

Eastern University, Sri Lanka
Faculty of Commerce & Management
Second Year First Semester Examination in BBA and BCom
2016/17 (July/August 2019)
(Proper)
HRM 2023 Organizational Behaviour Management

Answer all five (05) Questions.

Time: Three Hours

Q1. Read the case study and answer the questions given below.

Decision-Making Culture: The Case of Google

Google (NASDAQ: GOOG) is one of the best-known and most admired companies around the world, so much so that “googling” is the term many use to refer to searching information on the Web. What started out as a student project by two Stanford University graduates—Larry Page and Sergey Brin—in 1996, Google became the most frequently used Web search engine on the Internet with 1 billion searches per day in 2009, as well as other innovative applications such as Gmail, Google Earth, Google Maps, and Picasa. Google grew from 10 employees working in a garage in Palo Alto to 10,000 employees operating around the world by 2009. What is the formula behind this success?

Google strives to operate based on solid principles that may be traced back to its founders. In a world crowded with search engines, they were probably the first company that put users first. Their mission statement summarizes their commitment to end-user needs: “To organize the world’s information and to make it universally accessible and useful.” While other companies were focused on marketing their sites and increasing advertising revenues, Google stripped the search page of all distractions and presented users with a blank page consisting only of a company logo and a search box. Google resisted pop-up advertising, because the company felt that it was annoying to end-users. They insisted that all their advertisements would be clearly marked as “sponsored links.” This emphasis on improving user experience and always putting it before making more money in the short term seems to have been critical to their success.

Keeping their employees happy is also a value they take to heart. Google created a unique work environment that attracts, motivates, and retains the best players in the field. Google was ranked as the number 1 “Best Place to Work For” by Fortune magazine in 2007 and number 4 in 2010. This is not surprising if one looks closer to how Google treats employees. On their Mountain View, California, campus called the “Googleplex,” employees are treated to free gourmet food options including sushi bars and espresso stations. In fact, many employees complain that once they started working for Google, they tend to gain 10 to 15 pounds! Employees have access to gyms, shower facilities, video games, on-site child care, and doctors. Google provides 4 months

of paternal leave with 75% of full pay and offers \$500 for take-out meals for families with newborn. These perks create a place where employees feel that they are treated well and their needs are taken care of. Moreover, they contribute to the feeling that they are working in a unique and cool place that is different from everywhere else they may have worked.

In addition, Google encourages employee risk taking and innovation. How is this done? When a vice president in charge of the company's advertising system made a mistake costing the company millions of dollars and apologized for the mistake, she was commended by Larry Page who congratulated her for making the mistake and noting that he would rather run a company where they are moving quickly and doing too much, as opposed to being too cautious and doing too little. This attitude toward acting fast and accepting the cost of resulting mistakes as a natural consequence of working on the cutting edge may explain why the company is performing much ahead of competitors such as Microsoft and Yahoo! One of the current challenges for Google is to expand to new fields outside of their Web search engine business. To promote new ideas, Google encourages all engineers to spend 20% of their time working on their own ideas.

Google's culture is reflected in their decision making as well. Decisions at Google are made by teams. Even the company management is in the hands of a triad: Larry Page and Sergey Brin hired Eric Schmidt to act as the CEO of the company, and they are reportedly leading the company by consensus. In other words, this is not a company where decisions are made by a senior person in charge and then implemented top down. It is common for several team members to attack each problem and for employees to try to influence each other using rational persuasion and data. Gut feeling has little impact on how decisions are made. In some meetings, participants reportedly are not allowed to say "I think..." but instead must say "the data suggest..." To facilitate teamwork, employees work in open office environments where private offices are assigned only to a select few. Even Kai-Fu Lee, the famous employee whose defection from Microsoft was the target of a lawsuit, did not get his own office and shared a cubicle with other employees.

How do they maintain these unique values? In a company emphasizing hiring the smartest people, it is very likely that they will attract big egos that may be difficult to work with. Google realizes that its strength comes from its "small company" values that emphasize risk taking, agility, and cooperation. Therefore, they take their hiring process very seriously. Hiring is extremely competitive and getting to work at Google is not unlike applying to a college. Candidates may be asked to write essays about how they will perform their future jobs. Recently, they targeted potential new employees using billboards featuring brain teasers directing potential candidates to a Web site where they were subjected to more brain teasers. Each candidate was interviewed by as many as eight people on several occasions. Through this scrutiny, they are trying to select "Googley" employees who will share the company's values, perform at high levels, and be liked by others within the company.

Will this culture survive in the long run? It may be too early to tell, given that the company was only founded in 1998. The founders emphasized that their initial public offering (IPO) would not change their culture and they would not introduce more rules or change the way things are done in Google to please Wall Street. But can a public corporation really act like a start-up? Can a global giant facing scrutiny on issues including privacy, copyright, and censorship maintain its culture rooted in its days in a Palo Alto garage? Larry Page is quoted as saying, "We have a mantra: don't be evil, which is to do the best things we know how for our users, for our customers, for everyone. So I think if we were known for that, it would be a wonderful thing."

Questions

- a) Do you think Google's decision-making culture will help or hurt Google in the long run? Justify your answer.
(06 Marks)
- b) What are the factors responsible for the specific culture that exists in Google?
(06 Marks)
- c) What type of decision-making approach has Google taken? Do you think this will remain the same over time? Why or why not?
(08 Marks)
- d) Do you see any challenges Google may face in the future because of its emphasis on risk taking?
(05 Marks)
- (Total Marks – 25)**

Q2

- a) Describe the major behavioral science disciplines that contribute to Organizational Behaviour?
(08 marks)
- b) Assume that you are working in a multinational company which has different diversified cultural workforce. Recently, your organization experienced some conflict among the different cultural groups. Therefore, it was decided by the top management to apply some mechanism to manage the diversified workforce within the organization.
As you being a responsible manager, you are required to develop a plan for effective workforce diversity management for your organization by the top management.
(08 marks)

- c) "Does behaviour always follow from attitudes? Why or why not? Discuss the factors that affect whether behaviour follows from attitudes.

(04 marks)

(Total marks – 20)

Q3

- a) Describe how does the emotional labour impact on employees with suitable examples?

(08 Marks)

- b) "Perception is A process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment." - (Robbins and Judge, 2013)
Discuss the factors influencing perception.

(06 Marks)

- c) Distinguish Self-Managed Team from Cross-functional Team and Virtual Team?

(06 Marks)

(Total Marks – 20)

Q4

- a) "Work groups are not unorganized mobs; they have properties that shape member behaviour and help explain and predict individual behaviour within the group as well as the performance of the group itself" – Schmitz (2012)

Explain the **five (05)** properties of group with suitable examples.

(05 Marks)

- b) What is equity theory? And explain how organizational justice is a refinement of equity theory?

(06 Marks)

- c) Discuss **six (06)** barriers to effective communication with practical example?

(06 Marks)

(Total Marks – 17)

Q5

a) Explain the following leadership theories:

- i. Charismatic Leadership
- ii. Transformational leadership
- iii. Authentic leadership

(06 Marks)

b) Explain Work Stress, its sources and consequences with examples. Also comment on the various Stress Management Techniques.

(08 Marks)

c) Describe the stages in the Conflict process within the organization.

(04 Marks)

(Total Marks – 18)