

Name:
Enrolment No:



UNIVERSITY WITH A PURPOSE

UNIVERSITY OF PETROLEUM & ENERGY STUDIES

End Semester Examination (Online) – July, 2020

Program: BBA (FBE)
Subject/Course: Organizational Behavior
Course Code: HRES2001

Semester: II
Max. Marks: 100
Duration : 3 Hours

IMPORTANT INSTRUCTIONS

1. The student must write his/her name and enrolment no. in the space designated above.
2. The questions have to be answered in this MS Word document.
3. After attempting the questions in this document, the student has to upload this MS Word document on Blackboard.

		Marks	COs
Q.1	“Learning leads to change in human behaviour.” Discuss with the help of suitable examples.	20	CO2
Q.2	“Even organisations which we consider to be ideal ones are not free from conflicts”. Do you agree? Can you apply your theoretical knowledge to explain how conflicts arise in an educational institutions?	20	CO2
Q.3	Discuss the errors which usually creep in while appraising the performance of employees. Also suggest the measures to avoid these errors.	20	CO1
Q.4	To what extent is OB knowledge useful for manager? Explain with the help of suitable examples from an industrial organization you are familiar with.	20	CO3
Q.5	Frank Lorenzo had a dream from the very childhood to own an airline. He grew up in New York city in the shadow of LaGuardia Airport, became fascinated with the airline industry and vowed one day to be an owner of a major airline. He and a friend invested \$ 25 each in 1969 to start an airline consulting firm called Jet Capital. In 1971, they took control of a small regional airline known as Texas International. He was successful in running this airline and was able to take over a major carrier, Continental Airlines, in 1981. Being an aggressive and determined decision maker, Lorenzo decided to streamline the operations of Continental Airlines. He authorized a detailed and analytical study of its cost structure and concluded that the overhead costs were too high, especially the labour costs. His study indicated that the labour for U.S Airlines was about 2 percent higher than the comparable labour costs of international carriers. He decided to take steps to lower the labour costs.	20	CO3, CO4

	<p>Lorenzo asked the labour unions to negotiate the lower wage rates in order to make Continental Airlines more competitive. The unions refused. Lorenzo was adamant and struck to his position that labour costs had to be reduced and he refused to consider other options. In a bold move in 1983, Lorenzo declared bankruptcy for Continental Airlines to break the existing labour contracts and employ non-union workers at a much lower cost. Even through the labour union became his enemy, he was able to hire new employees at lower cost. Continental was able to reduce fares and increase its market share rapidly.</p> <p>In 1986, Lorenzo made a series of bold moves and acquired People's Express Airline, Frontier Airlines And Eastern Airlines, which was one of the largest airlines in America. Eastern Airlines, at this time was having its own trouble with its labour unions and these unions were very strong and enjoyed tremendous power in negotiating settlements with the management. Lorenzo's acquisition of Eastern Airlines made the unions even more determined to get what they wanted.</p> <p>During negotiations, virtually every concession he requested from labour was denied. The union went on strike in 1989. Lorenzo, once again took Eastern into bankruptcy, hoping to repeat the success of the Continental experience. It did not work. The unions were too strong. Eventually, his control of Eastern was taken away from him by the courts. In 1990, he also relinquished Texas Air and in January 1991, Eastern Airlines was shut down once and for all.</p> <p>In a bold attempt to come back up into the airline industry, Frank Lorenzo applied to start another airline named ATX to serve east coast points from the Washington area. His bid has been opposed by the unions who consider him as a destroyer of airlines. His bid may or may not be approved but he has become the most controversial and perhaps most disliked person in the airline industry because of his tactics in managing an airline.</p> <p>a) How did the attitudes both Lorenzo and the unions affect the operations of Eastern Airlines?</p> <p>b) If you were hired as a consultant and as an arbitrator to handle the dispute at Eastern Airlines, what recommendations would you provide to solve the problem amicably?</p>		
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ANSWERS

