



جامعة السلطان الشريف علي الإسلامية
UNIVERSITI ISLAM SULTAN SHARIF ALI
SULTAN SHARIF ALI ISLAMIC UNIVERSITY

Semester I, 2020/2021 Academic Session

Final Examination Question Paper

Course Code : BF3320

Course Name : Organizational Behavior

**Course Level : Bachelor of Islamic Finance & Bachelor of
Business Management**

Time : 3 hours

Note(s):

1. This examination is divided into TWO (2) Sections and carries 60 marks.
2. Write ALL of your answers in the Answer Booklet provided.
3. Section A consists of TWENTY Multiple Choice Questions, which carry 20 marks.
4. Section B consists of FOUR Essay-Type Questions based on two short case studies, which carry 40 marks.
5. Candidates are not allowed to take the Answer Booklet out of the examination venue.



SECTION A: MULTIPLE CHOICE QUESTIONS (20 marks)

1. **D'Reka Merchandise** owned by five **FEKIM, UNISSA** graduates (**Abdul Fatin, Abdul Raziq, Luqmanul Hakeem, Muhammad Khairul and Nur Amelina Syakilah**) is a company, which provides merchandises such as shirts, hoodies, caps, gym sack, tote bags among others within **Brunei**. The company has been in business for almost one year now and has earned substantial profits during this period. Which of the following trends, if true, would drive the company to change its business strategy?
 - A) a rise in the cost of electronic products such as iPads and smart phones and subscriptions charges for online shopping apps
 - B) an increase in the number of laws and regulations related to intellectual property
 - C) a decrease in the number of youth in Brunei due to increase in mortality rate after the Covid-19 pandemic
 - D) an upward trend among Brunei youth's preferences for having a merchandise that reflect their identities, which they have fond memories
 - E) a need for a merchandise, which are cheap and locally manufactured/produced

2. **Asrinur Syahiran** is an owner of **Megamas Training Company Brunei**. He has threatened to eliminate positions and even to close down the company if the Company trainers do not change their attitudes. The method for overcoming resistance that **Asrinur Syahiran** has chosen is _____.
 - A) cooptation
 - B) coercion
 - C) participation
 - D) education and communication
 - E) negotiation

3. **Fony Corp.**, owned by three young **Brunei** businessmen; **Awang Mohd Shamsul, Mohammad Syafiq Nazrin and Mohammad Afif Rusydi**, which is headquartered in **China**. **Fony Corp.** is a leading manufacturer of electronic devices and solutions intended for professional markets. The company is considering upgrading the technology currently being used at **Fony's** manufacturing facility located in **Guangdong** that specializes in producing lithium-ion batteries. These heavy-duty batteries are used to power laptops, cameras, cell phones, and other similar gadgets. The new technology is expected to increase efficiency levels and will allow for greater adherence to quality standards. Which of the following, if true, would most strengthen the argument that **Fony Corp.** should upgrade its technology?
 - A) **Fony** last upgraded its technology six years ago and it has an adequate budget to fund the acquisition.
 - B) **Fony's** main client account is at risk after the client had to recall nearly 2 million notebooks owing to defective batteries.

- C) The existing technology is currently functioning at the optimal level and the cost of maintenance is minimal.
- D) **Fony** will be able to recover the cost of the new technology within eight years.
- E) The market for consumer electronics such as laptops, cameras, cell phones, and other similar gadgets is in the late maturity stage.
4. Due to changing of technologies and unstable environment, **Dayang Nabeelah Hafizah Marriage Counselling Company (DNHMCC)** is planning to undertake restructuring of the business. The employees in your company are worried about this upcoming change and many of them are anxious due to a fear that they will lose their jobs because of this change. That is not the case. The company only wants to restructure its business units and it is not planning to cut down on jobs. In such a situation, which of the following techniques is most likely to be used by **DNHMCC** to deal with the employees' resistance to change?
- A) education and communication
 - B) manipulation and cooptation
 - C) participation
 - D) coercion
 - E) implementing changes fairly
5. John Kotter built on Lewin's three-step model to create a more detailed approach for implementing change. Which of the following steps in Kotter's eight-step plan for implementing change represents the "unfreezing" stage in Lewin's three-step model?
- A) Reinforce the changes by demonstrating the relationship between new behaviors and organizational success.
 - B) Create a new vision to direct the change and strategies for achieving the vision.
 - C) Plan for, create, and reward short-term "wins" that move the organization toward the new vision.
 - D) Consolidate improvements, reassess changes, and make necessary adjustments in the new programs.
 - E) Empower others to act on the vision by removing barriers to change and encouraging risk taking and creative problem solving.
6. **Professor Dr. Hajah Baizurah** is preparing some talking points about "*Task Conflict in the Workplace*" for her talks, which will be aired on the **RTB TV** station next week. Which of the following statements is true regarding task conflicts, which should be emphasized by **Professor Dr. Hajah Baizurah**?
- A) Task conflicts relate to how the work is done.
 - B) Task conflicts are usually dysfunctional.
 - C) Task conflicts hinder creativity and innovation.
 - D) Task conflict focuses on interpersonal relationships.
 - E) Task conflict would not benefit groups performing routine tasks.

7. **Professor Dr. Fiki Rohmah** is preparing Multiple-Choice Question for **BF 3320 OB Final Examination** at **UNISSA**. If one of the questions is about the **managed conflict perspective**, which of the following statements below is true?
- A) It argues that conflicts improve creativity of the group.
 - B) It classifies conflicts into functional and dysfunctional conflicts.
 - C) It is based on the view that conflicts reduce the long-term viability of the group.
 - D) It argues that all conflicts are bad and should be eliminated.
 - E) It proposes that some conflict is necessary for a group to perform effectively.
8. **Dayangku Nurun Nabeelah, Iffah Nazirah, Nur Ezzati Nazihah** and **Nur Hazimah** are in the midst of having conflict and it has escalated to the **Stage II** of the conflict process, which we had learned in the lecture of **BF 3320**. **Stage II** conflict process deals with the conflict being _____.
- A) internalized
 - B) analyzed
 - C) expressed and resolved
 - D) apparent and experienced
 - E) perceived and felt
9. **Awang Muhammad Rafiq** is having a serious conflict with **Suleiman Ali** regarding their business partnerships in **Brunei Darussalam**. If their intention of conflict handling in this situation is collaborating, then they are looking for a method, which is _____.
- A) unassertive and uncooperative
 - B) affective and reflective
 - C) assertive and cooperative
 - D) unassertive and cooperative
 - E) assertive and uncooperative
10. **Nur Zulhijjah Aqilah, Nurhadhinah Nadiyah, and Nurhazirah** do not like a few of the standard operating procedures adapted for the new project in their Company. However, they discussed the items with the other team members and told them that they realized the three of them were in the minority. Therefore, they would adapt the new procedures to maintain smooth operations within the team. This type of intention for conflict negotiation is called _____.
- A) negotiating
 - B) compromising
 - C) collaborating
 - D) accommodating
 - E) competing

11. **Awangku Muhammad Hazim** is the **Division Manager** at **Brunei LiveWire**. He wants to replace the SAP ERP currently used in his Division with Epicor ERP as it costs 30 percent less to train new staff in Epicor ERP. However, this leads to a conflict with the **General Manager, Rina Iryana** who insists that they can simply hire only people who already know how to use SAP ERP. Which of the following, if true, weakens the general manager's objection to the replacement of SAP ERP with Epicor ERP?
- A) The average productivity of employees in the company is below the average productivity of the employees of its competitors.
 - B) The high costs of updates and upgrades make Epicor ERP more expensive to maintain than SAP ERP.
 - C) Experienced users of SAP ERP command much higher salaries than do prospective employees who have no experience in the use of any ERP.
 - D) Currently all employees in the company are required to attend workshops on how to use SAP ERP.
 - E) Once employees learn how to use an ERP system, they tend to change employers more readily than before.
12. According to a newly added office smoking regulation in **Siti Nor Mas Travel and Tours Company** located in Kuala Belait; only employees who have an enclosed office may smoke at their desks. This leads to a major conflict between various employees as virtually all employees with enclosed offices are higher-level managers, and all other employees lack enclosed offices. Therefore, the lower level employees who smoke argue that they should be offered enclosed offices. Which of the following, if true, strengthens the employees' argument?
- A) The company is a zealous supporter of the rigorous campaign a corporate anti-smoking campaign.
 - B) The smoking regulations allow all employees who smoke an equal opportunity to do so, regardless of an employee's job level.
 - C) The company has a limited budget for infrastructure modifications.
 - D) Employees at the higher level, who do not smoke, do not have enclosed offices.
 - E) Higher level managers, who have enclosed offices, are willing to share their offices with lower level employees.
13. **Siti Nur Hanisah, Siti Nur Syahidah, Salina** and **Nurul Asyiqin** are from **Tutong**. Most people who lived in this area are widely known in Brunei as heavily leaning towards collectivist cultural orientations. **Siti Nur Hanisah, Siti Nur Syahidah, Salina** and **NurulAsyiqin** are about to conduct a negotiation process with the **Tutong's District Office** officials about the development issues confronted **Tutong's** residents. Which of the following statements is true regarding negotiation that takes place in a collectivist culture?
- A) Collectivists are less likely to seek to preserve relationships and promote the good of the group as a whole than individualists.
 - B) Collectivist cultures see people as autonomous, not as people deeply embedded in social situations.
 - C) Collectivists are more likely to confront differences of opinion directly and openly as compared to individualists.

- D) As compared to individualists, collectivists are less likely to see offers from their counterparts as unfair and to reject them.
- E) The method of conflict management preferred by collectivist managers is competing.

14. **Syami and Nazrul Aircraft Engineering Company(SNAEC) based in Munich, Germany** an aircraft manufacturer, develops a new engine model, PR-4, with safety features lacking in the earlier model, PR-3, which is still being manufactured. During the first year that both were sold, the PR-3 far outsold the PR-4, even after rigorous presentations and negotiations with potential customers for PR-4. SNAEC thus concluded that safety was not the customers' primary consideration. Which of the following, if true, would weaken SNAEC's conclusion?

- A) Customers prefer and find safer, earlier engine models that have been tried and tested to newer engine models.
- B) Several customers of SNAEC also bought engines from other manufacturers who did not provide additional safety features in their newer models.
- C) The PR-4 model can be used in all planes in which the PR-3 model can be used.
- D) Both private plane owners and commercial airlines buy engines from SNAEC.
- E) There was no significant difference in price between the PR-3 and PR-4.

15. **Xanadu Industries** manufactures and sells the same calipers as **Utopia Industries**. Employee wages account for thirty-five percent of the cost of manufacturing calipers at both **Xanadu Industries** and **Utopia Industries**. **Xanadu Industries** is seeking a competitive advantage over **Utopia Industries**. **Richard**, the manager put in charge of devising a strategy to meet this end, suggests lowering employee wages. This leads to a grave conflict between **Richard** and the labor union. Which of the following, if true, would suggest that the labor union would accept **Richard's** suggestion to lower the wages?

- A) As they make a large number of precision instruments, caliper manufacturers receive huge volume discounts on raw materials.
- B) **Xanadu Industries** has taken away twenty percent of **Utopia Industries'** business over the last year.
- C) **Utopia Industries** recently set up a new manufacturing facility in the vicinity.
- D) Many people who work for manufacturing plants live in areas in which the manufacturing plant is the only source of employment.
- E) **Utopia Industries** pays its employees, on average, ten percent more than does **Xanadu Industries**.

16. When describing the concept of conflict, **Dr. Nurfarah Adilah** from **Oxford University** was right when she emphasized that _____.

- A) Diversity of goals among groups is a major source of conflict.
- B) As the ambiguity about where responsibility for actions lies decreases, the potential for conflict increases.
- C) People low in the personality traits of disagreeableness, neuroticism, or self-monitoring are more likely to engage in a conflict.
- D) The less specialized the activities of the group, the greater the likelihood of conflict.
- E) The smaller the group, the greater the likelihood of conflict.

17. **Sarinah, Norhamizah and Norsyahimah** are working as a team to upgrade the *Customer Service Division* at **Royal Brunei Airlines (RBA) Headquarters' office at Berakas**. Yesterday, they all received a memo from the CEO of RBA to transfer to *Total Quality Management Division*. Before moving, they were asked to help in finding a successor for them. Their most obvious choice was **Nur Sufizah, Nur Syaza and Nur Atiqah** and the top management accepted their suggestion. **Nur Sufizah, Nur Syaza and Nur Atiqah** were known for their vivacious nature, were often seen interacting with employees from various divisions, and were always excited to take up a new opportunity. Once they became leaders of the teams, they continued to give employees freedom and flexibility even if it resulted in deficiencies on the work front like missed deadlines or low quality. **Nur Sufizah, Nur Syaza and Nur Afiqah's** initial weeks as leaders were full of confusion among her team members, but many felt that the situation would come under control. When things did not improve in the next two months and many complaints poured in from clients, the management realized that the three were not the best candidates to lead the team. Which of the following, if true, would best explain this outcome?
- A) Research has shown that traits can predict the emergence of a leader, but not his/her efficiency as a leader.
 - B) The client complaints were a common thing encountered by the company.
 - C) **Nur Sufizah, Nur Syaza and Nur Afiqah** demonstrated low levels of consideration and high levels of task-orientation.
 - D) **Nur Sufizah, Nur Syaza and Nur Afiqah** were a high-performing employee and enjoyed good relationships with everyone on the team.
 - E) Everyone felt **Nur Sufizah, Nur Syaza and Nur Afiqah** were given insufficient time to prove their worth as leaders.
18. **Nur Shahirah** has just completed and scored the Least Preferred-Coworker (LPC) questionnaire given to her during an evaluation exercise. She is surprised when she finds out that she described her least preferred co-worker in relatively positive terms because she recalls being particularly annoyed by this difficult co-worker several times in the past. Based on your understanding of Fiedler's model, you explain to **Nur Shahirah** that her LPC score makes sense within the model because _____.
- A) **Nur Shahirah** has a spotty work history and has tended to switch jobs every couple of years
 - B) **Nur Shahirah** is usually chosen for positions of high responsibility within your organization
 - C) **Nur Shahirah** tends to become very dominating when given ambiguous tasks
 - D) **Nur Shahirah** is usually much more focused on productivity than on developing relationships
 - E) **Nur Shahirah** tends in general to focus on building good relationships with the other employees
19. **Mohammad Rusdi, Norhafizah, Amanina and Dayangku Fatim** are among Brunei pioneers who have been working in the e-learning industry for over twenty years. They are aware of the fact that in this industry, once an employee has learned his job, the work

becomes automatic and competence can be achieved rapidly. They have noticing how in their respective teams, this competence has come along with a lot of complacency. Another word, the employees, though able, are unwilling to work hard. According to the situational leadership theory, to rectify this situation, **Mohammad Rusdi, Norhafizah, Amanina** and **Dayangku Fatih** would benefit the most if they use the _____ style of leadership.

- A) autocratic
- B) participative
- C) production-oriented
- D) directive
- E) task-oriented

20. **Emiey Saiddatul, Nurul Syifa, Hilyati** and **Noor Syazwani** are **Project Leaders** at **Adil Bersatu General Contractors (ABGC)** based in **Muara, Brunei** for five years. Their job descriptions involve scheduling work for their team, coordinating their work with that of the other departments, and providing feedback. **Emiey Saiddatul, Nurul Syifa, Hilyati** and **Noor Syazwani**, who have successfully led their teams, believe that it is their task-oriented and directive approach that have helped them in the last five years. Which of the following, if true, would weaken his argument supporting a directive leadership?
- A) **Emiey Saiddatul, Nurul Syifa, Hilyati** and **Noor Syazwani** has seen that employees in his team lack initiative and motivation to work hard.
 - B) **ABGC** hires only highly qualified and experienced employees.
 - C) The members of the team are resentful with **Emiey Saiddatul, Nurul Syifa, Hilyati** and **Noor Syazwani's** directives relating to work.
 - D) The team's workload is expected to rise substantially as the company is growing at an unprecedented rate.
 - E) **Emiey Saiddatul, Nurul Syifa, Hilyati** and **Noor Syazwani's** team is organized as a wheel network and depends on his ability to coordinate amongst members of the team and between other departments.
21. **Nor Syaza, Noratiqah, and Nur Amanina Sakinah** are middle-level **Production Managers** at the **Proton**, which is a Malaysian. **Nor Syaza, Noratiqah, and Nur Amanina Sakinah's** jobs are to supervise his assembly line employees. **Nor Syaza, Noratiqah, and Nur Amanina Sakinah** have worked in this position for over four years and they strongly believe that a supportive leadership style is most suitable in his context. Which of the following, if true, would strengthen **Nor Syaza, Noratiqah, and Nur Amanina Sakinah's** approach to leadership in this case?
- A) Most of the assembly line employees were highly experienced in their jobs and committed to **Nor Syaza, Noratiqah, and Nur Amanina Sakinah**.
 - B) With developments in technology, the company was enhancing the role of assembly line employees with new tasks combined into natural work units.
 - C) A good proportion of the assembly line employees were new employees.
 - D) The company has recently announced its move to diversify into manufacturing light motor vehicles because of high profitability in that line.
 - E) The company had initiated many changes in the tasks of assembly line workers in its attempts to refine the process of manufacturing.

SECTION B: ESSAY-TYPE QUESTIONS (40 marks)

Short Case Study 1:

If you ask **Awang Alfie Khaireen** about his company's procedures for making a big capital investment, he will likely to refer you to the *Flextronics International Corporate Policy Manual*, which has an office based in **Bandar Seri Begawan, Brunei Darussalam**. The policy manual has 80 pages—all of them blank. Although **Awang Alfie Khaireen** is **Flextronics' CEO**, he says he sometimes lets subordinates such as **Awang Abdul Fatin**, the Head of Flextronics' South East Asian Operations, and do multi-million-dollar acquisitions without showing him the paperwork. He disdains staff meetings at his **Brunei** headquarters' office, and he refuses to draw up an organization chart delineating his managers' responsibilities.

One might think **Awang Alfie Khaireen's** style is too casual for a growing conglomerate. This is a giant that owns dozens of factories scattered over four continents and has big contracts with some of the most demanding corporate customers on earth, from Cisco Systems Inc. to Siemens. In recent years, it has acquired manufacturing plants, design firms, and component makers in the United States, Europe, and Asia. It also has landed huge manufacturing contracts with Motorola Incorporation and Microsoft Corporation. As **Awang Alfie Khaireen** sees it, the business of global contract manufacturing is all about speed. The time it takes to get a prototype into mass production and onto retail shelves across the globe can determine whether a leading-edge digital gadget succeeds or flops. In addition, with the Internet and corporate makeovers rapidly reconfiguring entire industries, **Awang Alfie Khaireen** thinks it is a bigger sin to miss important opportunities than to make a mistake or two. Therefore, he does not want to tie down his top managers with bureaucracy. One of **Awang Alfie Khaireen's** favorite dictums: "*It's not the big who eat the small. It's the fast who eat the slow.*" So far, **Awang Alfie Khaireen** has managed to create the right balance.

A **UNISSA BBM graduate** who had run several small electronics makers, **Awang Alfie Khaireen** helped one Brunei engineer a takeover of Singapore domiciled Flextronics in 1993, when it was nearly bankrupt. After turning the company around, he began to rebuild. Flextronics became a favored supplier to companies like Cisco, 3Com, and Palm. Flextronics is poised to become the world's second-largest contract manufacturer, after Milpitas a USA based-based Solecron Corporation. Besides the industrial parks in Hungary, it also has huge manufacturing businesses in Mexico, China, and Brazil. In the business world, **Awang Alfie Khaireen** seems determined to prove a point. One way or another, he is convinced he can retain the agile management style of a start-up, while making Flextronics a global enterprise that can play in the big leagues.

Questions

1. What leadership theories covered in BF 3320 would best support **Awang Alfie Khaireen**? Give three (3) specific examples (10 marks). Elaborate your answers.
2. Based on your reading of the case, describe the leadership process used by **Awang Alfie Khaireen**. Do you think he is successful because of or in spite of his leadership approach? Elaborate your answers. (10 marks)

Short Case Study 2:

Nur Rabi'atul, Nurafiqah, Siti Noorizan, Siti Nur Sabrina and Khalda Miska are being assigned by **Dr. Razali** to conduct a research on a famous company, Starbucks as part of their **Ph.D studies** at UNISSA. After completing the research, they wrote a draft report and submitted to **Dr. Razali** for pre-approval. The report reads:

You are probably so used to seeing Starbucks coffee shops everywhere that you might not realize the company went from just 11 stores in 1987 to 2,600 in the year 2000. This incredibly rapid growth sprang from the company's ability to create a unique experience for customers who wanted to buy its distinct brand of lattes and mochas wherever they found themselves. At Starbucks' core, there was also a culture of treating each customer as a valued guest who should feel comfortable relaxing and taking in the ambience of the store. Whether you were in the company's founding location in Seattle, Washington, or at the other end of the country in Miami, Florida, you knew what to expect when you went to a Starbucks.

*This uniform culture was truly put to the test in the face of massive expansion, however, and by 2006 Starbucks' Chairman and former CEO, **Howard Schultz** knew something had gone wrong. He noted, "as I visited hundreds of Starbucks stores in cities around the world, the entrepreneurial merchant in me sensed that something intrinsic to Starbucks' brand was missing an aura and spirit. The stores were lacking a certain soul."*

*Starbucks' performance had become lackluster, with hundreds of planned store openings being canceled and hundreds more stores being closed. Therefore, **Schultz** took the dramatic step of coming back as CEO and engaging in a companywide effort to change the corporate culture back to what it had been before its expansion. All 7,000 Starbucks stores were closed for a single afternoon as part of a training effort of 135,000 baristas. Quality control was a primary mission; baristas were instructed to pour every glass of espresso like honey from a spoon, to preserve the flavor.*

*This emphasis on quality over speed ran counter to the principles of mass production, but it was just what the company needed to ensure it could retain its culture. Espresso machines that obscured the customers' view were replaced with lower-profile machines that allowed baristas to look directly at guests while making beverages. And "assembly-line production," like making several drinks at once, was discouraged in favor of slowly making each drink for each customer. **Schultz** is convinced his efforts to take the culture back to its roots as a neighborhood coffee shop—one entranced with the "romance of coffee" and treating every customer as an old friend—has saved the company. Today, Starbucks earns more than \$10 billion in annual revenue and serves more than 50 million customers a week around the globe.*

Questions

1. After reading the draft report, why do you think that might this type of radical change process be easier for Starbucks to implement than it would be for other companies? Elaborate your answers (10 marks).

2. **Schultz's** change initiative might succeed at another company that values customization and high levels of customer service, but how would it need to differ at a firm that emphasizes speed and efficiency of service? Elaborate your answers (10 marks).

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