



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF COMMERCE, HUMAN SCIENCE AND EDUCATION  
DEPARTMENT OF MANAGEMENT**

<b>QUALIFICATION: BACHELOR OF HUMAN RESOURCES MANAGEMENT</b>	
<b>QUALIFICATION CODE: 07BHRM</b>	<b>LEVEL: 6</b>
<b>COURSE CODE: OSM612S</b>	<b>COURSE NAME: ORGANISATIONAL MANAGEMENT</b>
<b>SESSION: NOVEMBER 2022</b>	<b>PAPER: THEORY</b>
<b>DURATION: 2 HOURS</b>	<b>MARKS: 100</b>

<b>FIRST OPPORTUNITY EXAMINATION PAPER</b>	
<b>EXAMINER(S)</b>	<b>Ms. Elaine January-Enkali Mr. Ehrenfried Tjivii Ndjoonduezu</b>
<b>MODERATOR:</b>	<b>Ms. M Sezuni</b>

<b>INSTRUCTIONS</b>
<ol style="list-style-type: none"><li>1. The paper consists of Section A, B and C. Answer ALL the questions.</li><li>2. Write clearly and neatly.</li><li>3. Number the answers clearly.</li></ol>

**PERMISSIBLE MATERIALS**

1. Examination paper.
2. Examination script.

**THIS QUESTION PAPER CONSISTS OF 8 PAGES (Including this front page)**



**SECTION A**

**(20 marks)**

**Question 1 (Each multiple choice question carries one (1) mark)**

Choose the correct answer to the questions that follow by indicating only the applicable letter (i.e. a, b, c, d, or e) in your answer book.

- 1.1 Rejoice is overwhelmed with the new tasks that she has been assigned since the department merger. Every day she arrives at work and makes a list of the new tasks, writes a number next to each one according to the urgency of completion, and schedules a time to complete each one. Although she's still stressed, Rejoice is able to get most of the work done and feels better at the end of the day. Rejoice is using \_\_\_\_\_ to reduce her stress.
- a) selection and placement
  - b) goal setting techniques
  - c) relaxation techniques
  - d) time-management techniques
  - e) job redesigning techniques
- 1.2 Kapunda has been told that he is a final candidate for a job; he merely has to submit a urine sample for a drug test. Kapunda is indignant and feels that the request is a violation of his rights. Which of the following statements is not true about Kapunda's situation?
- a) Kapunda won't have any problems if he has only consumed alcohol.
  - b) Kapunda can 'fake' the drug test if he has only smoked marijuana.
  - c) The Supreme Court does not support Kapunda's view on drug testing.
  - d) Drug testing is expensive, so the company must value Kapunda as a candidate.
  - e) Drug testing is not going away and Tebby should accept it.
- 1.3 Kenneth hates the annual review process she has to do of the employees in her department. Although she is fully aware of some of her employees' faults she is reluctant to discuss them in person, and is only comfortable writing them in an unsigned report that her supervisor will review. Kenneth's behavior demonstrates \_\_\_\_\_.
- a) provision of due process
  - b) employee inflated assessment of performance
  - c) employee defensiveness about weaknesses
  - d) managerial sincerity
  - e) fear of confrontation



Petrina and Jossy are faculty members at a local university who feel very differently about their academic dean. Petrina believes that he is always engaging in political activity that is not in the best interests of the university. She describes him as a man who passes the buck and who is scheming and arrogant. Jossy believes that the dean is an effective manager.

1.4 Jossy's effective management label for Petrina's phrase "scheming" is probably \_\_\_\_\_.

- a) distributing rewards
- b) establishing expertise
- c) planning ahead
- d) displaying charisma
- e) fixing responsibility

1.5 Organisations following a(n) \_\_\_\_\_ strategy try to both minimize risk and maximize opportunity for profit, moving into new products or new markets only after innovators have proven their viability.

- a) innovation
- b) cost-cutting
- c) imitation
- d) technology
- e) mechanistic

1.6 What are the key dimensions to any organisation's environment?

- a) Stable, abundant, and simple
- b) Complexity, volatility, and capacity
- c) Complex, scarce, and dynamic
- d) Innovative, cost-cutting, and imitation
- e) Specialisation, departmentalisation, centralisation

1.7 Ndapanda works for a pet store in which everyone is absolutely committed to the happiness of the animals. Often employees, bosses and hourly workers alike, come into the store "off the clock" and spend time socializing and training the animals. Everyone loves the store, the animals, and their jobs. According to the information provided, Ndapanda encounters a \_\_\_\_\_ in her job.

- a) positive safety climate
- b) positive performance climate
- c) negative safety climate



- d) positive diversity climate
- e) negative performance climate

1.8 Culture is most likely to be a liability when \_\_\_\_\_.

- a) it increases the consistency of behaviour
- b) the organization's environment is dynamic
- c) the organization's management is ineffectual
- d) it reduces ambiguity
- e) countercultures are integrated into the dominant cultures

1.9 The selection process helps candidates learn about an organisation. If employees perceive a conflict between their values and those of the organisation, this gives them a chance to \_\_\_\_\_.

- a) work to change the organisation
- b) express their concerns
- c) inform the organization of appropriate changes
- d) self-select out of the applicant pool
- e) rectify their cognitive dissonance

1.10 Monica is opening a new clothing boutique and she wants to cultivate a positive, hip, culture at the store. Which of the following is not something that Jennifer could do to create the culture that she desires?

- a) Hire sales staff that wears the style of clothing that she intends to promote.
- b) Dress in very modern and hip fashions for her staff interviews.
- c) Offer the staff flexible schedules that coordinate with their hobbies or studies.
- d) Establish firm rules and dress codes during the staff orientation session.
- e) Clearly express in a mission statement the type of service desired at the store.





## **Question 2**

### **True or False (Each question carries one (1) mark)**

- 2.1 Because of the coalition factor, the expert power of an individual within an organization is strengthened when another individual with the same job-related knowledge and skills is hired by the organization.
- 2.2 The primary characteristics of the virtual organization are that it is decentralized and has little or no departmentalization.
- 2.3 An organization pursues a price-minimization strategy by controlling costs, avoiding unnecessary innovation or marketing expenses, and cutting prices in selling basic products.
- 2.4 The performance review should be designed more as a counseling activity than as a judgment process, and it can best be accomplished by allowing the review to evolve out of the employee's own self-evaluation.
- 2.5 Management can create more ethical cultures through the following means: acting as visible role models, communicating ethical expectations, providing ethical training, visibly rewarding ethical acts and punishing unethical ones, and providing protective mechanisms.
- 2.6 Evidence shows that spirituality and profits may be compatible objectives.
- 2.7 A benefit of e-mail as a communication tool is that it helps keep employee misunderstandings at a minimum due to its written nature.
- 2.8 Appreciative inquiry is a collection of change techniques or interventions built on humanistic-democratic values.
- 2.9 Negotiation is a process that begins when one party perceives that another party has negatively affected, or is about to negatively affect, something that the first party cares about.
- 2.10 The effect of scarcity on dependency can be observed in the supply/demand relationships that exist regarding personnel within various industries.



## SECTION B

(19)

### Question 3

#### Case Incident Siemens' Simple Structure—Not

There is perhaps no tougher task for an executive than to restructure a European organization. Ask former Siemens CEO Klaus Kleinfeld.

Siemens, with 77 billion Euros in revenue in 2008, some 427,000 employees, and branches in 190 countries, is one of the largest electronics companies in the world. Although the company has long been respected for its engineering prowess, it's also derided for its sluggishness and mechanistic structure. So when Kleinfeld took over as CEO, he sought to restructure the company along the lines of what Jack Welch did at General Electric. He has tried to make the structure less bureaucratic so decisions are made more quickly. He spun off underperforming businesses. And he simplified the company's structure.

Kleinfeld's efforts drew angry protests from employee groups, with constant picket lines outside his corporate offices. One of the challenges of transforming European organizations is the customary active participation of employees in executive decisions. Half the seats on the Siemens board of directors are allocated to labor representatives. Not surprisingly, the labor groups did not react positively to Kleinfeld's GE-like restructuring efforts. In his efforts to speed those efforts, labor groups alleged, Kleinfeld secretly bankrolled a business-friendly workers' group to try to undermine Germany's main industrial union.

Due to this and other allegations, Kleinfeld was forced out in June 2007 and replaced by Peter Löscher. Löscher has found the same tensions between inertia and the need for restructuring. Only a month after becoming CEO, Löscher was faced with a decision whether to spin off the firm's underperforming 10 billion-Euro auto parts unit, VDO. He had to weigh the forces for stability, which want to protect worker interests, against U.S.-style pressures for financial performance. One of VDO's possible buyers is a U.S. company, TRW, the controlling interest of which is held by Blackstone, a U.S. private equity firm. German labor representatives have derided such private equity firms as "locusts." When Löscher decided to sell VDO to German tyre giant Continental Corporation, Continental promptly began to downsize and restructure the unit's operations.

Löscher has continued to restructure Siemens. In mid-2008, he announced elimination of nearly 17,000 jobs worldwide. He also announced plans to consolidate more business units and reorganize the company's operations geographically. "The speed at which business is



changing worldwide has increased considerably, and we're orienting Siemens accordingly," Löscher said.

Since the switch from Kleinfeld to Löscher, Siemens has experienced its ups and downs. Since 2008, its stock price has fallen 26 percent on the European stock exchange and is down 31 percent on the New York Stock Exchange. That is better than some competitors, such as France's Alcatel-Lucent

(down 83 percent) and General Electric (down 69 percent), and worse than others, such as IBM (up 8 percent) and the Swiss/Swedish conglomerate ABB (down 15 percent).

Though Löscher's restructuring efforts have generated far less controversy than Kleinfeld's, that doesn't mean they went over well with all constituents. Of the 2008 job cuts, Werner Neugebauer, regional director for a union representing many Siemens employees, said, "The planned job cuts are incomprehensible nor acceptable for these reasons, and in this extent, completely exaggerated."

When asked by a reporter whether the cuts would be controversial, Löscher retorted, "I couldn't care less how it's portrayed." He paused a moment, then added, "Maybe that's the wrong term. I do care."

### Questions

1. Why do you think Löscher's restructuring decisions have generated less controversy than did Kleinfeld's? (5)
2. Assume a colleague read this case and concluded "This case proves restructuring efforts do not improve a company's financial performance." How would you respond to this statement? (10)
3. Do you think a CEO who decides to restructure or downsize a company takes the well-being of employees into account? Should he or she do so? Why or why not? (4)



**SECTION C**

**(61 marks)**

**Question 4**

- 4.1 Why is span of control important within an organization, and which common organizational design would most likely have the widest span of control? Explain your answer. (10)
- 4.2 Differentiate between the virtual organisation and the boundaryless organisation. (9)
- 4.3 Describe how an organization could utilize selection practices and actions of top management in sustaining a culture to help create a diverse workforce. (10)
- 4.4 Discuss and highlight the difference between legitimate political behavior and illegitimate political behavior. (12)
- 4.5 Outline and discuss stage I (one) and II (two) of the conflict process. (10)
- 4.6 Describe five of the seven tactics that change agents can use when dealing with resistance to change. (10)

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