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I Semester M.B.A(Day and Eve) Degree Examination June/July- 2024 MANAGEMENT

Management and Organisational Behaviour (CBCS Scheme 2019 onwards)

Paper: 1.1

Time: 3 Hours

Maximum Marks: 70

SECTION-A

Answer any Five questions from the following each question carries 5 marks.

 $(5 \times 5 = 25)$

- List out the characteristics of scientific management.
- 2. Explain the five-stage model of group formation.
- 3. Describe the various conflict resolution techniques.
- 4. What is personality? Explain the factors responsible for the formation of personality.
- 5. What are the causes of resistance to change in an organization?
- 6. Examine Maslow's Need Hierarchy Theory of Motivation. How does this theory help managers motivate their employees?
- 7. What is perception? Examine the perceptual errors committed by individuals.

SECTION-B

Answer any Three questions from the following each question carries 10 marks.

 $(3 \times 10 = 30)$

- 8. "All leaders are managers, but all managers are not leaders." Discuss this statement and compare leadership and management.
- What do you mean by organizational failure? Explain the key reasons for organizational failure.
- Explain the factors that affect organizational design and structures and their influence on organizational productivity.
- 11. Define change. What are the various stages of change that can be observed in a start-up company?

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SECTION-C

 $(1 \times 15 = 15)$

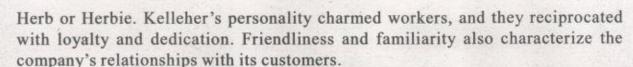
12. Compulsory Case Study:

Organisational Culture at Southwest Airlines

In 1967, Air Southwest Co. (later Southwest Airlines Co.) was started by Rollin King and John Parker, who were later joined by Herbert D. Kelleher. They wanted to provide the best service with the lowest fares for short - haul, frequent - flying and point - to - point 'non-interlining' travelers. The trio decided to commence operations in the state of Texas, connecting Houston, Dallas and San Antonio (which formed the 'Golden Triangle' of Texas). These cities were growing rapidly and were also too far apart for travelers to commute conveniently by rail or road. With other carriers Pricing their tickets unaffordably high for most Texans, Southwest sensed an attractive business opportunity. Southwest's objective was to provide safe, reliable and short duration air service at the lowest possible fare. With an average aircraft trip of roughly 400 miles, or a little over an hour in duration, the company had benchmarked its costs against ground transportation. Southwest focused on short-haul flying, which was expensive because planes spent more time on the ground relative to the time spent in the air, thus reducing aircraft productivity. Thus, it was necessary for Southwest to have quick turnarounds of aircraft to minimize the time its aircraft spend on the ground.

Since its inception, Southwest has attempted to promote a close-knit, supportive and enduring family-like culture. The company initiated various measures to foster intimacy and informality among employees. Southwest encourages its people to conduct business in a loving manner. Employees were expected to care about people and act in ways that affirmed their dignity and worth. Instead of decorating the walls of its headquarters with paintings, the company hung photographs of its employees taking part in company events, news clippings, letters, articles and advertisements. Colleen Barrett even went on to send cards to all employees on their birthdays. The organizational culture of the company was shaped by Kelleher's leadership also. Kelleher's personality had a strong influence on the culture of the Southwest, which epitomized his spontaneity, energy and competitiveness. "Culture is the glue that holds our organization together. It encompasses beliefs, expectations, norms, rituals, communication patterns, symbols, heroes, and reward structures.

Culture is not about magic formulas and secret plans; it is a combination of a thousand things", he used to say. Southwest's culture had three themes: love, fun and efficiency. Kelleher treated all the employees as a "lovely and loving family". Kelleher knew the names of most employees and insisted that they refer to him as



Kelleher was so much into this culture that he once said, "Nothing kills your company's culture like layoffs. Nobody has ever been furloughed [at Southwest], and that is unprecedented in the airline industry. It's been a huge strength of ours. It's certainly helped us negotiate our union contracts. One of the union leaders came in to negotiate one time, and he said, "We know we don't need to talk with you about job security." We could have furloughed at various times and been more profitable, but I always thought that was near-sighted. Post-September 11, 2001, when most airlines in the US went in for massive layoffs, Southwest avoided laying off any employees. Southwest showed its people that it valued them, and it was not going to hurt them just to get a little more money in the short term.

The culture at the organization spoke about its belief in the thought that not furloughing people breeds loyalty. At Southwest, it bred a sense of security and trust. So, in bad times, the organization takes care of them, and in good times they thought, perhaps, "We've never lost our jobs. That's a pretty good reason to stick around. "As a result, southwest was the only airline to remain profitable in every quarter since the September 11 attacks. Although its stock price has dropped 25% since September 11, it was still worth more than all the other big airlines combined. Its balance sheet looked strong with a 43% debt-to-equity ratio, and it had cash of \$1.8 billion with an additional \$575 million in untapped credit lines. The entire credit for the profit was given to the loyal employee base the company had, and it could be developed only as a result of the organizational culture at Southwest. The company left no stone unturned to boost employee loyalty and morale and made many competitors follows suit.

Questions:

- a) What do you analyse as the most influential characteristic of Southwest's culture?
- b) Do you really think that the reason behind Southwest's profits was its culture or the leadership was just playing it humble.
- c) Do you think that following the Southwest way, the other airlines would have also made profits.