

DEPARTMENT OF MANAGEMENT AND ORGANISATION

Leadership (2291)

Exam 17.10.2009

Max 50p

Please respond to the questions below either *in English or Swedish*. Try to provide the central information in **short and concise** answers. GOOD LUCK!

- (1) Explain the following concepts in 1-2 sentences (max 2p/each = 18p)
 - a. Taylorism
 - b. LMX
 - c. Big five
 - d. Organizational politics
 - e. Psychological contract breach
 - f. Glass escalator
 - g. Groupthink
 - h. Fundamental attribution error
 - i. Contextual performance
- (2) Discuss what set-up-to-fail syndrome is, why we should care about it and how to prevent it as managers (max 8p)
- (3) How is skills perspective different from trait perspective? Discuss the strengths and weaknesses of skills and trait perspective to leadership (max 8p)
- (4) As a leader, how can you manage workplace stress by promoting perceptions of organizational justice (i.e., what are the essential principles for promoting perceptions of organizational justice in the workplace)? (max 8p)
- (5) Read the Case High Tech Engineering below and answer the following question: "If you were consulting with the board of directors at HTE, what would you advise them regarding Mr. Barelli's leadership from a transformational perspective?" (max 8p)

High Tech Engineering (HTE) is a 50-year-old family-owned manufacturing company with 250 employees that produces small parts for the aircraft industry. The president of HTE is Mr. Barelli, who came to the company from a smaller business with strong credentials as a leader in advanced aircraft technology. Before Mr. Barelli, the only president of HTE was the founder and owner of the company. The organizational structure at HTE was very traditional, and it was supported by a very rich organizational culture.

As the new president, Mr. Barelli wanted to transform HTE. He wanted to prove that new technologies and advanced management techniques could make HTE one of the best manufacturing companies in the country. To that end, Mr. Barelli created a vision statement that was displayed throughout the company.

The two-page statement, which had a strong democratic tone, described the overall purposes, directions, and values of the company.

During the first 3 years of Mr. Barelli's tenure as president, several major reorganizations took place at the company. These were designed by Mr. Barelli and a select few of his senior managers. The intention of each reorganization was to implement advanced organizational structures to bolster the declared HTE vision. Yet the major outcome of each of the changes was to dilute the leadership and create a feeling of instability among the employees. Most of the changes were made from the top down, with little input from lower or middle management. Some of the changes gave employees more control in circumstances where they needed less, whereas other changes limited employee input where employees should have been given more input. There were some situations in which individual workers reported to three different bosses, and other situations in which one manager had far too many roles to oversee. Rather than feeling comfortable in their various roles at HTE, employees began to feel uncertain about their responsibilities and how they contributed to stated goals of the company. The overall effect of the reorganizations was a precipitous drop in worker morale and production.

In midst of all the changes, the vision that Mr Barelli had for the company was lost. The instability that employees felt made it difficult for them to support the company's vision. People at HTE complained that although mission statements were displayed throughout the company, no one understood in which direction they were going. To the employees at HTE, Mr Barelli was an enigma. HTE was an American company that produced U.S. products, but Mr. Barelli drove a foreign car. Mr. Barelli claimed to be democratic in his style of leadership, but he was arbitrary in how he treated people; he acted in a nondirective style toward some people, and he showed arbitrary control toward others. He wanted to be seen as a hands-on manager, but he delegated operational control of the company to others while he focused on external customer relations and board of directors' matters. At times, Mr. Barelli appeared to be insensitive to employees' concerns. He wanted HTE to be an environment in which everyone could feel empowered, but he often failed to listen closely to what employees were saying. He seldom engaged in open, two-way communication. HTE had a long, rich history with many unique stories, but the employees felt that Mr. Barelli either misunderstood or did not care about that history.

Final notes. In order to pass the course, you need to get 50% out of all subparts. In terms of exam, 25p is required. Remember also that you need to get min 10p/20p for each written assignment and min 5p/10p in form of class participation to pass. There have been 5 seminars and for each of those seminars max 2 points awarded: 1 for being present and 1 for active participation. **If you have been absent 2 times, make sure that you hand in an extra assignment by 23.10.2009.** The points you receive for the sub-parts are valid for one academic year. Remember that I will go through this exam 2.11.2009 at 10 a.m. in auditorium 210 (see the slides of first lecture). Students who have completed min. 25% of the exam are welcome to participate. The exam grades will be on the website 31.10.09.