</sup>yr (BATCH: 2015-17), TERM-I**

**Subject: Individual and Group Dynamics**

**Faculty Name: Bindu Gupta, Hardik Shah, Seeta Gupta, Suryatapa Kar**

**Time allowed: 90 Minutes      Exam Date: 19.08.2015      Max. Marks: 40**

**Instructions:**

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- Closed Book Examination
- All parts of a question must be answered at one place.
- Give proper rationale/justification for your answers to reveal that you have a sound understanding of organizational behavioral concepts. General and casual answers will not fetch any marks, and in fact may even invite penalty.
- **Answer questions for both cases from Section-I and any two questions from Section-II**
- **If you are attempting extra questions from section II, the third one will not be evaluated.**

**Section –I**

**Case 1: What do they want?**

Pat river is vice president of manufacturing and operations of a medium size pharmaceutical firm. He has a Ph.D. in chemistry but has not been directly involved in research and new product development for 20 years. From the 'school of hard knocks' when it comes to manage operations Pat runs a 'tight ship'. The company does not have a turnover problem. But, its obvious to Pat and other key management personnel that the hourly people are putting in only their eight hours a day. They are not working any where near their full potential. Pat is very upset with the situation because, with rising costs, the only way that the company can continue to prosper is to increase the productivity of its hourly people.

Pat called the human resources manager Carmen Lopez and laid it on the line: "What is it with our people, anyway? Your wage surveys show that we pay near the top in this region., our conditions are tremendous, and our findings choke a horse. Yet, these people are not motivated. What in the world do they want?" carmen replied, "I have told you and the president many times that money, conditions, and benefits are not enough. Employee also need other things to motivate them. Also, I have been conducting some random confidential interviews with some of our hourly people and they tell me that they are very discouraged

because, no matter how hard they work, they get the same pay and opportunities for advancement as their coworkers who are just scrapping by". Pat then replied: "Okay, you are the motivation expert. What do we do about it? We have to increase their performance".

Q. 1.a- Explain the "motivation problem" in the organization in terms of the content models of Maslow and Herzberg?(7 marks)

Q.1.b. Explain the motivation of the employees in the company using expectancy theory and equity theory of motivation. What would you guess are some of the expectancies, valences, and inequities of the employees in this company? (7 marks)

### Case 2 :Leading Teams

It was still weeks before Shipra was to be formally appointed as the leader of a newly formed group, and the roles and responsibilities of the members were still not clear. However, it was clear that Shipra was going to become the leader of the product development team, yet she would not get much powers to hire her own team members. She would also have to request her own boss to take disciplinary action if the situation so demanded. The team of young and educated staff would be responsible for developing new and innovative computer software package for the airline industry. This would be a challenging opportunity to break into an industry where they had no previous experience.

Being young and enthusiastic, Shipra decided to show her boss and the other group members that she was worthy of promotion. In an effort to show the group her leadership skills and get to know them better, Shipra decided to become very friendly with them. She joked around whenever she had a chance and always asked them to join her for lunch. She also let them know that if they needed to talk she would be in her office where she spent most of her time reading articles about the airline industry. At the end of month, several of her staff stopped having lunch with her and some were thinking of quitting the group. Shipra was shocked when she overheard some of them saying, "who does she think she is anyway?" and describing her promotion as a "big mistake."

Q.2:Analyze the appropriateness of leadership style of Shipra using:

- a) Fiedler's contingency theory (8 Marks)
- b) Situational leadership theory (8 Marks)

Section -II Explain following Terms (Any Two) (10 marks)

1. Four dichotomies of Myers-Briggs Type Indicator (MBTI)

2. Stages of Group Formation/development

3. Errors/shortcuts in Perception

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