

VPM's
DR VN BRIMS, Thane
Programme: PGDM (2014-16)
Fourth Trimester (HR) Examination September 2015

Subject	Theory, Structure and Design of Organizations		
Roll No.		Marks	60 Marks
Total No. of Questions	7	Duration	3 Hours
Total No. of printed pages	2	Date	28.09.2015

Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions.

Q1) 20 Marks (Compulsory)

Case:

When oil prices soar, the airlines suffer. But at Southwest Airlines, employees have sometimes voluntarily given up vacation pay to help the airline pay for raising fuel costs. Loyalty, commitment and peer pressure are strong components of control at Southwest Airlines, where a “we're all family” culture spurs employees to give their best and make sure others do too.

New hires are selected carefully to fit in with the culture, and each employee goes through a long period of socialization and training. The peer pressure to work hard and help the company cut costs and boost productivity is powerful. Workers routinely challenge each other on matters such as questionable sick-day calls or overuse of office supplies. Employees frequently go above and beyond the call of duty. Flight attendants who are traveling off-duty pitch in to help clean planes. Pilots help ramp agents load bags to keep flights on time. When founder and former CEO Herb Kelleher asked employees several years ago to find a way to help the company save a \$5 a day, one employee began taking the stairs instead of the elevator to save electricity.

The strong culture and clan control has helped Southwest Airlines remain profitable for more than 30 consecutive years and turned into the fourth largest airline in terms of U.S domestic service. However, as the company grows larger, the culture is beginning to show signs of strain. Unlike the old days, when top leaders could send handwritten notes of compliments or condolence to most of the employees, they now reach only a fraction of the 35,000 workers, spread all over the country. In addition, with growth and success, Southwest Airlines has lost its underdog status and the motivation is provided for employees to work hard and conquer new territory. Labour negotiations with unions have been significantly less amicable than in the past as well.

Despite these tensions, clan control still works. Leaders are currently in the process of re-inforcing the family like culture to ensure that heavy bureaucratic controls are not needed.

Questions:

1. Can Southwest Airline's success be attributed to CEO Herb Kelleher's leadership? What happens when he is no longer at the helm?
2. Southwest Airlines has grown into a large organization of 35,000 employees. What structural changes you would recommend for maintaining the personal tough and team spirit?

Attempt Any FOUR from the Remaining SIX Questions

Q2) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Explain Divisional structures.
- b) Describe the different types of organizational excellence with suitable examples.
- c) Explain the Power-Control Model.

Q3) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Define Environment. List the forces in an organization, specific and general environment that gives rise to opportunities and threats. Support your answer with relevant examples.
- b) Elaborate on the sources of conflict.
- c) Explain Geographic structure in detail.

Q4) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Define organizational theory. Explain Mintzberg's five elements of organizational structure and describe any two design options.
- b) Explain ethical values and social responsibility.
- c) Enumerate the approaches to organizational effectiveness. Which approach do you prefer? Give your reasons.

Q5) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Describe the Matrix form of organization. How to make this form successful?
- b) Write a short note on stages of organizational Life cycle.
- c) Write a short note on resource dependency theory.

Q6) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) What are the barriers to change and the techniques for change implementation?
- b) Explain in detail mechanistic and organic structures.
- c) Explain the Contingency decision-making framework and the Garbage Can Model.

Q7) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Comment on the evolution of Organization Theory with specific reference to any two theories and give appropriate examples.
- b) What is culture? Elaborate on the levels and observable aspects of organizational culture.
- c) Describe the interrelationship between strategy and structure. What are the different strategies?