Module 3P6: ORGANISATIONAL BEHAVIOUR
(Section A)

Module 3P7: MANAGING BUSINESS AND PEOPLE
(Sections B and C)

SECTION A

1. Critics of bureaucracy cite a range of common dysfunctions, from goal displacement to 'mock'-bureaucracy. Essays will discuss whether bureaucratic dysfunctions are simply the result of poor implementation of bureaucratic principles of organisation by managers within organisations, or whether there are more fundamental limitations associated with Weber's concept of the 'ideal type' bureaucratic organisation. Excellent answers will address the implications of their argument for standard theory and management practice.

    [Examiner's comment: Most answers demonstrated solid basic knowledge of the literature concerning bureaucratic work organization and associated dysfunctions. Most answers tended to be quite descriptive and repetitive in their scope, describing the various well-documented bureaucratic dysfunctions and how better implementation by managers might mitigate any negative impact upon the workplace and organizational performance. However, the best candidates went beyond a superficial analysis to examine the assumptions of bureaucracy and address theoretical limitations (e.g. bounded rationality, impersonality, alienation). They further addressed the implications conceptually and practically of their argument, and engaged in an exploration of post-bureaucracy as an alternative conception to the dominant bureaucratic logic.]

2. Alignment is at the heart of effective of work organisation. When highly aligned, employees are likely to exhibit a range of behaviours consistent with organisational purposes. Good answers will explore a range of different management methods and processes, from culture management to extrinsic motivation, for example, and their application in different organisational contexts of their choosing. Excellent answers will address further why managers' attempts to foster high degrees of alignment might fail and what the implications are for organisational effectiveness.

    [Examiner's comment: Candidates used a variety of perspectives to describe how organisations might seek to create alignment between employees and the managerial goals of their employer. Such approaches explored in detail the role of, for example, intrinsic and extrinsic motivation, culture management and reward. Many of these answers failed to address completely the examination question. The best candidates differentiated between different modes of organization (e.g. bureaucratic and network based organisation), and the likely configuration of organizational practice they might employ to generate alignment (i.e. a contingency perspective), and explored further the challenges associated with such attempts.]

3. Culture management has come to the fore of contemporary management theory. Assuming managements are able to manage culture as a mechanism for the pursuit of organisational purposes, critics point to a range of ethical concerns about whether or not they should. Post-structuralist critical OB writers contend that culture management represents a more oppressive form of managerial control than physical controls because, as a means of structuring the reality experienced within the workplace, it is 'total'. Good answers will address the positives and negatives of culture management from a variety of different perspectives in a balanced argument representing all stakeholders.

   [Examiner's comment: Poor answers failed to answer the question by providing lengthy descriptions of the culture manageability debate i.e. whether managers can manage culture. The best answers developed sophisticated arguments for the morality of managing culture (whether they should), bringing in a variety of perspectives from critical theory, such as post-structalism, and providing an evaluation of the merits for managers and the implications in terms of the social construction of the workplace.]
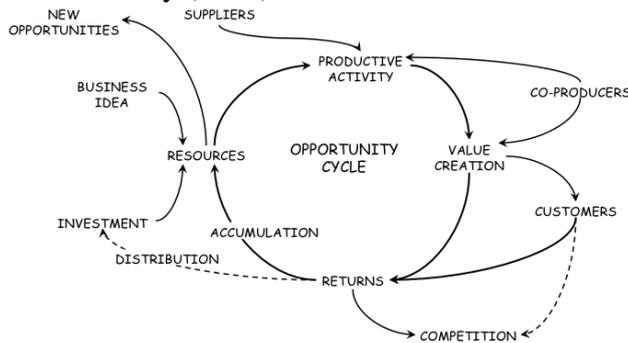
4. Mainstream organisational behaviour literature is often criticised for excluding minority interests and perspectives. This essay invites answers that address the weaknesses of current partial accounts of organisational reality by mainstream theory and provide a compelling account of the reasons why this imbalance should be redressed by referencing a variety of critical OB perspectives, such as feminist analyses. Excellent answers will address further the practical implications of any potential change to the OB cannon for management practice e.g. work organisation.

   [Examiner's comment: Candidates demonstrated a good knowledge of the literature, understanding of feminist theory / critical theory and the implications of a shift in the focus of organizational behaviour theory and practice.]

Jonathan Trevor

SECTION B

(5)   This question requires students to demonstrate that they understand the process of opportunity identification, resource mobilisation, resource generation, and sustained growth, and the wide range of different management challenges that need to be addressed at each of these stages. These could be illustrated using the figure below from Garnsey (2002):

These issues can be discussed in many different ways, but should include reference to the nature of the resources that are being used to address the opportunity (i.e. people and technology), and the nature of the opportunity itself.   A basic answer should describe the process and highlight the challenges with the key message being that with so many challenges and uncertainties to overcome, it is highly likely that many companies will fail. Such issues could include:
- Obtaining input resources (funding, technology, people)
- Setting up production (make or buy, establishing routines and procedures)
- Overcoming the "liability of newness"
- Achieving steady resource generation
- Establishing a viable market position
- Finding customers and getting orders – and repeat orders
- Achieving revenue recovery
- Getting the right people in place
- Developing competence and capability
- Retaining or replacing key people
- Integrating new members into team
- Calling a halt to development work

A more reflective answer would also include reference to the broader context such as the behaviour of rival companies, the industry dynamics and the broader economic issues. For example, examples used in class such as Domino, Apple and HyperTag provide plenty of material that could be used here to show how the behaviour of rivals, incumbents customers, investors and governments introduce numerous uncertainties that can have major impacts on the success of growing firms.

[Examiner's comment: All those who attempted this question were able to discuss common issues that cause new firms to fail. The better answers were those that could

(6)　　(a)　　The basic answer should present the following material:

Transactional View	Relationship View
Purpose of marketing is to make a sale	Purpose to create a customer
Sale is the result of success	Sale is beginning of relationship; profit is measure of success
Business defined by products and factories	Business defined by customer relationships
Price determined by market forces – it is an input	Price determined by negotiation – it is an outcome
Communications aimed at aggregates of customers	Communications targeted and tailored to individuals
Marketer valued for products and prices	Marketer valued for problem-solving ability

Examples that could be used to illustrate this might include:
Transactional: buying DIY supplies, snack food, etc
Relationship: buying a new car, banking services, etc
Better answers would also add additional material on the impact of this trend that has been observed in many sectors. I.e., the Transactional View is relatively short-termist and assumes that changing one variable in the Marketing Mix is often all that is necessary to change consumer perceptions. The Relationship-base View takes a longer term, more holistic view of the business and focuses on factors that influence the development and maintenance of Customer Loyalty

　　　　(b)　　Core answer should describe the basic challenges of marketing and selling any new product. This could be done by describing the process from the material presented in class in terms of the selling and buying processes, and the role of marketing in general. Attention should also be paid to the key phrase "radically new" which implies that this product or service is one that is new to the both the company and/or the market. This allows discussion of the whole process of innovation management and the associated challenges (market uncertainties, product/service performance uncertainty, value capture challenges, having an integrated product/service range, and managing the process). In particular, good answers should focus on issues of potential 'cannibalisation' of existing products/services, and the challenges of trying to do the 'business as usual activities' in parallel with a radically new activities.

Tim Minshall

SECTION C

7   (a)

The different options available for dispute resolution are
*   Mediation
*   Conciliation (cases related to Employment tribunal)
*   Arbitration

Mediation can be done by internal or external parties. The choice between the use of internal and external mediators are illustrated in the table below.

Internal	External
(+) Knows and understands the organisation culture (+) Potentially requires less briefing (+) Little or no cost (-) May not be perceived as impartial (-) May have historical baggage (-) Experience level may be low	(+) Comes with little or no knowledge of the organisation or parties in dispute (+) May be a more experienced mediator with the ability to pick up issues quickly (+) Likely to gain trust of parties more readily (+) Able to provide the organisation with fresh view of possible cultural or organisational issues (-) Charges for services

Conciliation
*   Independent and impartial outsider discusses issues in dispute between parties
*   Sometimes separately, sometimes together
*   Aim is a solution both parties can accept

Employment tribunal
Parties allow independent and impartial outsider (the arbitrator, or arbiter in Scotland) to determine the outcome
*   Differs from conciliation and mediation because arbitrator acts like a judge, making a firm decision
*   Hear cases involving employment disputes
*   Less formal than a court, but decisions legally binding
*   Usually panel of three
    –   An employment Judge
    –   Two non-legal (lay) members
*   Witnesses can be required to attend
*   No charge to claimant, but can incur costs (for "unreasonable behaviour")
*   Applications within three months of relevant event, or end of employment

Overall approach

Principle – resolve at lowest level of formality
Disciplinary and grievance procedures overlap suspend disciplinary or, if related, hold concurrently
- Establish the facts of the case
- Inform the Employer/Employee of the problem
- Hold a meeting to discuss the problem
- Allow the employee to be accompanied
- Decide on appropriate action
- Provide employees with an opportunity to appeal

(b)

The key approaches to prevent conflict are:

- Put systems and procedures in place
    - Establish formal procedures
    - Explain plans
    - Listen
    - Reward fairly
    - Work safely
- Develop relationships
    - Value employees
    - Treat fairly
    - Encourage initiative
    - Balance personal and business needs
- Work together and build trust

Good candidates will expand on these issues and explore them in the context of performance appraisals. They will suggest having a clear process for performance appraisals, setting clear and objective targets, using the performance appraisals to not just identify the employees that need to be fired but use the appraisals to manage employee performance by identifying training and learning needs, etc. Excellent candidates will suggest particular approaches for performance appraisals that will lead to better outputs such as 360 degrees appraisals etc.

[Examiner's comment: Most candidates showed a good understanding of the core principles of dispute resolution and employee appraisal. The first part of the question was a real differentiator. Good candidates provided an interesting discussion in the context of employee appraisal and the weaker candidates provided a general discussion of the different resolution options without any specific link to the scenario at hand.]

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(a)

Balance of PCNs vs HCNs and TCNs influenced by:
- Country of origin of MNC
  - e.g. Japanese typically more PCNs than UK
- Attributes of host country
  - e.g. availability of suitably qualified HCNs
- Cultural distance between country of origin & host
  - Greater cultural distance => more PCNs
- Age of subsidiary
  - Young subsidiary => more PCNs

The advantages of employing PCNs are:
- Experience in the organisation
- Familiar with the organisations goals, products, policies, etc.
- May help facilitate coordination and control

The disadvantages are:
- May impose culturally inappropriate management style
- May limit promotion opportunities of HCNs
- Resentment amongst HCN due to "unfavourable" treatment
- Adaptation time

(b)

The organisational design is often influenced by the type of the multi-national corporation (see table in next page):
- Ethnocentric
  - Home country oriented
- Polycentric
  - Host country oriented
- Geocentric
  - "World" oriented

In reality many MNCs adopt a mixed approach.

Org. Design	Ethnocentric	Polycentric	Geocentric
Complexity of Org	Complex in home, Simple abroad	Varied and independent	Complex and interdependent
Authority	High in HQ	Low in HQ	Collaborative
Evaluation	Home standards	Local standards	Universal stds
Rewards	High in HQ	Depends on local performance	Rewards for local and worldwide performance
Communication	Orders, commands, advice from HQ	Little to and from HQ	Communication both ways.
Identification	Nationality of HQ	Nationality of host	Truly international
Staffing	HQ focus for key positions everywhere	Local nationalities for key positions	Best people for the job everywhere

It is expected that the response will be varied among the candidates. The examiner is looking for a clear rationale behind the choice of the approach, in particular how the candidate has applied the principles learnt in the lectures in the context of the given question, i.e., luxury car manufacturer establishing a facility in India. Particular issues that might be raised by candidates that inform their choice might include:

- The cultural difference between the UK and India, and how British managers might be perceived by their Indian counterparts or subordinates.
- Sensitivities regarding intellectual property protection (or lack therof) in India
- Availability of managerial and technical expertise in India, which has no record of making luxury cars
- "Brand Image" issues – considering that this is a "luxury" car manufacturer – there might be a need for british leadership to portray the right image.

[Examiner's comment: The candidates demonstrated a good understanding of the factors involved in deciding whether to use PCNs or HCNs in a new facility. The major differentiator was between candidates that applied their learning to the specific context of the question and those that chose to give a very general discussion.]

Ajith Parlikad