

**INSTITUTE OF COST AND MANAGEMENT ACCOUNTANTS  
OF PAKISTAN**

PROFESSIONAL—III (NEW) EXAMINATION—SUMMER, 2003

Thursday, the 22nd May, 2003

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**ORGANIZATIONAL BEHAVIOUR & STRATEGIC MANAGEMENT**

*Time Allowed—3 Hours*

*Maximum Marks—100*

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- (i) Attempt SIX questions selecting three from each part. Question No. 3 is compulsory which carries 20 marks. All other questions carry equal marks.
- (ii) Answer must be neat, relevant and brief.
- (iii) In marking paper, the examiners take into account clarity of exposition, logic of arguments, presentation and language.
- (iv) Read the instructions printed on the top cover of answer script CAREFULLY before attempting the paper.
- (v) DO NOT write your Name, Reg. No. or Roll No. anywhere inside the answer script.
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**PART "A"**

Marks

- Q. 1 What is meant by learning organization and what are the types of learning organizations? Explain in detail. 16
- Q. 2 (a) What are the dominant attributes of high achievers as identified by David McClelland? Explain each of these briefly. 8
- (b) What are the major strategic steps that the high achieving entrepreneurs take to ensure perpetuity of the small businesses they start? 8
- Q. 3 Read the case given below and present your analysis as required :
- Pat Reverer is vice president of manufacturing and operations of a modern pharmaceutical firm in the Midwest. Pat has a Ph.D. in chemistry but has not been directly involved in research and new product development for twenty years. From the "School of Hard Knocks" when it comes to managing operations, Pat runs a "tight ship". The company does not have a turnover problem, but it is obvious to Pat and other key management personnel that the hourly people are putting in only their eight hours a day. They are not working anywhere near their full potential. Pat is very upset with the situation because,

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with rising costs, the only way that the company can continue to prosper is to increase the productivity of its hourly people.

Pat called the Human Resources Manager, Carmen Lopez, and laid it on the line : "What is it with our people, anyway ? Your wage surveys show that we pay near the top in this region, our conditions are tremendous, and our fringes choke a horse. Yet these people still are not motivated. What in the world do they want ? Carmen replied : "I have told you and the President time after time that money, conditions, and benefits are not enough. Employees also need other things to motivate them. Also, I have been conducting some random confidential interviews with some of our hourly people, and they tell me that they are very discouraged because, no matter how hard they work, they get the same pay and opportunities for advancement as their coworkers who just scrap by. "Pat then replied : "Okay, you are the motivation expert ; what do we do about it ? We have to increase their performance".

**Required :**

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| (i)  | Explain the "motivation problem" in this organization in terms of the content models of Herzberg. What are the "other things" that the manager is referring to in speaking of things besides money, conditions, and fringe benefits that are needed to motivate employees ? | 10 |
| (ii) | How would you respond to Pat's last question and statement if you were the Human Resources Manager in this company ?  | 10 |
| Q. 4 | What is Simon's Bounded Rationality Model ? Explain in detail.  | 16 |

**PART "B"**

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| Q. 5 | (a) What are the characteristics of "bureaucracy" designed by Max Weber, the German Sociologist ?                          | 8  |
|      | (b) What are the deficiencies and drawbacks of bureaucracy exposed by Bennis ?   | 8  |
| Q. 6 | In the context of Total Quality Management, list and explain briefly the 14-point Management Philosophy of Edward Deming . | 16 |
| Q. 7 | Define Delegation. Describe guidelines for effective delegation.   | 16 |
| Q. 8 | What do you mean by "Team Development" ? Explain the stages of team development in detail.                                 | 16 |

THE END