NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMERCE, HUMAN SCIENCE AND EDUCATION

DEPARTMENT OF MANAGEMENT

QUALIFICATION: BACHELOR OF HUMAN RESOURCES MANAGEMENT	
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DURATION: 3 HOURS	MARKS: 100

OSM SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
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MODERATOR:	Ms. M Sezuni

INSTRUCTIONS
1. The paper consists of Section A, B and C. Answer ALL the questions.
2. Write clearly and neatly.
3. Number the answers clearly.

PERMISSIBLE MATERIALS

1. Examination paper.
2. Examination script.

THIS QUESTION PAPER CONSISTS OF 7 PAGES (Including this front page)

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

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

1.1 _____ orientation is the characteristic of organizational culture that addresses the degree to which management decisions take into consideration the effect of outcomes on people within the organization.

    a) Humanistic

    b) Community

    c) Team

    d) People

    e) Relationship

1.2 Jerry works for HLC publishing which is a publisher of scientific journals. The company is dominated by low risk-taking and high attention to detail. Jerry's department is also committed to high team orientation and provides many team-building activities in which Jerry and other department members work together and socialize. Which of the following statements <u>best</u> describes Jerry's department?

    a) It represents the dominant culture.

    b) It does not include core values.

    c) It is a subculture sharing core values.

    d) The organizational culture is undefined.

    e) It has stability low.

1.3 High formalization in an organization creates all the following except _____.

    a) predictability

    b) cohesiveness

    c) orderliness

    d) consistency

    e) none of the above

1.4   All of the following are examples of rituals except _____.

    a)   anniversary parties honouring long-time employees

    b)   annual award meetings

    c)   fraternity initiations

    d)   the placement of offices within corporate headquarters

    e)   singing company songs

1.5   Which of the following is not a criticism of the idea of the spiritual organizational culture

    a)   there is very little research

    b)   work and religion should be separate

    c)   spirituality and profits aren't compatible

    d)   it helps people find purpose in work

    e)   there is no scientific foundation

1.6   Maureen's company needs to dramatically cut costs. Which of the following structural will help her immediately reduce costs?

    a)   doubling the span of control

    b)   decreasing the unity of command

    c)   increasing the chain of command

    d)   decentralizing management decisions

    e)   formalizing work processes

1.7   Which one of the following dichotomies of organizational structure specifically defines where decisions are made?

    a)   complexity/simplicity

    b)   formalization/informalization

    c)   centralization/decentralization

    d)   specialization/enlargement

    e)   affectivity/reflexivity

1.8   Alex is looking for a job. Today he went to the Web site of BKC Corp where he filled out an online application and attached a copy of his resume. In which part of the selection process is Alex?

a)   physical selection

b)   job offers

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   Performance evaluations are used as a mechanism for all the following except _____.

a)   monitoring the success of marketing strategies

b)   promotions determining

c)   pinpointing employees' skills

d)   identifying training and development needs

e)   providing feedback to employees

Question 2

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

2.1   One criticism of the Fiedler model concerns the fact that the logic underlying the model's questionnaire is <u>not</u> well understood.

2.2   Situational leadership theory has been well validated by research but not well received by practitioners because there are so many factors to examine.

2.3 High self-monitors are good at reading situations and moulding their appearances and behaviour.

2.4 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.

2.5 In third party negotiations, a consultant's role is not to settle the issues, but, rather, to improve relations between the conflicting parties so that they can reach a settlement themselves.

2.6 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.

2.7 The matrix structure facilitates the allocation of specialists.

2.8 The primary characteristics of the virtual organization are that it is decentralized and has little or no departmentalization.

2.9 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.

2.10 Experience on the job tends to be positively related to work stress.

Section B [17]

Question 3

Case Incident
Mergers Don't Always Lead to Culture Clash

A lot of mergers lead to culture clashes and, ultimately, failure. So in 2010 when banking giant Katutura Community Investment Bank (KCIB) announced its N$35 billion acquisition of credit card giant Windhoek Credit Solutions (WCS), many thought that in a few years this merger

would join the heap of those done in by cultural differences.

WCS' culture was characterized by a free-wheeling, entrepreneurial spirit that was also quite secretive. WCS employees also were accustomed to the high life. Their corporate headquarters in the CBD area of Windhoek, could be described as lavish, and employees throughout the company enjoyed high salaries and generous perks.

KCIB in contrast, grew by thrift. It was a low-cost, no-nonsense operation. Unlike WCS, it believed that size and smarts were more important than speed.

In short, the cultures in the two companies were very, very different.

Although these cultural differences seemed a recipe for disaster, it appears, judging from the reactions of KCIB and WIS employees, that the merger has worked. How can this be?

KCIB had the foresight to know which WCS practices to attempt to change and which to keep in place. Especially critical was KCIB's appreciation and respect for WCS' culture. "On Day 1, I was directed that this was not like the ones you are used to," said Camilla Kishi, who had helped manage KCIB's acquisition.

To try to manage the cultural transition, executives of both companies began by comparing thousands of practices covering everything from hiring to call-center operations. In many cases, KCIB chose to keep WCS' cultural practices in place.

In other cases, KCIB did impose its will on WCS. For example, because WCS' pay rates were well above market, many WCS managers were forced to swallow a steep pay cut. Some WCS employees left, but most remained. In other cases, the cultures co-adapted. For example, WCS's dress code was much more formal than KCIB's business-casual approach. In the end, a hybrid code was adopted, where business suits were expected in the credit card division's corporate offices and in front of clients, but business causal was the norm otherwise.

While most believe the merger has been successful, there are tensions. Some KCIB managers see WCS managers as arrogant and autocratic. Some WCS managers see their KCIB counterparts as bureaucratic.

What about those famous WCS perks? As you might have guessed, most have disappeared. Gone, too, are most of the works of art that hung in WCS' corporate offices.

Questions

3.1   In what ways were the cultures of KCIB and WCS incompatible?   (5)

3.2   Why do you think their cultures appeared to mesh rather than clash?   (4)

3.3   Do you think culture is important to the success of a merger/acquisition? Why or why not? (3)

3.4   How much of the smooth transition, if any, do you think comes from both companies glossing over real differences to make the merger work? (5)

Section C (63)

Question 4

4.1   Explain what a virtual organization is, and discuss the elements of organizational structure that are important to create and sustain a successful virtual organization? (14)

4.2   Describe informal training. Provide a workplace example of informal training for technical skills and another for problem-solving skills. (12)

4.3   Provide an example of planned change and explain any two tactics that a change agent would apply when instituting planned change. (12)

4.4   Explain some of the individual factors related to political behaviour? (8)

4.5   Discuss two ways to reduce misinterpretations when communicating with people from a different culture. (7)

4.6   Discuss the different steps in the negotiation process. (10)

strategy, is ready to begin defining the ground rules and procedures with the other party over the negotiation itself. The following questions must be attended to during this stage: who will do the negotiation? Where will it take place? What time constraints, if any, will apply? To what issues will negotiation be limited? Will there be a specific procedure to be follow if an impasse is reached? During this phase, the parties will also exchange their initial proposals or demands.

Clarification and Justification. It is when initial positions have been exchanged. Both parties will explain, clarify, bolster and justify their original demands.

Bargaining and Problem-Solving. It is the actual 'give-and-take' in trying to work out an agreement.

Closure and Implementation. Parties formalise the agreement that has been worked out and develop procedures that are necessary for implementation and monitoring.