namibia university
OF SCIENCE AND TECHNOLOGY

FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT OF MANAGEMENT

QUALIFICATION : BACHELOR OF HUMAN RESOURCES MANAGEMENT	
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COURSE CODE: OSM612S	COURSE NAME: ORGANISATIONAL MANAGEMENT
SESSION: JANUARY 2020	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

SUPPLEMENTARY / SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
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MODERATOR:	MAGARET L. SEZUNI

INSTRUCTIONS
1. Answer **ALL** the questions in **Section A** and **Any Two** questions in **Section B**.
2. Write clearly and neatly.
3. Number the answers clearly.

PERMISSIBLE MATERIALS

1. Pen
2. Ruler

THIS QUESTION PAPER CONSISTS OF 9 PAGES (Including this front page)

SECTION A   **(Answer ALL questions for 40 marks)**

Question 1

Multiple choice   **(2x10= 20 marks)**

1.1. There is a rumor in your organization that layoffs are inevitable. Which of the following is the least likely way to reduce the negative consequences of this rumor?

     a) Explain decisions that may appear inconsistent or secretive.

     b) Emphasize the downside, as well as the upside, of current decisions and future plans.

     c) Discount the rumor.

     d) Openly discuss worst case possibilities.

     e) Discuss deadlines for decisions.

1.2. Which of the following statements most accurately characterizes the grapevine?

     a) It is used to serve the self-interests of outsiders.

     b) It is perceived as being more reliable than formal communication.

     c) It is generally used as an anti-management tool.

     d) It is usually inaccurate.

     e) It serves as a formal communication channel.

1.3. Clifford has to work to support his family. He would like to go home before nine, but his boss says that he must stay and complete an assignment. Clifford is _____ his boss, who controls his job.

     a) grateful to

     b) more powerful than

     c) dependent on

     d) similar to

     e) a leader to

1.4. Rodrigo has developed a new technology for reading bar codes in grocery stores. There is no other technology like his, but Rodrigo is not powerful because no one wants to change from the system that they already have. Rodrigo is not able to create dependency because _____.

     a) his product is not scarce

     b) his product is nonsubstitutable

     c) Rodrigo lacks expert power

     d) his product is not important

e)   Rodrigo lacks reward power

1.5.   Which of the following is not a management strategy to prevent workplace sexual harassment?

    a)   Establish an active policy that defines what constitutes sexual harassment.

    b)   Clearly define procedures for filing sexual harassment complaints.

    c)   Include HR and legal departments in reports of sexual harassment.

    d)   Discipline offenders of sexual harassment in the workplace.

    e)   Support retaliation policies when employees make complaints.

1.6.   The right inherent in a managerial position to give orders and expect orders to be obeyed is

    termed _____.

    a)   chain of command

    b)   authority

    c)   power

    d)   unity of command

    e)   leadership

1.7.   The best definition for centralization is a situation in which decision making _____.

    a)   is pushed down to lower level employees

    b)   is concentrated at a single point in the organization

    c)   depends on the situation

    d)   is completed in each department and then sent to the president for review

    e)   is diffused among a large segment of employees

1.8.   Gailen is looking for a job. Today he went to the Web site of JPC Corp where he filled out an

online

    application and attached a copy of his resume. In which part of the selection process is Gailen?

    a)   physical selection

    b)   job offer

    c)   initial selection

    d)   contingent selection

    e)   substantive selection

1.9.   The best way for an employer to find out if a potential employee can do a job is by _____

    a)   using the interview process

    b)   using a written test

c) having them spend a day in the office

d) administering an IQ test

e) using a performance simulation test

1.10. What is a common contingent selection method?

    a.   IQ test

    b.   interview

    c.   interest inventory

    d.   drug test

    e.   work sample test

Question 2

True/false   **(2x10= 20 marks)**

Indicate whether the following statements are True or False

2.1. Filtering, selective perception, defensiveness, and silence are all barriers to effective communication.

2.2. In high-context cultures, enforceable contracts tend to be in writing and precisely worded.

2.3. 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.

2.4. When employees in organizations convert their power into action, we describe them as being engaged in politics.

2.5. The strength of the bureaucracy lies in its ability to perform standardized activities.

2.6. An organization pursues a price-minimization strategy by controlling costs, avoiding unnecessary innovation or marketing expenses and cutting prices in selling basic products.

2.7. One explanation for why many employees may not be motivated is that the performance evaluation process is often more political than objective.

2.8. Most formal training revolves around employees simply helping each other out.

2.9. Appreciative inquiry refers to a change process based on systematic collection of data and then selection of a change action based on what the analyzed data indicates.

1.10. Intergroup development seeks to change attitudes, stereotypes, and perceptions that groups have of each other.

SECTION B   (Answer ANY TWO questions for 60 marks)

Question 3

Read the case study below and answer the following questions.

Case study 1: Fairness and Human Resources Management: What do your Employees want?

The financial sector is one of the largest sector in the Australian economy, and the banking industry accounts for more than half of the financial sector. Financial services organizations depend on their employees to deliver superior customer service and to maintain successful customer relationships. Treating employees fairly may lead to the operational success of financial services organizations. Fair treatment also communicates that organizations are committed to their employees. Employees assess their work experiences in terms of whether or not organizations show concern for them as individuals and provide fair treatment. When employees perceive that human resources management (HRM) decisions and procedures are fair and satisfactory, they can be expected to repay the organization by forming positive attitudes toward it.

Twenty-nine senior, middle, and lower-level managers from one Australian bank in South Australia were interviewed. All interviewees had direct involvement with HRM practices in the banking organization. Interviewees were asked to name those HRM practices in which fairness would be most important. Options included HR planning, recruiting, selection, compensation, promotion/career development, performance management, and employee relations. The findings indicated that interviewees perceived fairness to be most important in three main HRM areas: compensation (44.8 percent), performance management (27.6 percent), and promotion/career development (27.6 percent).

"Compensation and performance management are areas where fairness is most important because these two are linked together. I suppose it is about what you do and how you get rewarded. I think that's where the fairness becomes important—how you actually reward your people. Performance management goes hand in hand with compensation and benefits."

Interviewees claimed that compensation needed to be fair and transparent because employees perceived that if they were exerting as much effort as others but getting fewer rewards, they became de-motivated and their performance declined. Employees expect fair remuneration. It helps them to work better if their organization compensates them according to their contributions and acknowledge them. Moreover, employees with different needs accordingly should be given different benefits. Interviewees also considered fairness in performance management important as it affected their opportunities for

career development and for bonus payments. Performance management, however, has the potential to be subjective because it deals with judgments. For instance, when a superior who acts as an appraiser or reviewer does not believe or does not get along with staff, it may somehow affect employees' performance because their performance is based on relationships with their superior. If employees do not get on well with the superior, they are unlikely to receive a good report.

Interviewees also perceived that fairness in promotion/career development was important so that employees have goals to work toward and equal chances for promotion. For instance, job candidates must be treated with fairness relative to every other candidate so everyone goes through the same testing procedures, interview procedures, and screening. Each employee expects equal opportunity to progress on his or her career path and to be rewarded for what he or she does. The interview illustrates how perception of fairness is important in the distribution of HRM practices such as compensation, performance evaluations, and promotion/career development. There is clear evidence that bank employees place emphasis on the issue of fairness in these areas.

Questions

3.1.   What is the link between fairness and HRM? **(5)**

3.2.   If you were the HR manager, could you explain why Australian bank employees chose compensation and benefits, performance management, and career development as their most important HRM practices? **(6)**

3.3.   Considering that Australian bank employees chose performance management as among the most important HRM practices, what is the primary objective of the 360-degree performance evaluation and who is involved? **(9)**

3.4.   Mention and explain three major types of behavior that constitute performance at work. **(6)**

3.5.   Mention four barriers or challenges when managing workforce diversity. **(4)**

Question 4

Read the case study below and answer the following questions.

Case study 2: Can A Structure Be Too Flat?

Steelmaker Nucor likes to think it has management figured out. And with good reason. It is the darling of the business press. Its management practices are often favorably reviewed in management texts. And it's been effective by nearly any business metric. There's one fundamental management practice that Nucor doesn't appear to have mastered: how to structure itself. Nucor has always prided itself on having just three levels of management separating the CEO from factory workers. With Nucor's structure, plant managers report directly to CEO Dan DiMicco. As Nucor continues to grow, though, DiMicco is finding it increasingly hard to maintain this simple structure. So, in 2006 DiMicco added another layer of management, creating a new layer of five executive vice presidents. "I needed to be free to make decisions on trade battles," he said.

Still, even with the new layer in its structure, Nucor is remarkably lean and simple. U.S. Steel employs 1,200 people at its corporate headquarters, compared to a scant 66 at Nucor's. At Nucor, managers still answer their own phone calls and e-mails, and the firm has no corporate jet. Even companies as comparatively lean as Toyota appear fat and complicated compared to Nucor. "You're going to get at least ten layers at Toyota before you get to the president," says a former Toyota engineer.

(Source: P. Glader, "It's Not Easy Being Lean," *Wall Street Journal* (June 19, 2006))

Questions

4.1.   How does the Nucor case illustrate the limitations of the simple organizational structure? **(5)**

4.2.   Do you think other organizations should attempt to replicate Nucor's structure? Why or why not? **(2)**

4.3.   Why do you think other organizations have developed structures much more complex than Nucor's? **(10)**

4.4.   Generally, organizational structures tend to reflect the views of the CEO. As more and more "new blood" comes into Nucor, do you think the structure will begin to look like that of other organizations? **(5)**

4.5.   Differentiate between the chain of command and span of control. **(2)**

4.6.   Discuss the model of selection process in organizations. **(6)**

Question 5

5.1.   Communication process refers to the steps between a source and a receiver that result in the transference and understanding of meaning. Discuss in detail the communication process. **(16)**

5.2.   Power refers to a capacity that A has to influence the behaviour of B so B acts in accordance with A's wishes. Discuss five different types of power. **(10)**

5.3.   Skills deteriorate and can become obsolete, and new skills need to be learned. Mention any four types of training organisations can provide to their employees. **(4)**

                                                                    Total Marks: 100