

SVKM'S NMIMS
Shobhaben Pratapbhai Patel / School of Pharmacy & Technology Management

Programme: B. Pharm + MBA ✓
Academic Year: 2019-20
Subject: Organizational Behavior ✓
Date: 23 November 2019 ✓

Year: III Semester: V ✓
Marks: 50 ✓
Time: 10.00 am to 12.00 noon
Duration: 2 hrs. ✓
No. of Pages : 3

FINAL EXAMINATION

Instructions: Candidates should read carefully the instructions printed on the question paper and on the cover of the Answer Book, which is provided for their use.

- 1) Question No. 1 is compulsory.
- 2) Out of remaining questions, attempt any 3 questions.
- 3) **In all 4 questions to be attempted.**
- 4) **Answer to each new question to be started on a fresh page.**
- 5) **Figures in brackets on the right hand side indicate full marks.**
- 6) **Assume suitable data if necessary.**

Section – A
(Compulsory Question)

Question-1

B-MED is a medical equipment distributor that sells and services medical equipment in the Caribbean and Latin American region for General Electric (GE) Healthcare, Medtronic Corporation, Steris Corporation, and AGFA Healthcare. B-MED was founded in 1984 by Bob Samuels and was run as a small family-owned business with fewer than 10 employees for 25 years. B-MED sold small medical equipment such as EKG machines, patient monitors, anesthesia machines, and defibrillators.

Since there were only a few products in these lines, B-MED only needed a small staff that consisted of three salespersons, five administrative persons, and two engineers. The staff was mostly composed of Samuels' family members or friends of the family. The company was a traditional vertical organization, where Samuels made all decisions.

Since B-MED had strong financial performance, Samuels rewarded hard work with bonuses and commissions and verbally lectured those who did not do as he asked. Employees were generally driven by extrinsic motivation and fear of punishment. They lacked intrinsic motivation and a sense of responsibility and accomplishment. Their input and suggestions were not valued by Samuels. However, the relatively small size of the company meant that B-MED's employees accepted the status quo and performed well enough to generate sufficient revenue to sustain B-MED's profitability.

During the second quarter of 2010, everything changed for B-MED. Samuels received a call from the vice president of GE Healthcare, informing Samuels that B-MED has been chosen to take on the full line of equipment GE Healthcare offered. B-MED would take over the distribution rights from another company-MM Healthcare because they were no longer meeting GE performance goals. Samuels jumped at the opportunity and took the offer.

The new line of GE equipment included MRI scanners, CT scanners, X-ray machines, nuclear medicine machines, and ultrasound equipment. B-MED had to acquire a large install base consisting of hundreds of pieces of equipment. This new equipment carried service contracts, requiring B-MED to support a broader range of services to their customers. To meet this demand, B-MED hired 12 new engineers to service existing customers. All new employees came from MM Healthcare.

MM Healthcare was managed and organized much differently than B-MED. MM Healthcare had a modern structure that was flat with few middle managers. This gave the employees of MM Healthcare a sense of ownership and had enhanced the company's culture by capitalizing on employees feeling empowered and in control. When MM Healthcare's employees were hired by B-MED, they were extremely grateful to have their jobs back, but these feelings of satisfaction quickly dissipated as they found themselves in a traditional organization, where their voices were not heard and their opinions did not matter. Further, B-MED's management did not have the proper tools, safety equipment, or safety procedures in place. The new employees began to complain and voice their opinions to B-MED's existing employees. This caused tension between the two groups since B-MED's employees were loyal to Samuels.

To add to the tension, B-MED grew rapidly. The original staff at B-MED began to blame the staff of MM healthcare for all of the problems B-MED was facing. The MM healthcare staff blamed Samuels' bureaucratic style of management and his lack of commitment to his employees. The tension between the two groups had a direct effect on the performance of employees. The high level of tension created stress among the employees, creating a toxic workplace Samuels ignored stress levels in the company, low job satisfaction, and the lack of intrinsic motivation. Many employees left the organization, and the company's bottom line suffered substantially.

Samuels was no longer able to meet commissions and bonuses that were promised, which removed his ability to extrinsically motivate his employees through compensation. Samuels could only motivate employees through coercive power (threats and punishment). Needless to say, B-MED found itself in a very bad financial state, with unmotivated employees and unhappy customers.

Compare and contrast the cultures of B-MED and MM Healthcare, explain why existing B-MED employees were willing to work for Samuels without any issues, yet the employees from MM Healthcare had issues. What can be done to address the organizational culture clash in B-MED and restore profitability?

(20 Marks)

Section-B
(Attempt Any 3)

2. Critically examine Maslow's Need Theory of motivation. As a manager of an organization, how can you motivate your employees applying this theory? (10 Marks)
 3. What is Perception? How does Perception influence decision making? Explain with the help of suitable example. (10 Marks)
 4. Explain Johari Window. How it can be used in increasing overall group effectiveness? (10 Marks)
 5. What is Conflict? How does conflict differ from Competition? How do Current views of conflict differ from the Traditional views? (10 Marks)
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