

Birla Institute of Technology and Science, Pilani

Midterm examination [Closed Book]

Course: Managing people and organization

Date: 11/10/2023

Course No: MPBA G504

Time: 90 minutes

Max Marks: 50

Weightage: 25%

Name

Campus Id :

Section A: Each question is of one mark (Wire only the correct answer in the answer script) **[5*1=5 marks]**

1. Job characteristic model is related to

- A) Leadership B) Motivation C) Both A & B D) Supervision

2. According to Herzberg, which characteristic is not a motivator?

- A) Advancement B) Status C) Work itself D) Growth

3. An example of a destructive and passive consequence of employee dissatisfaction at workplace is

- A) Exit B) Voice C) Neglect D) None of these

4. Which is false?

- A) Intentions are a function of behaviour B) Employee loyalty is a positive job attitude
C) Satisfied and committed employees exhibit organizational citizenship behaviors D) Both A & C

5. Toni Kroos, a football player who plays in a midfield position on the pitch has been asked by his coach to switch over to a new position of a defender (which he is not accustomed to) for an upcoming game. The current state of Kroos is dominated by:

- A) Ethical dilemma B) Emotional dissonance C) Cognitive dissonance D) All of these

Section B: Each question is of five marks

Total marks-25

1. Joselu has just joined a new organization as a Manager Tech Support. He has replaced a much-loved leader who recently quit. Joselu is in charge of leading a team that views him with distrust. The task all doing together is well defined (structured) and being the leader, he has the authority to make decisions related to his team members. Based on Fiedler's contingency model, identify the most suited leadership style. **[5 marks]**
2. Eduardo is a Finance executive in an insurance company, while Jude is also an executive in Finance department of the same company. Use all three components of expectancy theory to explain why Eduardo is motivated to show up for work during a severe storm whereas Jude make no effort to leave his home. **[5 marks]**
3. At Deloitte India, the newly appointed leader, Romal Shetty, has set the firm on on an aggressive growth trajectory and is scouting for talent in tax, risk and new technology areas. "We aspire to increase our growth from INR8,000 (crore) to INR20,000 crore and expand our partner base to over 1,000 within four years. Over the past four or five years, we have consistently achieved over 30% overall growth and, last year, our overall growth exceeded 40% as a firm", Shetty pointed out in a recent media briefing. As a result, Deloitte has embarked upon hiring from its direct rivals and nearly 150 employees have been hired in the last quarter. Describe the organizational culture of Deloitte India. **[5 marks]**
4. Karim is a senior manager in a leading European Pharma company. He wants one of his dependable employees, Rebecca to remain in his department. To encourage Rebecca to stay, he tells her in their monthly one-on-one meeting that she needs a development plan so he can promote her. Karim explains to Rebecca that this development plan he has made identifies specific work projects that she will work on over the next six months. He assures her that after six months she will be more competitive for promotions in the department. Karim stops talking as he expects Rebecca will be excited about his development plan. Instead, he is a bit disappointed that Rebecca — his normally optimistic employee — can barely muster a smile. After an awkward silence that seemed like an hour, he and Rebecca agree to revisit this topic at their next one-on-one meeting. As Rebecca leaves Karim's office, he tries to hide his disappointment. He thinks: *This meeting did not go well*. In accordance with three dimensions of Vroom's expectancy theory, what went wrong in this scenario? **[5 marks]**

5. Diaz, an executive in business development division of an IT firm is comfortable with his job, however he feels that the job role is not contributing to the bottom-line of the company. His performance has also dipped in the last six months. Describe his level of motivation and job satisfaction. (Hint: Use Herzberg theory and job characteristic model) [5 marks]

Section C: Case study

Total marks-20

Nacho's, Inc., wants to get more personal with its customers. The world's largest department store is responding to declining sales by introducing a new organizational structure in which local districts and stores have more autonomy to personalize merchandise and marketing for customers in that area. This change is part of its "My Nacho's" strategy developed a year earlier, which is aimed at getting customers to feel a personal connection to the Nacho's outlets in their area by ensuring that those stores provide merchandise assortments, size ranges, marketing programs, and shopping experiences that are more closely aligned to local needs. "Improving sales and earnings performance requires innovation in engaging our customer more effectively in every store, as well as reducing total costs," explains Nacho's CEO Carlo Ancelotti. "We believe the right answer is to reallocate our resources to place more emphasis and talent at the local market level to differentiate Nacho's stores, serve customers, and drive innovation".

In essence, we plan to drive sales growth by improving our knowledge at the local level and then taking quick decisions on that knowledge. In addition, we believe our new strategies will simplify the process of working with our vendors." Nacho's new organizational structure consists of 20 districts spread across three regions (East, South, and West). District managers and their small staff of store merchandisers and planners will be responsible for an average of 10 stores rather than 16 to 18 stores in the previous structure. This narrower span of control gives district staff and management the opportunity to work more closely with each store. The district managers, who report to regional heads, will also have more autonomy to make decisions regarding space allocation, service levels, and visual merchandising within each store. The district store merchandisers will collaborate closely with Nacho's central buying executives to understand and act on the merchandise needs of local customers. The district planners will provide market-specific intelligence to division planning offices. The company is introducing new systems technology to help the district and store management more accurately stock local stores with items, brands, garment sizes, and colours preferred by customers who shop at those specific locations. District offices will also receive resources to participate in local events. The new structure will result in about 250 people in district offices, double the previous number at that level. Meanwhile, Nacho's is laying off more than 2,000 employees, many of them from regional offices where many decisions were previously made. Nacho's new organizational structure and marketing strategy is something of an about-face.

Over the past few years, the company rebranded several local department stores that it has acquired. Burdines in Florida, Stern's in New York, Bon Marché in the Pacific Northwest, Goldsmith's in Memphis, and Kaufmann's in Pittsburgh, among others, are now called Nacho's. This rebranding may have weakened the company's personal connection to local customers. Furthermore, until recently, Nacho's followed the traditional department store model of standardizing merchandising and marketing regardless of geographic locale. This resulted in advertising winter coats in Miami and swimsuits in Detroit in December. One retail analyst suggests that Nacho's reorganization is an indication that its recent mergers and acquisitions have not worked out as smoothly as planned. "The need for closer supervision exists in this company," says the analyst. "This is a new layer of closer supervision." Another retail expert warns that Nacho's needs to carefully get the right balance regarding decentralization and formalization. "Too much localization can inflate costs, while too much standardization triggers staleness". A retailer must understand which business elements should incorporate localization, how costly they are to customize, and how much impact they will have from store to store." Even with these concerns, Nacho's CEO is upbeat about the reorganization. "I'm pretty excited about the new structure," says Ancelotti. "It's about growing sales. It's about trying to be more locally in tune with customer preferences. It's about giving our team a small span of control, so they really get educated about what the product needs are for that local consumer."

Discussion Questions

[8+8+4=20 marks]

1. What changes has Nacho's introduced in terms of the four elements of organizational structure?
2. What problems do you think Nacho's might experience with the new organizational structure? What factors suggest that the new organizational structure may face problems?
3. Considering the new organizational structure, discuss two cultural characteristics (that Nacho should embrace) which will be aligned with the new structure.