Guidelines for evaluation of exam paper in Organization Theory. August 2015.

Written Exam Economics summer school 2015: Organization Theory. Bachelors and Masters Course. 48 hours take home exam from 05 August 1500 hrs to 07 August 1500 hrs.

FORMULATION OF THE ASSIGNMENT TO THE STUDENTS.

Please note that the language used in your exam paper must correspond to the language of the title for which you registered during exam registration. I.e. if you registered for the English title of the course, you must write your exam paper in English. Likewise, if you registered for the Danish title of the course or if you registered for the English title which was followed by "eksamen på dansk" in brackets, you must write your exam paper in Danish (or in Norwegian or Swedish).

If you are in doubt about which title you registered for, please see the print of your exam registration from the students' self-service system.

The paper must be uploaded as <u>one PDF document</u> (including the standard cover and the appendices). The PDF document must be named with exam number only (e.g. '1234.pdf') and uploaded to Absalon.

Focus on Exam Cheating

In case of presumed exam cheating, which is observed by either the examination registration of the respective study programmes, the invigilation or the course lecturer, the Head of Studies will make a preliminary inquiry into the matter, requesting a statement from the course lecturer and possibly the invigilation, too. Furthermore, the Head of Studies will interview the student. If the Head of Studies finds that there are reasonable grounds to suspect exam cheating, the issue will be reported to the Rector. In the course of the study and during examinations, the student is expected to conform to the rules and regulations governing academic integrity. Academic dishonesty includes falsification, plagiarism, failure to disclose information, and any other kind of misrepresentation of the student's own performance and results or assisting another student herewith. For example failure to indicate sources in written assignments is regarded as failure to disclose information. Attempts to cheat at examinations are dealt with in the same manner as exam cheating which has been carried through. In case of exam cheating, the following sanctions may be imposed by the Rector:

● 1. A warning

● 2. Expulsion from the examination

● 3. Suspension from the University for at limited period or permanent expulsion.

Assignment

Case:

Whitbread PLC (the case study is part of the course syllabus – given as text 25)

Question:

The fifth element of 'The 11 Point Plan' proposed at Whitbread PLC was "restructuring the company from being division-based to a Brand-Management organization with 'big brand' MDs reporting to the CEO". Given this requirement, how would you go about restructuring Whitbread? What do you suppose are the advantages of the proposed restructuring? What are the associated challenges? What sources of resistance would you anticipate and what would be your strategy towards managing this? How would you mobilise support and commitment for your proposals?

In your answer, you are expected to draw upon and apply relevant theories from the course. You may decide for yourself what theories are relevant. You may also choose a combination of theories as the answer can be framed from a number of perspectives, e.g., those on organizational structure, culture and change. Other perspectives may also be relevant depending on the focus of your proposals.

Maximum length of exam paper:
The maximum size of the exam paper is 10 standard pages (A4 sheet). Front page(s), table of contents and list of literature, if any, are not included when the number of pages is counted. A standard page is a page with a 12 pitch-font, all margins set to 2.5 cm and line spacing set to 1.5. The students are welcome to use word processing packages like Scientific Workplace or a kind of Tex in which such a formatting is not natural. The student is then required to ensure that the formal requirements are met. Any tables, charts and footnotes etc. are considered part of the standard page and, consequently, form part of the total number of pages in the paper. If the requirement regarding the maximum number of pages is not adhered to, then the exam paper will be rejected and counted as one exam attempt. Each student writes his/ her own exam paper. Exam papers written by two or more students are not accepted.

GUIDELINES FOR EVALUATION OF EXAM PAPER.

GENERAL GUIDELINES

The point of departure for evaluation is the academic aims of the course:

- Describe basic principles of classical and contemporary organizational theories about structure, strategy, culture, leadership, groups, change, communication, power, decisions, motivation and learning.
- Describe differences and similarities between economic perspectives on organizations and perspectives from other social science disciplines.
- Analyze and compare the theories, their strengths and weaknesses with regard to obtaining an understanding of actual organizations and practical organizational phenomena.
- Select, justify and apply relevant theory in analysis of organizational issues described in a real-life case; and present analysis and proposed solution in a written essay in a clear and coherent way.

To write the exam paper one may draw on several parts of the syllabus in particular text no. 1, 12 and 14 (see the end of this document for details of these texts). Points from other texts, e.g. no. 2, 3, 4, 5, 6, 9, 10 and 11 are also relevant to include in the exam paper. References to syllabus in the exam paper need not be very detailed. References to other literature should be complete. Students are allowed to cite examples to demonstrate their point and strengthen their arguments. They are also allowed to refer to slides from the various sessions. These are all uploaded on Absalon.

Some important issues and associated theories/concepts from the syllabus related to the case problem are given below. This is just an outline and by no way exhaustive. Within the limits of the exam paper it will not be possible to go into depth or even mention all possible theories that are relevant. Managerial challenges may be conceptualized in different ways e.g. at different levels of abstraction and focusing on different issues. It will not be possible for the student to go through all managerial challenges and conceptualizations. In sum, the student should attempt to explicitly delimit the scope of the exam paper so as to be able to present a coherent analysis.

The exam paper may be organized in several ways. The student might begin with a selection of theories and then structure the paper according to the selected theories. The student might also select themes at a higher level of abstraction or themes that are crossing theories and then structure the paper according to these themes. The exam paper may have a short introduction with a research question and end with a conclusion.

ISSUES RELEVANT TO THE CASE QUESTIONS

Some important issues and related theories/concepts relevant to the case questions are the following:

1. How would you go about restructuring Whitbread?

Students may draw upon the knowledge of various forms of organizational structure such as functional, divisional, matrix, network, hybrid etc. Whitbread presently has a divisional structure with multiple brands within a division. Students could reflect upon whether Whitbread should shift

to another structural form or merely re-organise its existing divisional form with the brands themselves becoming independent divisions. Students could also relate the organizational form to the organizational environment in which Whitbread is operating and argue why the particular form is relevant with respect to the organizational environment.

2. What do you suppose are the advantages of the proposed restructuring?

Students could apply knowledge of mechanistic and organic organizational forms and how moving to a more organic design with more empowerment and decentralisation can aid in developing more flexibility in dealing with the unique challenges that each brand faces in its task environment. Students may also draw upon the theory of transaction costs and argue that it would be more efficient for the organization to make the brands more autonomous.

3. What are the associated challenges?

One of the challenges of the above restructuring could be that the already siloed organisation may develop further siloes and thereby become more fragmented with the brands communicating even lesser with each other. As such the 'Why Whitbread' question mentioned in the case may become even more difficult to answer. It might then make more sense to the organizational membership to break-up the organisation into independent brands.

Here students may also reflect upon various mechanisms of vertical and horizontal integration that would be needed for the new organizational form to make sense to the organizational membership. Students may also draw upon the social constructionist view of sense-making when reflecting upon the above. One way of helping the organizational membership make sense could be to build upon opportunities in cross-brand collaboration. However, this may require high levels of operational, intellectual, social and emotional integration.

4. What sources of resistance would you anticipate and what would be your strategy towards managing this?

One of the biggest sources of resistance in such a restructuring could be the powerful division heads referred to sometimes as 'barons' and who resisted any interference in their internal functioning as each division had its own functional departments and these department heads identified more closely with their business units than with the company. These functional departments also controlled multiple brands. Thus, making the brands more autonomous would mean the divisional and departmental heads losing their power.

Other sources of resistance could be related to the organizational inertia due to having worked successfully with the present paradigm and the deep assumptions held by the organizational membership due to this history of having been successful by using the present system. In this context, students may draw upon the concept of the 'sigmoid function' or the 'S' curve. They may also reflect upon Schein's approach towards understanding organizational culture and how a deeply established "strong" culture can be a major source of resistance. In addition, they may bring in the psychodynamic view of the organisation as well as the chaordic systems approach, reflecting upon the shadow/unconscious life of the organization and the forces that push organizations towards chaos and dysfunctionality.

5. *How would you mobilise support and commitment for your proposals?*

Management might have to factor in associated emotional and political forces and develop strategies to address these. A key question could be "how should power be re-allocated in the new organization?" Another could be "how should sense-making be facilitated in the organization?" Some processes of involvement of the organizational membership in the restructuring may be needed for people to accept the change. The powerful division heads would need to come on board and strategies that can facilitate this would be very relevant. Here students may draw upon various models of leading change in an organization such as Lewin's or Kotter's from a more rational perspective or the psychodynamic or social constructionist models from the more natural perspectives or from more recent approaches such as chaordic systems thinking.

EVALUATION

The exam paper should be well written and clear (also concerning formal aspects). In the exam paper, the student should demonstrate knowledge and understanding of essential concepts, theory and arguments concerning organizational structure, culture and change and an ability to reflect on and analyze organizational issues related to the above.

Overall, the exam paper should be evaluated as a whole based on an assessment of the student's understanding of relevant concepts and theories and their analysis of the problem and recommendations. The evaluation should be based on the coherence of their arguments and their depth of analysis through application of key concepts and theories.

SYLLABUS

(1) Richard L. Daft, Jonathan Murphy, Hugh Willmott: Organization Theory and Design. An international Perspective. Second Edition. Cengage Learning. 2014. Cases/ exercises not included.
(2) Kira, M. & van Eijnatten, F.M. (2008). Socially sustainable work organizations: a chaordic systems approach. Systems Research & Behavioral Science, Vol. 25 (6), pp. 743-756.Gilley, J.W., Morris, M.L., Waite, A.M., Coates, T. & Veliquette, A. (2010).
(3) Weick, K.E., Sutcliffe, K.M. & Obstfeld, D. (2005). Organizing and the Process of Sensemaking. Organization Science, Vol. 16, No. 4, pp. 409–421
(4) Carr, A.N. & Lapp, C.A. (2009). Organization Theory and Organization Behavior: Through the Lens of Psychodynamics. International Journal of Organization Theory and Behaviour, Vol. 12 (3), pp. 381-405.
(5) Penny Dick & Steve Ellis: Introduction to Organizational Behaviour. Third Edition. London: McGraw Hill Education. 2006. pp. 84-95, 98-101 (on motivation)
(6) Stephen P. Robbins, Timothy A. Judge, Timothy T. Campell: Organizational Behaviour. Essex: Pearson Education. 2010. pp. 316-328, 341-348 (on leadership).
(7) Gilley, J.W., Morris, M.L., Waite, A.M., Coates, T. & Veliquette, A. (2010). Integrated Theoretical Model for Building Effective Teams. Advances in Developing Human Resources, Vol. 12 (1), pp. 7-28.
(8) Hultman, K. & Hultman, J. (2008). Deep Teams: Leveraging the Implicit Organization. Organization Development Journal, Vol. 26 (3), pp. 11-22.

(9) Sytse Douma & Hein Schreuder: Economic Approaches to Organizations. FT Prentice-Hall. Pearson Education. 2008. - Pages 161-178 on Transaction Costs.

(10) Bruno S. Frey & Margit Osterloh (eds.): Successful Management by Motivation. Balancing Intrinsic and Extrinsic Motivation. Berlin: Springer. 2002. Pages 7-23, 68-70

(11): Gary Dessler: Human Resource Management. Thirteenth Edition. Essex: Pearson Education. 2013. Pages 418-437 on Performance Related Pay and financial incentives.

(12) Gary Yukl: Leading Change in Organizations. In: Gary Yukl: Leadership in Organizations. Sixth Edition. New Jersey: Pearson. 2006. Page 288-307.

(13) James L. Perry: Bringing Society in: Toward a Theory of Public-Service Motivation. Journal of Public Administration Research and Theory.10 (2000):2: 471-488

(14) Mary Jo Hatch with Ann L. Cunliffe: Organization Theory. Modern, symbolic and postmodern perspectives. 2nd edition. 2006. Pages 175-194 on organizational culture.

(15) Arthur G. Bedeian: The Dean's Disease: How the Darker Side of Power Manifests Itself in the Office of the Dean. Academy of Management Learning and Education. Vol 1 no. 2, 164-173, 2002.

(16) Elliott Jaques and Stephen Clement: Executive Leadership – A Practical Guide to Managing Complexity. Oxford: Basil Blackwell Ltd. 1999, pp. 53-65, 91-97 (on requisite organization theory)

(17) Coloplast A/S – Organizational Challenges in Offshoring (16 pages)

(18) Donna Klein and Marriott International (4 pages)

(19) Engstrom Auto Mirror Plant: Motivating in Good Times and Bad (8 pages)

(20) People Management Fiasco in Honda Motorcycles and Scooters India Ltd. (17 pages)

(21) Shinsei Bank: Developing an Integrated Firm (20 pages)

(22) The Treadway Tire Company: Job Dissatisfaction and High Turnover at the Lima Tire Plant (12 pages)

(23) Acer Inc: Taiwan's Rampaging Dragon (20 pages)

(24) Safe to Say at Prudential Financial (21 pages)

(25) Whitbread PLC (24 pages)

(26) 3M: Profile of an Innovating Company (20 pages)

(27) Motivated Reasoning, Leadership and Team Performance (7 pages)

(28) Leadership Development at Goldman Sachs (23 pages)