EPBM-32 · IIM CALCUTTA · VIA TIMESPRO

Organisational Behaviour & People Skills

The complete master notes. Four sessions merged into one story — motivation, groups & teams, organisation structures, and managing change & stress. Plain English first, theory second, every concept earning its place.

Ch.7 & 8 · Motivation | Ch.9 & 10 · Groups & Teams | Ch.14 · Org Structure | Ch.16 · Change & Stress | 300+ MCQs with answers

Prof. Vidyanand Jha | Source: Robbins, Judge & Vohra — Organisational Behaviour | Cases: Shivani Carriers, Greg James (Sun), The Restaurant, Acme & Omega, Jess Westerly (Kauflauf)
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How to read these notes

These notes are built to be read like a story, not memorised like a glossary. If you have never opened an OB textbook in your life, you will still follow every idea here, because each concept arrives with a plain-English example from ordinary working life before any jargon shows up.

The plan is simple. Four chapters, in the order the course ran them. Inside each chapter the concepts are explained in everyday language, then a real case is used — lightly — only to make the concept concrete. **The cases are servants of the concepts, never the focus.** After each chapter comes a bank of multiple-choice questions with the answer and a one-line reason directly underneath, so you can test yourself the moment the reading is fresh. At the very end sits a mixed final test that draws from all four chapters, plus a page of exam tips.

The boxes you will see	What they mean
KEY INSIGHT (green)	The one thing you must not forget from that idea.
CONCEPT TRAP (red)	A common misreading that costs marks — and bad decisions at work.
IN PLAIN ENGLISH (blue)	The idea stripped down to an everyday analogy.
REAL-WORLD EXAMPLE (amber)	A longer story that shows the concept living in the wild.
LEADER'S LENS (purple)	How to actually use the idea on a normal working Monday.
EXAM TIP (teal)	What examiners reliably reward on this specific point.

The thread that runs through all four chapters

These four sessions were taught separately, but they tell one continuous story, and reading them as one is the whole point of this document. The story has a single spine: **organisations are made of people, and people give their best only when four things line up.**

Chapter 1 starts with the smallest unit, **the single person**, and asks what makes them put in effort at all. Chapter 2 widens the frame: put motivated people together and you get a **group**, which is a different animal entirely, with its own rules that can lift effort or quietly kill it. Chapter 3 pulls back further to the **whole organisation**, the skeleton of roles, rules and reporting lines that decides how all those people and groups actually move. And Chapter 4 sets the whole thing in **motion through time**, because every structure eventually has to change, and change is where the human stuff from the first three chapters either holds or breaks. Motivation, then teams, then structure, then change: **the person, the group, the frame, and the frame in motion.** Keep that arc in your head and each chapter will feel like the next step of one argument, not a fresh start.

What's inside

Chapter 1 · Motivation — why people put in effort (Robbins Ch.7 & 8)

What motivation is · the early theories (Maslow, Herzberg, McClelland, ERG) **1.1–1.5**

Contemporary theories (Self-Determination, Goal-Setting, Self-Efficacy, Reinforcement, Expectancy, Equity, Engagement)	**1.6–1.12**
The integrated model · from concepts to applications (job design, work arrangements, involvement, pay, rewards)	**1.13–1.19**
Live case: Shivani Carriers · MCQ Bank 1 (60 questions)	**1.20 & Q**

Chapter 2 · Groups & Teams (Robbins Ch.9 & 10)

Foundations of group behaviour: roles, norms, status, size, cohesion, diversity, decision-making	**2.1–2.7**
Work teams: groups vs teams, five types, the effectiveness model, team players, when NOT to team	**2.8–2.12**
Distributed teams — classroom context (follow-the-sun, onshore/offshore, Hofstede, SPLIT)	**2.13**
Case: Greg James at Sun Microsystems · MCQ Bank 2 (70 questions)	**2.14 & Q**

Chapter 3 · Organisation Structure (Robbins Ch.14)

The seven elements · effectiveness models · complexity vocabulary · supervision, span & standardisation	**3.1**
Eight structure types · mechanistic vs organic · contingency factors · downsizing · behaviour	**3.2–3.6**
Cases: The Restaurant & Acme vs Omega (incl. exploration/exploitation & ambidexterity) · MCQ Bank 3 (85 questions)	**3.7 & Q**

Chapter 4 · Organisational Change & Stress (Robbins Ch.16)

Forces for change · resistance · eight tactics · Content/Process/Context · Lewin, Kotter, Schein, OD	**4.1–4.6**
Stress: change's shadow *(not taught for the exam — included for completeness)*	**4.7**
Case: Jess Westerly at Kauflauf · MCQ Bank 4 (70 questions)	**4.8 & Q**

Final section

Comprehensive mixed final test (all four chapters, 60 questions)	**Final**
Exam tips & the cross-chapter quick reference	**Tips**
★ **Exam Cheat Sheet** — the whole course on a few pages (flip here last)	**Cheat**

HOW THE MCQ BADGES WORK (READ THIS ONCE)

The professor said the exam is MCQs drawn **from the textbook chapters**. To keep that line clear after blending in his lectures, two badges appear on a few questions: an amber **BEYOND TEXTBOOK** tag marks class-only enrichment (his own frameworks and stories — great for understanding, not core exam material), and a red **NOT IN EXAM SCOPE** tag marks the stress topic, which he confirmed he did *not* set for the exam. Every **un-badged** question is fair game. Study the un-badged ones first; treat the badged ones as depth.

01

Motivation

Why people put in effort — and how managers shape it · Robbins, Judge & Vohra, Ch. 7 & 8

The same student who cannot read a textbook for twenty minutes finishes a Harry Potter novel in a day. Same brain, same afternoon, wildly different effort. That gap is the whole chapter. We start with what motivation actually is, walk through the famous early theories and the better-evidenced modern ones, tie them together into one map, and then turn theory into the manager's toolkit — job design, rewards, and the rest. Shivani Carriers, a family trucking firm, runs underneath as our live example.

1.0 Before the theory: what this is really about

Motivation is not about how clever or capable someone is. It is about what makes them try, in which direction, and for how long. Prof. Jha opened with two old, opposing ideas about why people behave as they do. The first is **Mowgli** — the human child raised by animals who grows up behaving like one: you are a product of your surroundings, so change the context and the behaviour changes (the *nurture* view; the same employee behaves differently across six different jobs). The second is **phrenology** — the discredited colonial "science" of reading head-shape to predict criminality, used to brand whole tribes: you are born who you are and cannot change it (the *nature* view). The truth is both, and Organisational Behaviour studies both sides.

KEY INSIGHT — MICRO VS MACRO OB

The discipline splits in two. **Micro OB** looks at the individual and the group — personality, perception, and (our focus here) motivation; its parent disciplines are psychology and social psychology. **Macro OB** (also called organisation theory) looks at structures, systems and processes — the whole organisation in its context; its parents are sociology, economics and political science. Motivation sits squarely in Micro OB.

A · What motivation is, and the early theories

1 Motivation, defined — three separate dials

Motivation is the set of processes that account for an individual's **intensity**, **direction** and **persistence** of effort toward a goal. Intensity is how hard a person tries — what most people mean by "motivation," but on its own not enough. Direction is where that effort points; high intensity aimed the wrong way wastes everything. Persistence is how long the effort is sustained. Miss any one dial and the goal slips.

Example → A delivery driver trying hard (intensity), on the correct route (direction), for the whole month and not just week one (persistence). All three, or the goal is missed.

2 Maslow's Hierarchy of Needs

The single most famous theory in all of management. Human needs stack in a ladder of five levels, and you only chase the next rung once the one below is reasonably satisfied: **physiological** (hunger, thirst, shelter) → **safety-security** (protection from physical and emotional harm) → **social-belongingness** (affection, acceptance, friendship) → **esteem** (self-respect and autonomy inside; status and recognition outside) → **self-actualisation** (becoming everything you are capable of becoming). Lower needs are satisfied externally (pay, security); higher needs internally. The instruction: find the rung a person is on, and motivate at or just above it.

Example → A new joiner worried about rent is on the bottom two rungs — lofty talk of "realising your potential" lands flat until pay and security feel safe.

KEY INSIGHT — MASLOW'S "FAST-FORWARD ADVANTAGE"

Managers love Maslow because it is famous and quick to explain, but research barely supports it — needs don't actually queue up in a neat order. Know it, use it to start a conversation, but don't treat the ladder as literal.

3 Herzberg's Two-Factor Theory

Herzberg asked people to describe times they felt exceptionally good or bad about their jobs — and the two lists were made of different things. His conclusion: the opposite of satisfaction is not dissatisfaction; they run on two separate scales. **Motivators** are intrinsic, about the work itself — achievement, recognition, responsibility, advancement, growth — and these create satisfaction. **Hygiene factors** are extrinsic, about the surroundings — pay, company policy, supervision, working conditions, job security — and these only stop you being dissatisfied. Fix pay and conditions and you reach a neutral, placated workforce; to actually motivate, you must enrich the work itself.

Example → A clean canteen and market pay get you to "no complaints." A chance to own a project end-to-end is what gets you genuine drive.

CONCEPT TRAP

The two opposites are easy to fumble in an exam. The opposite of "satisfaction" is *no satisfaction*; the opposite of "dissatisfaction" is *no dissatisfaction*. Removing a hygiene problem never produces satisfaction — it only removes dissatisfaction.

KEY INSIGHT — CRITICISED, YET EVERYWHERE

Herzberg's method is faulted (people credit themselves for the good times and blame the surroundings for the bad), yet the theory is hugely influential and widely used across Asian settings including Japan and India — few managers anywhere are unfamiliar with its core "enrich the work itself" recommendation.

4 McClelland's Theory of Needs

Three acquired needs drive us, in different mixes for different people. **Need for achievement (nAch)** — the drive to excel against a standard; high achievers like roughly 50–50 odds, because easy wins give no satisfaction and impossible ones give no challenge. **Need for power (nPow)** — the need to influence others. **Need for affiliation (nAff)** — the desire for friendly, close relationships. The best managers tend to be high on nPow and lower on nAff. The catch: these needs are hard to measure, so the theory helps you understand people more than slot them.

Example → The beanbag test — offered five targets paying more the harder they are, a high achiever picks the middle target (challenging but winnable), not the near-impossible jackpot. That middle-target instinct is nAch.

5 ERG Theory (Alderfer) — the upgrade

Alderfer collapsed Maslow's five into three: **Existence** (physiological + safety), **Relatedness** (social needs) and **Growth** (esteem + self-actualisation). Two changes matter. First, **no strict hierarchy** — you can chase all three at once; you don't have to finish existence before you care about growth. Second, **frustration-regression** — if a higher need is blocked, you compensate by demanding more of a lower one.

Example → A worker stuck 40km offshore can't satisfy relatedness, so the need regresses to "then at least pay me more," boosting existence — which is why offshore and sailing jobs pay a premium. The painful flip side: truck drivers are also kept from family, but are *not* compensated — their frustrated relatedness simply goes unanswered.

B · Contemporary theories — better evidence, lean on these

6 Self-Determination Theory (and Cognitive Evaluation)

People want to feel their actions are their own. We are driven by three psychological needs: **autonomy** (control over what we do), **competence** (being good at it) and **relatedness** (connection with others). The key sub-idea is **cognitive evaluation theory**: piling extrinsic rewards onto a task someone already enjoys can reduce the intrinsic interest — once you're paid to do it, it starts feeling like something you *have* to do. A related idea, **self-concordance**, is how well your reasons for chasing a goal fit your own values; people who pursue goals for intrinsic reasons are happier and even enjoy the striving regardless of whether they win.

Example → Marcia loved volunteering 15 hours a week at the animal shelter — then they hired her full-time at $11/hour for the same work, and the fun drained out. Same tasks; the paid obligation displaced the freely-chosen joy.

7 Goal-Setting Theory (and MBO)

"Just do your best" is one of the least useful instructions ever given. Locke's theory shows that **specific, difficult goals, with feedback**, drive higher performance than vague or easy ones. Specific beats vague; difficult (once accepted) beats easy; feedback beats silence, and self-generated feedback is the most powerful. Three things shape whether goals work: **goal commitment**, **task characteristics** (simple, independent tasks respond best), and **national culture**. **Management by Objectives (MBO)** operationalises this: organisation-wide goals cascade into specific, verifiable, time-bound goals at every level, set participatively.

Example → "Do better on calls" changes nothing; "12 round-trips a week, posted on the board every Friday" pulls real effort.

KEY INSIGHT — GOALS HAVE A DARK SIDE

Wells Fargo's aggressive sales goals ("8 accounts per customer") drove employees to open roughly 2 million fake accounts. Specific + difficult goals work, but unrealistic ones tied to rewards invite cheating. As Schweitzer warned, "goal-setting is like a powerful medication" — dose it carefully.

8 Self-Efficacy Theory (Bandura)

Self-efficacy is your belief that you can pull off a specific task. Higher self-efficacy means more confidence, more effort, and a better response to negative feedback — high-efficacy people try harder after a setback while low-efficacy people give up. Four ways to build it: **enactive mastery** (actually doing the task successfully — the single strongest source), **vicarious modelling** (seeing someone *similar to you* do it), **verbal persuasion** (someone credible convincing you), and **arousal** (getting psyched up — helps for effort tasks, hurts where calm precision is needed).

Example → Watching Tiger Woods won't lift your golf confidence; watching a peer with a similar handicap sink the putt will.

KEY INSIGHT — THE PYGMALION EFFECT

A self-fulfilling prophecy where one person's expectation makes itself come true. Teachers told certain (randomly chosen) students were brilliant gave them more attention and harder work — and those students really did achieve more. Goal-setting and self-efficacy reinforce each other: setting someone a difficult goal signals you believe in them, which raises their self-efficacy.

9 Reinforcement Theory

Where goal-setting is **cognitive** (your intentions drive you), reinforcement theory is **behaviourist**: it ignores the inner state and says behaviour is a function of its consequences. **Operant conditioning** (Skinner) — people repeat rewarded behaviour and drop unrewarded behaviour, and rewards work best immediately after the act. **Social-learning theory** is the important extension — we also learn by observing others, not only by direct experience. Four processes decide a model's influence: **attention**, **retention**, **motor reproduction** and **reinforcement**. Strictly it is not a theory of motivation, but it is a powerful way to analyse what controls behaviour.

Example → A new hire copies how the respected senior handles an angry client — noticing, remembering, being able to imitate, and being praised when they do.

10 Expectancy Theory (Vroom) — the spine of the chapter

The strength of our effort depends on three linked questions, and motivation collapses if the answer to any one is "no." **Expectancy (Effort → Performance):** "If I try hard, will it show up as good performance?" **Instrumentality (Performance → Reward):** "If I perform well, will I really be rewarded?" **Valence (Reward → Personal goals):** "Is the reward something I actually want?" Motivation is the three multiplied together, each scored 0 to 1 — so a zero anywhere zeroes the whole thing. This is exactly why so many capable employees do only the minimum: one link has quietly broken for them.

Example → A quality programme rewarded the best team with a photo with the CEO. Workers asked — can we skip the photo and just get the money? Low valence. The fix is **cafeteria-style rewards**: "we'll spend X on you, you choose how," so a young worker takes course fees and an older one takes medical cover.

11 Equity Theory and Organisational Justice

We don't judge rewards in isolation — we compare. We take the ratio of our **outcomes** (pay, recognition) to our **inputs** (effort, experience) and compare it to a **referent**, usually a similar coworker. If the ratios match, we feel fairly treated; if not, we act to remove the inequity in one of six ways: change inputs, change outcomes, distort perceptions of self, distort perceptions of others, choose a different referent, or leave. Equity broadens into **organisational justice** — four fairnesses: **distributive** (are the outcomes fair?), **procedural** (are the processes fair?), **informational** (are we given truthful explanations?), and **interpersonal** (are we treated with dignity?).

Example → Biprajeet earns ₹40,000/month but is less satisfied than Aneesha on ₹20,000 — because he compares himself to managers at other firms who earn more. Higher pay, lower satisfaction, because the referent changed. Fairness is a ratio, not an absolute number.

12 Job Engagement

The investment of an employee's physical, cognitive and emotional energies into the work — deeper than just liking the job. It rises when the work feels **meaningful**, when there are enough **resources** to do it well, and when the individual's **values match** the organisation's. Two cautions: it overlaps with plain job satisfaction, and there may be a dark side — over-engagement can spill into work–family conflict and burnout.

Example → The nurse so absorbed in patient care that the rest of life falls away is more effective and more uplifted by the work — but the same total involvement, unchecked, becomes burnout.

13 Putting it together: the integrated model

None of these theories competes; they complement each other. The integrating model is built on the expectancy spine — **Effort → Performance → Organisational Rewards → Personal Goals** — and slots every other theory into it. **Effort → Performance** needs ability, opportunity and a fair appraisal; goals direct the effort. **Performance → Rewards** needs rewards genuinely tied to performance (reinforcement), judged for fairness (equity). **Rewards → Personal goals** needs rewards that match dominant needs (the needs theories). A high-nAch person jumps straight from effort to personal goals — internally driven, not chasing the organisation's rewards.

Example → That single map is the cleanest summary of the chapter: motivation is high only when all three links are strong and the reward at the end is the one the person actually values.

C · From concepts to applications (the manager's toolkit)

The first half of this chapter explained *why* people are motivated. This second half is the manager's toolkit — how to use those theories through the design of the job, the shape of the working day, the voice employees get, and the rewards they receive.

14 The Job Characteristics Model (JCM)

Any job can be described on five core dimensions: **skill variety** (how many different skills the job uses), **task identity** (whether you complete a whole, identifiable piece of work), **task significance** (how much the job affects other people's lives), **autonomy** (freedom in how you schedule and do the work), and **feedback** (how directly the work itself tells you how well you're doing). The first three build experienced meaningfulness; autonomy builds felt responsibility; feedback builds knowledge of results — and these three psychological states drive internal motivation. The effect is strongest for people with high growth-need strength. The five combine into a single **Motivating Potential Score: MPS = [(Skill variety + Task identity + Task significance) ÷ 3] × Autonomy × Feedback.** Because autonomy and feedback multiply, a job with zero of either has zero motivating potential.

Example → A cabinetmaker who builds the whole cabinet scores high on task identity; someone who only turns table legs all day scores low. An ICU nurse scores high on task significance; sweeping a floor scores low.

15 Job Redesign — rotation, enrichment, relational design

If the JCM tells you what a good job looks like, redesign is how you build one. The need is vivid in **Frank's** story from the text: he quit a $24/hour Jeep assembly-line job for a $15/hour print shop, because the line was the same panel eight hours a day and his brain was "turning to JELL-O." Redesign exists to prevent exactly that. **Job rotation** (cross-training) — periodically shifting an employee between tasks of similar skill; fights boredom, builds a flexible workforce and lets people see how they fit the whole (Intel is the textbook user), but costs training time and productivity during the switch. **Job enrichment** — adding higher-level responsibility and meaning (vertical depth), rooted in Herzberg's motivators; about twice as effective as a realistic job preview at cutting turnover. **Relational job design** — constructing jobs so employees see the positive difference they make in others' lives.

Example → University fundraisers who spent a few minutes with a student who would receive the scholarship they raised went on to persist 42% longer and raise nearly twice as much money. Seeing the human on the other end changed the effort.

16 Alternative Work Arrangements

Beyond redesigning the job, you can redesign *when* and *where* it is done. **Flextime** — fixed weekly hours but flexible timing around a common core; reduces absenteeism, but doesn't suit every job and askers are sometimes stigmatised. **Job sharing** — two or more people splitting one full-time role; taps skilled people unavailable full-time, but compatible partners are hard to find. **Telecommuting** — working remotely at least two days a week; upsides are performance, satisfaction and less commuting, downsides are isolation, social-loafing risk, and the "out of sight, out of mind" effect that quietly costs remote workers raises and promotions.

Example → Especially valuable for dual-earner couples, single parents and carers — the people for whom a rigid 9-to-6 in one fixed location is the real barrier to doing good work.

17 Employee Involvement & Participation (EIP)

EIP uses employees' input to increase their commitment — give people a say in decisions that affect them and ownership rises. **Participative management** — joint decision-making, where subordinates share real authority with their boss. **Representative participation** — employees represented by a small group, through **works councils** (consulted on decisions) or **board representatives** (employees who sit on the board); its motivational effect is weaker than direct participation. Done well, EIP raises intrinsic motivation and procedural justice — but programmes must be designed carefully or they become lip service.

Example → "We talk, but they don't listen" — soliciting input and then ignoring it is worse than not asking at all. Volkswagen is the textbook example of representative participation.

18 Using Pay to Motivate — structure + variable pay

Two separate decisions: **what to pay** (the pay structure) and **how to pay individuals** (variable pay). Pay structure balances **internal equity** (the job's worth, via job evaluation) against **external equity** (competitiveness vs the market, via pay surveys); firms choose to lead, match or lag the market. **Variable pay** bases part of pay on performance — **piece-rate** (fixed sum per unit; high productivity but tempts quantity over quality), **merit-based** (tied to appraisal ratings; only as fair as the appraisal), **bonus** (rewards recent performance, not rolled into base), **profit-sharing** (from a profitability formula; higher commitment, especially in small firms), and **employee stock ownership (ESOP)** (lifts performance only when employees psychologically feel ownership and have a say).

Example → Costco pays above Walmart/Sam's Club and gets higher productivity and lower turnover — leading the market can pay for itself.

KEY INSIGHT — GAINSHARING

Sharing the financial gains from improved performance with the team that produced them builds ownership and cooperation — but the fairness of the distribution formula is everything, and it can raise stress because everyone now has a financial stake in everyone else.

19 Benefits and Intrinsic Rewards

Flexible benefits — a benefits plan each employee tailors to their own situation; this is expectancy theory's valence point made concrete, because a young single employee and an older parent value completely different things. **Employee recognition programmes** — plans that formally appreciate specific contributions; their great advantage is that praise is essentially free yet powerfully motivating, tied to self-esteem and self-efficacy. The risk: where criteria aren't objective, managers can play favourites, so recognition must be visibly fair.

Example → Laura earns $8.50/hour at a job that isn't challenging — yet talks about it enthusiastically, because her supervisor compliments her in front of others and named her Employee of the Month. Recognition, not money, carried the motivation.

D · The live case (concept-clarifier only): Shivani Carriers

WHY THE CASE IS HERE

Not to be memorised — the professor confirmed no exam questions come from it. It earns its place by making every theory above concrete at the genuine "bottom of the pyramid," with blue-collar truck drivers rather than white-collar staff. The test is whether the principles hold across that gap.

Shivani Carriers (Indore/Gujarat region, founded 1974) is a family **Full Truck Load (FTL)** operator — one client's goods fill one truck to one destination, versus **Partial / Less-than Truck Load (PTL/LTL)** where many customers' goods share a trailer and get handled repeatedly en route — with a fleet of 91 vehicles, 95 drivers and blue-chip clients (ITC, Reliance, Coca-Cola, PepsiCo). It runs on thin margins, where **fuel is ~55% of operating cost** and a truck's fixed costs are the same whether it runs 5,500 km or 8,000 km a month — so every extra kilometre spreads fixed cost thinner. The single biggest lever on profit is therefore the driver (good habits and retention cut fuel and maintenance 20–25%; attrition runs

~25%/year). The drivers come overwhelmingly from low-income, rural, low-education backgrounds; the life is punishing (~18-hour days, a month from family, no respect), so their motivation is overwhelmingly **existence-level**, with relatedness and esteem needs unmet.

The owner's intervention is a clinic in applied theory: a clear **incentive scheme** (goal-setting + expectancy: 7,000 km/month minimum, ₹1/km beyond 7,000, ₹2/km beyond 8,000), **weekly displayed feedback**, a **"stars of the month"** recognition board (intrinsic reward), a deliberate shift to **respect and dignity** (interpersonal justice and esteem), and **supporting systems** (GPS, closed containers for safe sleep, pre-paid cards, route-grouping so drivers get time with family). It worked — until the scheme was **modified** with a new baseline and a cap, and drivers felt the reward had been clawed back. That single move is exactly the variable-pay demotivator the theory warns about.

Theory / concept	Where it shows up
Maslow / ERG — existence	Drivers operate almost entirely at existence level; cash to feed the family is the dominant motive.
ERG — frustration-regression	Relatedness is frustrated (a month from family), so the demand regresses to "just pay me more."
Herzberg — hygiene vs motivators	Pay and conditions are hygiene; respect and being a "column of the industry" are the real motivators.
Goal-setting	The 7,000 km target: specific, difficult, accepted, with displayed feedback — and a dark side when the cap feels unfair.
Expectancy — three links	Effort→Performance (233 km/day shown doable); Performance→Reward (the broken promise after the cap); Valence (cash over a shawl).
Equity / justice	Drivers compare to managers; suspicion-based cuts violate distributive and interpersonal justice.
Self-efficacy / Pygmalion	Encouraging literacy and telling drivers they carry ₹5m of responsibility — raising belief in themselves.
Variable pay — design risk	Capping the incentive and adding conditions after the fact is exactly the demotivator the theory warns about.

MANAGER'S LENS

The Shivani drivers are "us" too: wherever a job is easily substitutable and a higher-order need is frustrated, the same mechanics apply. The manager's real question isn't "which incentive?" but "which of the three expectancy links is broken for this person, and is the reward at the end one they actually value?"

WHERE THIS LEADS → CHAPTER 2

Everything so far has been about one person at a time, what makes a single driver, nurse or analyst try harder. But almost no real work happens alone. The moment you put motivated people side by side, something new appears that none of them brought individually: a **group**, with its own roles, norms and pecking order that can multiply effort or quietly cancel it. That is where we go next.

MCQ Bank 1 · Motivation (Ch. 7 & 8)

Answer and one-line reason under each question. An amber BEYOND TEXTBOOK badge marks class-only enrichment (the professor said exam MCQs come from the textbook chapters).

Q1. Motivation is best defined as the processes accounting for an individual's …

A. Intelligence, skill and training

B. Intensity, direction and persistence of effort

C. Pay, perks and promotion

D. Personality, perception and attitude

Answer: B. Motivation is intensity (how hard), direction (toward what) and persistence (for how long).

Q2. In the motivation definition, 'direction' refers to …

A. How hard a person tries

B. How long effort is sustained

C. Where the effort is channelled

D. How clever the person is

Answer: C. Direction is where effort points; high intensity aimed wrongly wastes everything.

Q3. Which discipline pairing are the parents of Micro OB?

A. Sociology and economics

B. Psychology and social psychology

C. Political science and law

D. Economics and anthropology

Answer: B. Micro OB (individual + group, incl. motivation) draws on psychology and social psychology.

Q4. Macro OB (organisation theory) is chiefly concerned with …

A. Individual personality

B. Structures, systems and processes

C. Perception and learning

D. Motivation and emotion

Answer: B. Macro OB studies the whole organisation in its context; its parents are sociology, economics, political science.

Q5. In Maslow's hierarchy, which need is satisfied internally rather than externally?

A. Physiological

B. Safety

C. Self-actualisation

D. Security

Answer: C. Lower needs are satisfied externally (pay, security); higher needs (esteem, self-actualisation) internally.

Q6. The correct ascending order of Maslow's needs is …

A. Safety, physiological, esteem, social, self-actualisation

B. Physiological, safety, social, esteem, self-actualisation

C. Physiological, social, safety, esteem, self-actualisation

D. Social, physiological, safety, self-actualisation, esteem

Answer: B. Physiological → safety → social-belongingness → esteem → self-actualisation.

Q7. Prof. Jha's 'fast-forward advantage' describes Maslow as …

A. Strongly supported by research

B. Famous and quick to explain but thin on evidence

C. Useless to managers

D. A contemporary theory

Answer: B. Maslow is intuitively loved but poorly supported; needs don't queue in a neat order.

Q8. In Herzberg's theory, pay and working conditions are …

A. Motivators

B. Hygiene factors

C. Growth needs

D. Achievement needs

Answer: B. Pay, policy, supervision and conditions are extrinsic hygiene factors; they only prevent dissatisfaction.

Q9. According to Herzberg, the opposite of 'dissatisfaction' is …

A. Satisfaction

B. No dissatisfaction

C. Motivation

D. Engagement

Answer: B. Satisfaction and dissatisfaction run on separate scales; removing a hygiene problem yields only 'no dissatisfaction.'

Q10. Which is a Herzberg motivator (intrinsic)?

A. Company policy

B. Job security

C. Responsibility and advancement

D. Salary

Answer: C. Motivators are about the work itself: achievement, recognition, responsibility, advancement, growth.

Q11. A common methodological criticism of Herzberg's study is that people …

A. Lied about their pay

B. Credit themselves for good times and blame surroundings for bad ones

C. Could not remember their jobs

D. Were all managers

Answer: B. Self-serving attribution biases the two lists, a classic critique of the method.

Q12. High need-for-achievement individuals prefer goals with …

A. Near-impossible odds

B. Guaranteed success

C. Roughly 50–50 odds

D. No measurable standard

Answer: C. They want to stretch, not gamble; easy wins give no satisfaction, impossible ones no challenge.

Q13. McClelland found the best managers tend to be …

A. High nAff, low nPow

B. High nPow, lower nAff

C. High nAch only

D. Low on all three

Answer: B. Effective managers tend to be high on need for power and lower on need for affiliation.

Q14. Alderfer's ERG collapses Maslow's five needs into …

A. Existence, Relatedness, Growth

B. Esteem, Relatedness, Goals

C. Effort, Reward, Goal

D. Economic, Relational, Group

Answer: A. ERG = Existence (physio+safety), Relatedness (social), Growth (esteem+self-actualisation).

Q15. ERG's 'frustration-regression' principle says …

A. Blocked lower needs raise higher ones

B. A blocked higher need increases demand for a lower one

C. Needs must be satisfied in order

D. Growth needs never regress

Answer: B. Block relatedness and the person compensates by demanding more existence (e.g. higher pay).

Q16. Offshore rigs pay a premium mainly because …

A. The work is physically heavier

B. Frustrated relatedness regresses to existence demands

C. Growth needs are fully met

D. Safety needs dominate

Answer: B. Isolation frustrates relatedness, which regresses to 'at least pay me more' — the ERG mechanism.

Q17. Self-Determination Theory's three psychological needs are …

A. Power, achievement, affiliation

B. Autonomy, competence, relatedness

C. Existence, relatedness, growth

D. Intensity, direction, persistence

Answer: B. SDT: autonomy (control), competence (mastery) and relatedness (connection).

Q18. Cognitive evaluation theory predicts that paying someone for a task they already enjoy will …

A. Always increase effort

B. Reduce the intrinsic interest

C. Have no effect

D. Raise their self-efficacy

Answer: B. Extrinsic reward can crowd out intrinsic motivation — the Marcia/animal-shelter example.

Q19. Locke's goal-setting theory says the most effective goals are …

A. Vague and easy

B. Specific and difficult, with feedback

C. Self-set and easy

D. Assigned and vague

Answer: B. Specific + difficult (once accepted) + feedback drives the highest performance.

Q20. Which is NOT one of the three factors shaping whether goals work?

A. Goal commitment

B. Task characteristics

C. National culture

D. Pay grade

Answer: D. The three are goal commitment, task characteristics and national culture.

Q21. MBO operationalises goal-setting by …

A. Letting employees set any goal they like

B. Cascading specific, verifiable, time-bound goals through every level

C. Removing all targets

D. Paying only bonuses

Answer: B. Management by Objectives cascades org-wide goals down, set participatively.

Q22. The Wells Fargo fake-accounts scandal illustrates that goals …

A. Never work

B. Have a dark side when unrealistic and tied to rewards

C. Should always be vague

D. Reduce performance

Answer: B. Aggressive goals tied to rewards invited cheating — 'dose carefully.'

Q23. The single strongest source of self-efficacy (Bandura) is …

A. Verbal persuasion

B. Arousal

C. Enactive mastery

D. Vicarious modelling

Answer: C. Actually doing the task successfully builds belief most powerfully.

Q24. Vicarious modelling works best when the model is …

A. A world-class expert

B. Someone similar to you

C. A celebrity

D. Your manager

Answer: B. Watching a peer with a similar handicap helps; watching Tiger Woods does not.

Q25. The Pygmalion effect is a …

A. Type of variable pay

B. Self-fulfilling prophecy where expectation creates the result

C. Hygiene factor

D. Form of equity

Answer: B. Believing in someone (e.g. a hard goal) raises their self-efficacy and real performance.

Q26. Reinforcement theory differs from goal-setting because it …

A. Focuses on inner intentions

B. Ignores inner state and looks only at consequences

C. Is a needs theory

D. Is about fairness

Answer: B. Reinforcement is behaviourist; behaviour is a function of its consequences.

Q27. Social-learning theory adds to operant conditioning the idea that we also learn by …

A. Trial and error only

B. Observing others

C. Reading rules

D. Being paid

Answer: B. We learn vicariously by observing models, not only by direct experience.

Q28. The four processes in social-learning theory are attention, retention, motor reproduction and …

A. Recognition

B. Reinforcement

C. Relatedness

D. Regression

Answer: B. Attention → retention → motor reproduction → reinforcement decide a model's influence.

Q29. In expectancy theory, 'instrumentality' is the link between …

A. Effort and performance

B. Performance and reward

C. Reward and personal goals

D. Goal and feedback

Answer: B. Instrumentality = Performance → Reward: 'if I perform, will I be rewarded?'

Q30. ‘Valence’ in expectancy theory asks …

A. Can I perform if I try?

B. Will good performance be rewarded?

C. Is the reward something I actually want?

D. Is the process fair?

Answer: C. Valence is the value of the reward to the person; a promotion is worthless to one who wanted cash.

Q31. Why does a zero on any one expectancy link collapse motivation?

A. Because the links are added

B. Because the three are multiplied together

C. Because valence dominates

D. Because effort is fixed

Answer: B. Motivation = Expectancy × Instrumentality × Valence; a zero anywhere zeroes the product.

Q32. Cafeteria-style rewards are designed to fix a problem of …

A. Low expectancy

B. Low instrumentality

C. Low valence

D. Inequity

Answer: C. Letting people choose their reward raises valence — the photo-with-CEO example.

Q33. Equity theory says satisfaction depends on …

A. Absolute pay

B. The ratio of one’s outcomes to inputs versus a referent

C. Seniority

D. The motivator–hygiene mix

Answer: B. We compare our outcome/input ratio to a referent; mismatch produces felt inequity.

Q34. Biprajeet (₹40k) is less satisfied than Aneesha (₹20k) because …

A. He works harder

B. His referent is higher-paid managers elsewhere

C. His inputs are lower

D. Pay is a hygiene factor

Answer: B. Changing the referent changed the felt ratio — higher pay, lower satisfaction.

Q35. Which is NOT one of the six responses to felt inequity?

A. Change inputs

B. Leave the field

C. Distort perceptions of others

D. Increase the referent's pay

Answer: D. The six are: change inputs, change outcomes, distort self, distort others, change referent, or leave.

Q36. 'Were we given truthful explanations for the decision?' is which kind of justice?

A. Distributive

B. Procedural

C. Informational

D. Interpersonal

Answer: C. Informational justice concerns honest explanations; interpersonal concerns dignity and respect.

Q37. Treating people with dignity and respect is which justice type?

A. Distributive

B. Interpersonal

C. Procedural

D. Informational

Answer: B. Interpersonal justice is about respectful treatment of individuals.

Q38. Job engagement is best described as …

A. Liking your salary

B. Investing physical, cognitive and emotional energy in the work

C. Attendance

D. Tenure

Answer: B. Engagement is deeper than satisfaction — full investment of self in the work.

Q39. A noted 'dark side' of very high engagement is …

A. Higher pay demands

B. Work–family conflict and burnout

C. Lower task identity

D. Reduced autonomy

Answer: B. Over-engagement can spill into burnout — 'too much of a good thing.'

Q40. The integrated model of motivation is built on the spine of which theory?

A. Equity

B. Maslow

C. Expectancy

D. Reinforcement

Answer: C. Effort → Performance → Rewards → Personal goals is the expectancy spine, with other theories slotted in.

Q41. In the JCM, which three dimensions build 'experienced meaningfulness'?

A. Autonomy, feedback, skill variety

B. Skill variety, task identity, task significance

C. Task identity, autonomy, feedback

D. Feedback, significance, autonomy

Answer: B. Variety + identity + significance build meaningfulness; autonomy builds responsibility; feedback builds knowledge of results.

Q42. In the MPS formula, which two dimensions are multipliers (so zero in either zeroes the score)?

A. Skill variety and task identity

B. Autonomy and feedback

C. Task significance and feedback

D. Identity and significance

Answer: B. MPS = [(SV+TI+TS)/3] × Autonomy × Feedback; autonomy and feedback multiply.

Q43. Task significance is highest for which job?

A. Turning table legs

B. Sweeping a floor

C. ICU nurse

D. Data entry

Answer: C. Task significance is how much the work affects others' lives; an ICU nurse scores high.

Q44. Job enrichment (vs rotation) means ...

A. Rotating between similar tasks

B. Adding higher-level responsibility and meaning (vertical depth)

C. Outsourcing the job

D. Reducing hours

Answer: B. Enrichment adds depth and purpose, rooted in Herzberg's motivators; rotation adds variety horizontally.

Q45. The fundraiser-meets-scholarship-student study showed relational job design can …

A. Cut pay

B. Raise persistence ~42% and money raised

C. Reduce engagement

D. Eliminate feedback

Answer: B. Seeing the beneficiary raised persistence by 42% and nearly doubled funds raised.

Q46. Telecommuting's 'out of sight, out of mind' risk mainly costs remote workers …

A. Their salary

B. Raises and promotions

C. Their equipment

D. Their autonomy

Answer: B. Invisibility can quietly cost remote workers advancement despite good performance.

Q47. Works councils and board representatives are forms of …

A. Participative management

B. Representative participation

C. Piece-rate pay

D. Job rotation

Answer: B. Representative participation; its motivational effect is weaker than direct participation.

Q48. 'We talk, but they don't listen' warns that EIP …

A. Always works

B. Is worse than not asking if input is ignored

C. Replaces pay

D. Reduces justice

Answer: B. Soliciting input then ignoring it damages procedural justice more than not asking.

Q49. Pay structure balances internal equity (job evaluation) against …

A. External equity via pay surveys

B. Variable pay

C. Profit-sharing

D. Recognition

Answer: A. Internal equity = worth to the org; external equity = market competitiveness via surveys.

Q50. Which variable-pay type is most tempted toward ‘quantity over quality’?

A. Merit pay

B. Piece-rate

C. Profit-sharing

D. ESOP

Answer: B. Piece-rate pays per unit, which can sacrifice quality for volume.

Q51. ESOPs lift performance only when employees …

A. Are paid hourly

B. Psychologically feel ownership and have a real say

C. Work remotely

D. Receive bonuses

Answer: B. Stock ownership motivates only with genuine felt ownership and voice.

Q52. Flexible (cafeteria) benefits are the concrete expression of which expectancy concept?

A. Expectancy

B. Instrumentality

C. Valence

D. Equity

Answer: C. Different people value different benefits — tailoring raises valence.

Q53. The great advantage of recognition programmes is that praise is …

A. Tax-free

B. Essentially free yet powerfully motivating

C. Always objective

D. A hygiene factor

Answer: B. Recognition costs little but strongly affects self-esteem and self-efficacy.

Q54. Costco paying above its rivals and getting higher productivity illustrates …

A. Lagging the market

B. A leading pay strategy that pays for itself

C. Piece-rate

D. Gainsharing

Answer: B. Leading the market can yield higher productivity and lower turnover.

Q55. Gainsharing's biggest design risk is …

A. Too little pay

B. An unfair distribution formula

C. No feedback

D. Low autonomy

Answer: B. The fairness of how gains are split is everything; it can also raise stress.

Q56. In the Shivani case, the drivers' dominant motivation level is …

A. Self-actualisation

B. Esteem

C. Existence

D. Growth

Answer: C. Cash to feed the family dominates; relatedness and esteem go largely unmet.

Q57. The Shivani incentive scheme combined goal-setting with which other theory?

A. Equity only

B. Expectancy

C. Reinforcement only

D. ERG only

Answer: B. A specific accepted target plus a reward tied to hitting it is expectancy in action.

Q58. Capping the Shivani incentive after drivers raised output is a textbook case of …

A. Good gainsharing

B. A variable-pay demotivator / broken instrumentality

C. Job enrichment

D. Flextime

Answer: B. Clawing back a promised reward breaks the Performance→Reward link and feels unjust.

Q59. A high-nAch person in the integrated model is notable because they …

A. Need close supervision

B. Jump straight from effort to personal goals, internally driven

C. Only respond to pay

D. Avoid feedback

Answer: B. High achievers are internally driven and bypass the organisation's extrinsic rewards.

Q60. Self-concordance refers to …

A. Pay matching the market

B. How well goal reasons fit one's own values

C. Group agreement

D. Feedback frequency

Answer: B. Goals pursued for intrinsic, value-aligned reasons make people happier and fit better.

Q61. Prof. Jha's Mowgli example (child raised by animals) illustrates the … view.

BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Nature

B. Nurture

C. Expectancy

D. Equity

Answer: B. Mowgli shows you are a product of your surroundings — the nurture side.

Q62. Phrenology (reading head-shape to predict criminality) was used to illustrate the … view.

BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Nurture

B. Nature

C. Hygiene

D. Valence

Answer: B. It stands for 'you are born who you are' — the discredited nature extreme.

Q63. Herzberg's theory, despite method criticism, is noted as widely used in …

A. Only the US

B. Asian settings including Japan and India

C. Only Europe

D. Nowhere now

Answer: B. It remains hugely influential, including across Asia.

Q64. Frank quitting a $24/hr Jeep line for a $15/hr print shop ('brain turning to JELL-O') motivates which tool?

BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Profit-sharing

B. Job redesign

C. ESOP

D. Flextime

Answer: B. Monotony on the line is exactly what rotation/enrichment exist to fix.

Q65. In Shivani Carriers, FTL (Full Truck Load) differs from PTL/LTL in that FTL means …

BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Many customers share a trailer

B. One client's goods fill one truck to one destination

C. Only partial loads

D. No fixed route

Answer: B. FTL = one client, one truck, one destination; PTL/LTL shares a trailer and handles goods repeatedly.

02

Groups & Teams

Foundations of group behaviour and building work teams · Robbins, Judge & Vohra, Ch. 9 & 10

Chapter 9 asks “how do groups behave?” Chapter 10 asks “how do you build something better than a group?” We meet roles, norms, status, size, cohesion, diversity and the two failure modes of group decisions; then the difference between a group and a real team, the five team types, and the model of what actually makes teams effective. Greg James’s 45-person global team at Sun Microsystems runs underneath — a near-perfect catalogue of what happens when these concepts are ignored.

PICKING UP THE THREAD

Chapter 1 left us with a fully motivated individual, someone for whom effort, performance and reward all line up. Now comes the catch the workplace springs on every one of them: they almost never work alone. The instant you place that motivated person into a group, a second layer of forces switches on, roles they never signed up for, norms nobody wrote down, a status order nobody announced. These forces can take five motivated people and produce something far greater than five, or something worse than one. This chapter is about that layer, and the Greg James case shows it failing in slow motion.

2.1 Defining groups — and the identity they create

A **group** is two or more people who interact, are interdependent, and come together to achieve a shared objective. Simple definition, profound consequences.

Type	What it is
Formal group	Created deliberately by the organisation, with assigned structure, defined roles and management-set goals. Greg James’s team is one; so is your EPBM-32 batch.
Informal group	Emerges spontaneously from social needs — no org chart, no mandate. Often *more* influential than formal groups because it runs on trust and genuine interest, not authority.

Social Identity Theory — your group becomes part of you

People don't just join groups; they internalise them. Your group's success becomes your success; criticism of your group feels personal. Two consequences matter. **Ingroup favouritism** is the unconscious tendency to see your own group as more capable and trustworthy than outsiders — a manager who spends more informal time with one sub-team will develop it even with the best intentions. **Social identity threat** is when someone challenges your group's competence; it damages personal self-esteem and can measurably reduce performance on the next task.

> **IN PLAIN ENGLISH**
>
> Think of an IPL team. When your team wins you feel good even though you only watched on TV; when a commentator calls your bowling "weak" you feel personally criticised. That emotional tie *is* social identity. In organisations it decides whether sub-teams cooperate or protect their own at the expense of the whole.

Social categorisation — "us" vs "them" (the professor's core framing)

This was the idea Prof. Jha built the whole Greg James discussion around. The instant we sort people into groups, two things happen at once. **We see "them" as all alike** — a single undifferentiated category with no individual personalities. **We keep "us" as individuals** — each of our own people has distinct qualities and quirks. So "all Americans are the same," but among ourselves we know exactly how Almanaban differs from Sristi differs from Sunabhi. The category flattens the outsider and preserves the insider.

> **FROM THE CLASSROOM**
>
> The professor pushed the class hard on why the India team wouldn't phone Nick. The honest answer that surfaced: a residual sense that "people in the US are higher than us." He traced it to colonial conditioning, then made the sharp point that the team even lumped Americans and British together as one "Anglo" category, though *"India was never colonised by the US, it was colonised by the British."* That blurring is social categorisation in action: the outgroup loses all internal distinction. He also flagged the painful corollary from the case, that ex-colonised people often *prefer* to be led by the former coloniser rather than by another formerly-colonised nation, which is exactly why the UAE team resisted becoming a "subset" of the India team.
>
> *— on why Praveen never made the call*

2.2 The punctuated-equilibrium model

Temporary groups with a deadline don't develop smoothly. They move in a specific pattern: long inertia, a sudden burst of change at the midpoint, then focused execution to the finish.

Phase	What happens	Management implication
Phase 1 — inertia	The first meeting sets direction and assumptions, which persist through the first half largely unchanged.	Get the first meeting right; norms set there are hard to shift.
Midpoint transition	Exactly halfway: "our approach isn't working and we're running out of time." Major changes happen.	Don't panic at the midpoint crisis — use it as the natural recalibration point.
Phase 2 — renewed inertia	The new plan is executed with energy and focus.	Protect this phase — often the most productive.
Final burst	An intense last push; performance peaks.	Deadlines produce energy; use them deliberately.

EXAM TIP

This model applies **only** to temporary groups with fixed deadlines (project teams, task forces, committees), **not** to permanent work groups. That distinction appears in exams very regularly.

2.3 Group property 1 — Roles

Every position carries a **role** — a set of expected behaviours that are almost never written down. When role perceptions diverge, coordination fails — not from incompetence but from never being aligned. **Role perception** is your own understanding of how you should behave; **role expectations** are how others believe you should behave; the **psychological contract** is the unwritten agreement between employee and organisation, and violating it drops motivation sharply; **role conflict** is when two roles demand incompatible things at once.

IN PLAIN ENGLISH

The Stanford Prison Experiment (1971, Zimbardo): students randomly assigned "prisoner" or "guard" became so immersed that the study was stopped after six days. People don't merely perform roles — they become them. Role design has consequences far beyond a job description.

2.4 Group property 2 — Norms

Norms are the invisible rules nobody voted on but everyone enforces — often more powerful than written policy. They form through early behaviours, critical events, explicit statements from leaders, and primacy (whoever set the tone first). **Conformity** is the tendency to align with the group even when we privately disagree — Asch's line experiments (1951) found 75% of subjects eventually gave an obviously wrong answer to match the group. The **Hawthorne effect** (Western Electric, 1924–32) showed workers produced more because they knew they were observed and felt special — social recognition mattered more than lighting or breaks. **Gossip** can protect a group by warning about free-riders, or corrode it when it reinforces negative norms. **Deviant workplace behaviour** — production, property, political and personal aggression — spreads once it starts.

IN PLAIN ENGLISH

Greg James's team had no shared norms for weekend escalation, client-data maintenance, or emergency protocols. Five people held five different assumptions about a Sunday-night crisis. Missing norms are invisible — until they aren't.

2.5 Group properties 3 & 4 — Status and Size

Status is not formal rank; an informal hierarchy forms from three sources (status characteristics theory): power over others, contribution ability, and personal characteristics the group values. High-status members speak more, interrupt more and deviate from norms more freely; low-status members conform more. **Status inequity** — when the hierarchy feels unjust — produces disengagement and exit. **Stigma by association** means a team labelled "incompetent" drags down even its strong individual performers.

Social loafing is putting in less effort in a group than alone, because individual contribution can't be identified — and it grows with group size. Prevent it with clear group goals, inter-group competition, peer evaluations, selecting members who prefer group work, and rewarding identifiable individual contribution.

EXAM TIP

Social loafing has a **Western, individualist bias**. It shows up reliably in the US, Canada and Western Europe; in collectivist cultures like China, Japan and India the effect is significantly *lower* — members feel *more* responsible to the group. A favourite exam trap.

2.6 Group properties 5 & 6 — Cohesiveness, Diversity, Faultlines

Cohesiveness is the force keeping members committed to each other and the group. Whether it helps depends entirely on the group's **performance norms**:

	HIGH performance norms	LOW performance norms
HIGH cohesiveness	**High productivity** — best possible outcome.	**Low productivity** — most dangerous quadrant; the team coheres around disengagement.
LOW cohesiveness	Moderate productivity — good norms, loose bonds.	Moderate-to-low — a drifting group, no shared standards.

Build cohesion by making the group smaller, agreeing shared goals, increasing time together, raising the group's status and entry difficulty, stimulating competition with other groups, rewarding the group rather than individuals, and physically isolating it. On diversity: **surface-level** differences (nationality, race, gender, age) are observable; **deep-level** differences (values, communication styles, work norms) drive real conflict and reveal themselves only over time. **Faultlines** are invisible crack-lines that split a group into subgroups when several attributes align onto the same division — like a geological fault, they don't cause the earthquake but they are exactly where the break happens.

Similar vs different members — and the conflict that follows

The professor framed it as a genuine trade-off. **Similar people** work together more easily and reach consensus faster, but they generate fewer and less novel ideas, and they slide into groupthink. **Different people** bring variety and newness, but day-to-day friction rises because their language, jargon and career paths differ ("an accountant doesn't speak the same language as an engineer"). The resolution is the crucial exam distinction: **task conflict** (disagreement about the work itself) is healthy — it surfaces more ways of seeing the problem. The danger is when it curdles into **affective / relationship conflict** ("this person is a troublemaker, this person is out to get me"). Task conflict good; emotional conflict toxic; and the second is what destroyed the Nick–Praveen relationship.

FROM THE CLASSROOM — VIRTUAL VS FACE-TO-FACE ("RICH MEDIA")

A long thread ran on whether conflict is worse in virtual or in-person teams. The professor's resolution: face-to-face is **rich media**, you read facial expression, gesture, tone, so conflict can escalate *or* dissolve quickly. Virtual is lean media: fewer cues, so **misunderstanding is more likely and, once started, conflict festers longer** because resolution is harder ("think of the fights that erupt in a WhatsApp group over one insensitive line"). The Greg James team lived almost entirely in lean media, with only a weekly call, which is why a small slight ("not competent") never got repaired and instead detonated under crisis.

— why distributed teams must over-invest in rich-media contact

2.7 Group decision making

Groups are generally more accurate than the average individual, but less accurate than the best individual; they're slower, can be more creative, and produce more information — but have two specific failure modes. **Groupthink** is when the pressure for harmony overrides realistic appraisal of alternatives (symptoms: illusion of unanimity, pressure on dissenters, shared rationalisation, overconfidence). **Groupshift / group polarisation** is groups amplifying rather than moderating pre-existing leanings — cautious groups get more cautious, risky groups riskier.

Technique	How it works	Best for	Idea quality
Interacting groups	Standard face-to-face discussion.	Commitment to the final decision.	Moderate
Brainstorming	6–12 people, all ideas welcome, zero criticism during generation.	Overcoming conformity; volume.	Moderate–high
Nominal Group Technique	Write ideas silently → each presents one → discuss all → silent ranking; highest wins.	Most *and* best ideas.	**Highest**

IN PLAIN ENGLISH

NGT beats brainstorming because the silent writing step removes social pressure — your thinking arrives uncontaminated by the most confident voice in the room. Prevent groupthink by keeping groups under 10, having the leader withhold their opinion at the start, appointing a devil's advocate, and discussing risks before gains.

FROM THE CLASSROOM — WHERE "GROUPTHINK" WAS BORN

The professor told the origin story. President **Kennedy's** cabinet came within touching distance of nuclear war with the USSR over Cuba. Afterwards, investigators asked how a room full of brilliant people, McNamara (a record GMAT scorer, later World Bank president) among them, nearly made a catastrophic decision. In interviews each member admitted he had privately sensed it was wrong but stayed silent, because *speaking up felt like disloyalty to the president*. That is groupthink in one line: **group cohesiveness (staying as one) overrides group effectiveness (deciding well).** The opposite pole is the film **12 Angry Men** (Hindi: *Ek Ruka Hua Faisla*): one juror, by patient logic, turns an entire group around, the antidote to groupthink is a structured dissenting voice.

— cohesiveness over effectiveness is the disease

2.8 Understanding work teams — the critical distinction

Calling a group a "team" does not make it one. The label is free; the synergy must be earned. A firm that announces "we're reorganising into teams" without changing how people coordinate, how they're rewarded, or how they're held mutually accountable hasn't created teams — it has simply renamed its groups.

Dimension	Work group	Work team
Goal	Share information; individual decisions.	Collective performance.
Synergy	Neutral — sometimes negative.	Positive — output exceeds the sum of inputs.
Accountability	Individual only.	Individual *and* mutual.
Skills	Random and varied.	Deliberately complementary.

CONCEPT TRAP

Only about **25% of employees actually prefer working in teams**, even though ~95% say teams serve an important function. Teams are admired in the abstract and quietly avoided in practice — which matters when you design team structures for people motivated by individual achievement.

2.9 Five types of teams

Type	What it is & key limit
Problem-solving	5–12 from the same department meeting regularly on quality/process issues. Key limit: they *recommend* but rarely have authority to implement.
Self-managed	10–15 taking on supervisory tasks — planning, scheduling, even selecting members. **Psychological safety** is essential: members must feel safe to speak up and create productive conflict.
Cross-functional	Same level, different departments, on one task (Starbucks' Via launch). Trust across expertise takes time; early stages are the most conflict-prone.
Virtual	Technology-linked, dispersed members. Four conditions for effectiveness: trust before pressure, progress monitored, efforts publicised, and the team not made invisible to decision-makers.
Multiteam systems	"Team of teams" — interdependent teams sharing a superordinate goal, used when one team is too big. Greg James's 45 people were effectively this, managed (wrongly) as one large group.

2.10 Creating effective teams — Context, Composition, Process

Three categories; getting one or two right is not enough.

Context — the environment around the team

Adequate resources (information, equipment, staffing — and research shows racially diverse teams are systematically less likely to receive what they need). **Leadership and structure** (clear role allocation, equitable workload, a leader who manages the external environment). **Climate and trust** — trust is the single most important climate variable; fragile, must be actively maintained. **Reward system** — individual-only incentives undermine teams; hybrid systems work best (Hallmark added a group-goal bonus; Whole Foods directs most rewards to team performance). Crises test teams hardest — the Mann Gulch fire (1949) shows what happens when structure breaks under extreme pressure.

Composition — who goes on the team

Abilities (a capable leader lifts weaker members; an incapable one neutralises talent). **Conscientiousness** is the Big Five trait that matters most — and the counter-intuitive finding is to build pure clusters (all-high and all-low teams) rather than mixing. **The nine team roles**: linker, creator, promoter, assessor, organiser, producer, controller, maintainer, adviser — James's team lacked a linker and controller entirely. **Demography** is essentially unrelated to performance overall, though single-race/gender-dominated occupations see negative short-term effects that dissipate with time. **Optimal size** — Bezos's "two-pizza rule"; research confirms 5–9 is optimal.

Process — how the team works together

Common plan and purpose (and the capacity to self-correct, called **reflexivity**). **Team efficacy** (collective belief it can succeed; small early wins build it). **Team identity**, **team cohesion**, and **shared mental models** — a shared understanding of who does what, including **transactive memory** (knowing who is best at what). **Task conflict** can help when moderate; **relationship conflict** is almost always destructive. **Team trust** is one of the strongest predictors of performance across 52 studies, outweighing prior performance history.

> **IN PLAIN ENGLISH**
>
> Every failure in the Greg James crisis traces to a **divergent mental model** — Jamal's idea of the queue differed from Mumbai's and Santa Clara's; Nick's idea of who owned client data differed from everyone's. When people hold different beliefs about who owns a responsibility, coordination breaks down under pressure.

2.11 Turning individuals into team players

Lever	How to apply it
Select	Assess interpersonal skills and team-orientation, not just technical ability (the Knicks paid a premium for a player who reduced teammates' opportunities).
Train	Team performance is learnable — communication, negotiation, conflict resolution (L'Oréal's top individual sellers failed in team roles without it).
Reward	Shift from purely individual to a hybrid that recognises individual contribution *and* collective outcomes.

2.12 When teams are NOT the answer — three tests

The most disciplined question is not "how do I make this team work?" but "should this even be a team?" Use a team only if: **(1) Complexity** — the work genuinely needs multiple perspectives; **(2) Common purpose** — the output only makes sense when contributions are integrated; **(3) Interdependency** — each person's success depends on the others (like soccer, not swimming).

> **KEY INSIGHT — THE CENTRAL LESSON OF THE GREG JAMES CASE**
>
> James didn't fail because he was incompetent; he was a Sun Outstanding Manager. He failed because he applied the habits of a **co-located** world to a **distributed** one. In a co-located team proximity creates informal coordination automatically; in a distributed team everything must be deliberately designed — shared norms, shared identity, shared protocols, mutual accountability. He assembled the musicians but never rehearsed the orchestra. The structure passed all three tests; the management of it did not.

2.13 Distributed teams — the classroom context behind the case

Prof. Jha spent the first half of the session building the business reality the Greg James case sits inside. None of this is in the textbook, but it is exactly the framing that makes the case make sense, and the language an examiner will reward.

Why "follow the sun" really exists

Not because humans work best in daylight, that was the wrong answer the class first gave. The real reason is commercial: **24/7 support is a premium product you can charge for.** Sun's clients (a bank, in the case) pay a premium precisely because someone is always awake to respond; a competitor offering only 9-to-5 loses the deal. The professor's own story: his Indian Express subscription support worked only Monday–Friday, business hours, useless when he needed it on a weekend. If your service is critical and always-on, "follow the sun" is the moat; if you can't provide it, someone else will.

Onshore vs offshore — and who does what

Term	What it means & the trade-off
Onshoring	Support delivered from the client's own location. Faster, can visit site, same culture/accent, builds trust, but costlier.
Offshoring	Support delivered from a cheaper location (e.g. India for a US client). Much cheaper, but distance, time-zones and culture/accent gaps.

> **FROM THE CLASSROOM — THE UNCOMFORTABLE LOGIC OF WHO FACES THE CLIENT**
>
> The professor pushed on why US staff did client-facing work while India did the back-end "coding." The blunt answer: trust and familiarity. *"Who is more likely to get you the deal, an American or an Indian?"* Clients warm to people who share their accent, their small talk (baseball, not cricket), their cultural references. He even told the Harold Laski joke, a 1960s visitor so struck by an Indian leader's flawless English that he thanked him "for speaking in his mother tongue." The serious point underneath: in global delivery, work is split not just by cost but by **who the client will trust**, and that is a real source of the status hierarchy that poisoned the Sun team (US = high-status front, India = lower-status back).
>
> *— status follows client-facing work, and resentment follows status*

Hofstede — national culture has dimensions

Where teams span countries, national culture is a real variable, not a vague one. Geert **Hofstede** (a Dutch researcher) studied 40 subsidiaries of one firm (IBM) across the world in the late 1970s and showed national cultures differ along measurable dimensions, including **power distance** (attitude to hierarchy), **individualism vs collectivism**, **masculinity vs femininity** (material achievement vs relationships), **uncertainty avoidance**, and **short- vs long-term orientation**. (Trompenaars, also Dutch, extended the work.) The practical upshot for the case: the US team's comfort jumping the hierarchy, the UAE team's relationship-first pace, France's work-life-balance protections, and India's deference all trace to national-culture differences a global manager must actively design around.

FROM THE CLASSROOM — 56 NATIONALITIES, LIVED

The Colonel, who had commanded a UN contingent with troops from 56 countries, gave the real-world texture: *Chinese teams defer upward and confer with authorities before committing; the Arab world moves slowly and relationship-first; Europeans want immediate commitment; some Asian teams want more deliberation time than the task needs.* Power distance was his headline, "in our line of work the hierarchy always works," and he contrasted how an American will call a professor by first name while an Indian stays uncomfortable doing so. The professor's aside: Indians currently work the *highest* number of hours per week of any nationality, and may only start demanding work-life balance once more prosperity arrives.

— national culture is overarching, and overarching means you plan for it

The SPLIT diagnostic — how to fix a distributed team

To pull all the case fixes together, the professor offered a tidy bucket: **SPLIT**. **S**tructure (who leads each sub-team, reporting lines, escalation protocol), **P**rocess (how work and feedback actually flow), **L**anguage (shared vocabulary, double time-zones in emails), **I**dentity (making four sub-teams feel like one team), and **T**echnology (the tools that connect them). Almost every sensible remedy the class proposed, rotate the meeting inconvenience, run regional and skip-level calls, send people to other sites, build relationships before crises, appoint sub-team leads, drops cleanly into one of these five letters.

2.14 The case as concept-clarifier: Greg James at Sun Microsystems

HOW TO USE THIS CASE

A 45-person team across Mumbai, the UAE, Paris and Santa Clara, run "follow the sun." An HS Holdings outage went unanswered for two hours and exposed five sub-teams that had been quietly burning for months. Read it as a catalogue: each failure is a Chapter 2 concept (Robbins Ch.9 or 10) made visible.

Concept	How it appears in the case
Social identity threat	Nick's "not competent" remark about India; Praveen then refused to call Nick during the crisis — the direct operational consequence.
Ingroup favouritism	Water-cooler access and early decision-inclusion for the US team; others received decisions as "FYI" threads.
Missing norms	No shared protocol for weekend escalation, client data or emergencies; five different assumptions collided.
Status inequity	Call time favoured Santa Clara; India had contribution ability but was denied creative work; France was economically devalued; the UAE faced demotion.
Stacked faultlines	US vs non-US (geography + salary + proximity), creative vs maintenance (task + status), India vs UAE (nationality + territory).
Groupthink in the weekly call	Nobody raised the queue problem, the dead phone number, or the India–UAE tension — harmony over information.
Group, not team	Under crisis, coordination was worse than if sub-teams had acted alone — neutral-to-negative synergy.
Virtual team — four conditions	Trust broken, monitoring absent, non-US teams invisible and unrecognised — all four failed at once.
Divergent mental models	Every technical failure (wrong queue, stale number, wrong escalation) traces back to people holding different beliefs about who owned what.
Relationship conflict	Nick–Praveen never addressed; it directly caused the crisis. Task conflict can help; relationship conflict almost never does.
Equity applied to meeting times	India always took the worst slot (11pm). Fix = **rotate the inconvenience** (Miss Jane's point) so everyone suffers in turn — equity theory in practice.
Co-located-with-boss advantage	Only the US team got informal "water-cooler" time with James; the others got pure transactional contact, which is why the US team felt most privileged.
Leadership: doors vs tabs	The professor's test: a leader **opens doors** ("what can I do so you perform better?"); James only **kept tabs** (deadlines, status). He needed to grow from technical leader into manager, even into a transformational leader who builds trust.

FROM THE CLASSROOM — WHEN THE SYSTEM RESISTS, WHAT DO YOU DO?

A student asked the closing question: when the right answer is clear but the organisation's reality (legacy, culture, politics) resists, what is the manager's first move? The professor's framework was **Exit, Voice, Loyalty**. In any dissatisfying situation you can **Exit** (leave), use **Voice** (stay and push for change), or settle into **Loyalty** (stay and accept). Most people default to silent loyalty because voice feels risky and exit feels drastic, but voice is often the responsible middle path. Worth holding next to Chapter 4: changing a resistant system is exactly the "voice" option, done well.

— Exit / Voice / Loyalty: the three doors out of any frustrating situation

THE LASTING LESSON

You cannot manage what you cannot see, and proximity is not a prerequisite for visibility. James's team was invisible to him not because they were far away, but because he never built the structures that would have made them visible. That is a leadership choice — and always a recoverable one.

WHERE THIS LEADS → CHAPTER 3

Notice the word that just appeared: **structures**. James's real failure wasn't personal warmth, it was the absence of an architecture, no shared protocols, no defined ownership, no reporting lines built for a team spread across four countries. That points straight at the next question. If groups need structure to function, what *is* structure, and how do you design it deliberately rather than leave it to chance? Chapter 3 zooms out from the team to the whole organisation's skeleton.

MCQ Bank 2 • Groups & Teams (Ch. 9 & 10)

Answer and one-line reason under each question. Amber BEYOND TEXTBOOK = class enrichment, not core exam material.

Q1. A group, in OB terms, is two or more people who …

A. Share an office

B. Interact, are interdependent, and pursue a shared objective

C. Report to one boss

D. Have the same job title

Answer: B. The defining trio is interaction, interdependence and a shared objective.

Q2. An informal group is often more influential than a formal one because it …

A. Has an org chart

B. Runs on trust and genuine interest, not authority

C. Is larger

D. Sets the pay

Answer: B. Informal groups draw power from trust rather than organisational mandate.

Q3. Feeling proud when your team wins a contract you weren't part of is …

A. Groupthink

B. Social identity theory

C. Social loafing

D. Role conflict

Answer: B. You internalise the group, so its success becomes your success.

Q4. Ingroup favouritism is dangerous for a manager because it …

A. Is illegal

B. Develops unconsciously even with good intentions

C. Only affects pay

D. Requires an org chart

Answer: B. Spending more informal time with one sub-team breeds favouritism without anyone intending it.

Q5. Nick's "not competent" remark is an example of …

A. Role ambiguity

B. Social identity threat

C. Groupshift

D. Distributive injustice

Answer: B. Challenging a group's competence damages self-esteem and harms later performance.

Q6. The punctuated-equilibrium model applies to …

A. All work groups

B. Permanent groups only

C. Temporary groups with a fixed deadline

D. Virtual teams only

Answer: C. It describes deadline-driven temporary groups, not permanent ones.

Q7. In punctuated equilibrium, major change happens at …

A. The first meeting

B. The exact midpoint

C. The very end

D. Random intervals

Answer: B. The midpoint transition is the crisis of awareness that triggers recalibration.

Q8. Your own understanding of how you should behave in a role is …

A. Role expectation

B. Role perception

C. Psychological contract

D. Role conflict

Answer: B. Role perception is self-understanding; role expectations are how others think you should behave.

Q9. The unwritten agreement of mutual obligations between employee and organisation is the …

A. Employment contract

B. Psychological contract

C. Service-level agreement

D. Norm

Answer: B. Violating the psychological contract sharply reduces motivation and performance.

Q10. The UAE team needing slow relationship-building while Sun demanded speed illustrates …

A. Role ambiguity

B. Role conflict

C. Social loafing

D. Status inequity

Answer: B. Two legitimate but incompatible role demands at once is role conflict.

Q11. The Stanford Prison Experiment's main lesson is that people …

A. Hate authority

B. Don't just perform roles — they become them

C. Resist all rules

D. Prefer teams

Answer: B. Random role assignment produced such immersion the study was stopped after six days.

Q12. Norms form through all of these EXCEPT …

A. Early behaviours

B. Critical events

C. Primacy

D. The annual report

Answer: D. Norms form via early behaviours, critical events, leader statements and primacy.

Q13. Asch's line experiments demonstrated …

A. Social loafing

B. Conformity to obviously wrong group answers

C. Groupshift

D. The Hawthorne effect

Answer: B. About 75% eventually matched a clearly wrong group answer at least once.

Q14. The Hawthorne effect showed productivity rose because workers …

A. Got more light

B. Knew they were observed and felt special

C. Were paid more

D. Worked shorter hours

Answer: B. Social recognition and group membership mattered more than physical conditions.

Q15. Gossip can be functional when it …

A. Undermines leaders

B. Warns the group about free-riders

C. Spreads rumours about pay

D. Reinforces negative norms

Answer: B. Protective gossip about cheaters can actually increase cooperation.

Q16. Sabotage and theft fall under which category of deviant workplace behaviour?

A. Production

B. Property

C. Political

D. Personal aggression

Answer: B. Property deviance = sabotage and stealing; political = rumours/favouritism.

Q17. Status, per status characteristics theory, derives from all EXCEPT …

A. Power over others

B. Contribution ability

C. Valued personal characteristics

D. Length of commute

Answer: D. The three sources are power, contribution ability and group-valued personal characteristics.

Q18. High-status group members tend to …

A. Conform more

B. Speak more and deviate from norms more freely

C. Participate less

D. Feel more pressure

Answer: B. Status buys airtime and latitude to bend norms; low-status members conform more.

Q19. Social loafing increases when …

A. Individual contribution is identifiable

B. The group is small

C. Individual contribution cannot be identified

D. Rewards are individual

Answer: C. Lost accountability is the driver; the effect grows with group size.

Q20. Compared with the West, social loafing in collectivist cultures (China, Japan, India) is …

A. Stronger

B. About the same

C. Significantly lower

D. Non-existent in the West

Answer: C. Collectivist members feel more responsible to the group, reducing loafing.

Q21. The most dangerous cohesiveness quadrant is …

A. High cohesion + high norms

B. High cohesion + low performance norms

C. Low cohesion + high norms

D. Low cohesion + low norms

Answer: B. A tight team that coheres around disengagement or deviance is the worst outcome.

Q22. Which is NOT a way to build cohesiveness?

A. Make the group smaller

B. Stimulate competition with other groups

C. Reward individuals rather than the group

D. Physically isolate the group

Answer: C. Group rewards (not individual) build cohesion; the rest are valid methods.

Q23. Differences in values and work norms that emerge over time are …

A. Surface-level diversity

B. Deep-level diversity

C. Faultlines

D. Stigma by association

Answer: B. Deep-level diversity drives real conflict and reveals itself through interaction.

Q24. A faultline is best described as …

A. A personality clash

B. An invisible crack-line where aligned attributes split a group

C. A type of reward

D. A decision technique

Answer: B. Like a geological fault, it's where the group breaks when pressure comes.

Q25. Groupthink is …

A. Groups becoming riskier

B. Harmony pressure overriding realistic appraisal

C. More information from diversity

D. Independent ranking of ideas

Answer: B. The drive for unanimity suppresses dissent and critical evaluation.

Q26. Groups amplifying members' pre-existing leanings is …

A. Groupthink

B. Group polarisation (groupshift)

C. Conformity

D. Reflexivity

Answer: B. Cautious groups get more cautious, risky groups riskier — discussion produces extremity.

Q27. Which decision technique produces the highest-quality ideas?

A. Interacting groups

B. Brainstorming

C. Nominal Group Technique

D. Coin toss

Answer: C. NGT's silent idea-writing removes social pressure, yielding most and best ideas.

Q28. A way to PREVENT groupthink is to …

A. Let the leader state their view first

B. Appoint a devil's advocate

C. Keep groups above 15

D. Discuss gains before risks

Answer: B. A formal devil's advocate, small size and leader-withholding-opinion all reduce groupthink.

Q29. The key difference between a work group and a work team is …

A. Size

B. Synergy: a team produces output exceeding the sum of inputs

C. Location

D. Pay

Answer: B. Teams generate positive synergy and mutual accountability; groups don't.

Q30. Roughly what share of employees actually prefer working in teams?

A. 95%

B. 75%

C. 50%

D. 25%

Answer: D. Only ~25% prefer teamwork even though ~95% say teams matter.

Q31. Problem-solving teams' key limitation is that they …

A. Are too large

B. Recommend but rarely have authority to implement

C. Never meet

D. Lack skills

Answer: B. Their value is diagnosis and suggestion, not execution.

Q32. Self-managed teams critically depend on …

A. Stack ranking

B. Psychological safety

C. A devil's advocate

D. Piece-rate pay

Answer: B. Members must feel safe to speak up and create productive conflict.

Q33. The four conditions for effective virtual teams include all EXCEPT …

A. Trust before pressure

B. Progress monitored

C. Efforts publicised

D. Members never meet

Answer: D. The fourth condition is that the team is NOT made invisible to decision-makers.

Q34. Greg James's 45-person team was effectively a …

A. Problem-solving team

B. Self-managed team

C. Multiteam system

D. Simple structure

Answer: C. Four interdependent sub-teams with a shared goal — managed wrongly as one big group.

Q35. Across the team-effectiveness model, trust is …

A. Irrelevant

B. The single most important climate variable

C. Fixed once set

D. Only about pay

Answer: B. Trust lets members coordinate without monitoring; it's fragile and must be maintained.

Q36. Which Big Five trait matters most for team performance?

A. Extraversion

B. Openness

C. Conscientiousness

D. Neuroticism

Answer: C. Conscientious members back up teammates and follow through.

Q37. With 40 high- and 40 low-conscientiousness people, research suggests …

A. Mix them evenly across teams

B. Build pure clusters (all-high and all-low)

C. Use only the high ones

D. Randomise

Answer: B. Pure clusters yield higher overall performance than even mixing.

Q38. James's team notably lacked which two of the nine team roles?

A. Creator and promoter

B. Linker and controller

C. Adviser and assessor

D. Producer and organiser

Answer: B. No linker (coordinator) and no controller (quality/rules enforcer).

Q39. Bezos's "two-pizza rule" supports an optimal team size of about …

A. 2–3

B. 5–9

C. 10–15

D. 20+

Answer: B. Research confirms 5–9 members is optimal; above 10 loafing and complexity rise.

Q40. A team's capacity to self-correct its plan is called ...

A. Reflexivity

B. Efficacy

C. Cohesion

D. Transactive memory

Answer: A. Reflexivity is adapting the plan when conditions demand.

Q41. Knowing who on the team is best at what, and routing tasks accordingly, is ...

A. Team efficacy

B. Transactive memory

C. Role conflict

D. Groupshift

Answer: B. Transactive memory is part of a shared mental model.

Q42. Which conflict type can IMPROVE outcomes when moderate?

A. Relationship conflict

B. Task conflict

C. Personal aggression

D. Political deviance

Answer: B. Moderate task conflict forces critical evaluation; relationship conflict almost always harms.

Q43. Across 52 studies, one of the strongest predictors of team performance is ...

A. Prior performance history

B. Team trust

C. Team size

D. Office location

Answer: B. Trust outweighed even prior performance history as a predictor.

Q44. To turn individuals into team players, the SELECT lever means ...

A. Hire the best individual performer

B. Assess interpersonal skills and team-orientation

C. Reward only individuals

D. Train conflict resolution

Answer: B. The best individual performer is often not the best team member.

Q45. Hallmark and Whole Foods illustrate which lever?

A. Select

B. Train

C. Reward (hybrid/team-weighted)

D. Isolate

Answer: C. They added group/team-weighted rewards to signal valued behaviour.

Q46. A team is appropriate only if the work passes which three tests?

A. Cost, speed, scale

B. Complexity, common purpose, interdependency

C. Size, status, structure

D. Trust, norms, roles

Answer: B. Use a team when the work is complex, genuinely collective, and interdependent.

Q47. Swimming relay scoring (each races alone, scores added) illustrates ...

A. High interdependency

B. Low interdependency — a team may not be needed

C. Common purpose

D. Reflexivity

Answer: B. Pooled, additive output signals low interdependency, unlike soccer.

Q48. The central lesson of the Greg James case is that he ...

A. Was incompetent

B. Applied co-located habits to a distributed team

C. Lacked technical skill

D. Had too few people

Answer: B. Distributed teams require deliberately designed coordination he never built.

Q49. Every failure in the HS Holdings crisis traces most directly to ...

A. Bad luck

B. Divergent mental models

C. Too much pay

D. Excess formalisation

Answer: B. People held different beliefs about who owned which responsibility.

Q50. “Out of sight, out of mind” making non-US teams invisible reflects a failure of which virtual-team condition?

A. Trust before pressure

B. Monitoring progress

C. Not becoming invisible to decision-makers

D. Adequate resources

Answer: C. Publicising efforts and staying visible to decision-makers is a core virtual-team condition.

Q51. A firm announcing ‘we’re reorganising into teams’ without changing coordination, rewards or accountability has …

A. Created real teams

B. Merely renamed its groups

C. Improved synergy

D. Removed hierarchy

Answer: B. Without earned synergy and mutual accountability, it’s a relabel, not a team.

Q52. Starbucks’ Via instant-coffee launch (production + PR + comms + marketing) is an example of a … team.

A. Problem-solving

B. Cross-functional

C. Self-managed

D. Virtual

Answer: B. Same-level members from different departments on one task is cross-functional.

Q53. The Mann Gulch fire (1949) is used to show that …

A. Teams never work in crises

B. Crises test teams hardest when structure breaks under pressure

C. Smaller teams always win

D. Trust is irrelevant

Answer: B. It illustrates structural breakdown under extreme pressure.

Q54. Social categorisation means we tend to see …

A. Everyone as an individual

B. the outgroup as all alike while keeping the ingroup as individuals

C. only ourselves clearly

D. no group differences

Answer: B. ‘They’ become one flat category; ‘we’ keep our distinct personalities.

Q55. The India team lumping Americans and British together as one ‘Anglo’ category shows …

A. Accurate perception

B. social categorisation flattening the outgroup

C. groupthink

D. social loafing

Answer: B. Outgroup members lose internal distinction, even across different nationalities.

Q56. The term ‘groupthink’ came from analysis of …

A. The Mann Gulch fire

B. Kennedy’s cabinet and the Cuban missile crisis

C. the Hawthorne studies

D. Asch’s lines

Answer: B. Members stayed silent fearing disloyalty to the president, cohesiveness over effectiveness.

Q57. Groupthink is best summarised as …

A. Effectiveness over cohesiveness

B. cohesiveness (staying as one) overriding effectiveness (deciding well)

C. too much diversity

D. too much conflict

Answer: B. Harmony pressure beats realistic appraisal; 12 Angry Men is the antidote.

Q58. Disagreement about the work itself, which can be healthy, is …

A. Affective conflict

B. Task conflict

C. Relationship conflict

D. Process loss

Answer: B. Task conflict surfaces more ways to see a problem; the danger is it turning emotional.

Q59. When task conflict curdles into ‘this person is out to get me,’ it has become …

A. Healthy debate

B. Affective / relationship conflict (toxic)

C. Groupshift

D. Reflexivity

Answer: B. Emotional/relationship conflict is almost always destructive, as with Nick–Praveen.

Q60. Face-to-face is called ‘rich media’ because …

A. It is expensive

B. it carries more cues (expression, gesture, tone), so conflict resolves OR escalates fast

C. it is always text-based

D. it removes all conflict

Answer: B. Lean virtual media makes misunderstanding likelier and conflict fester longer.

Q61. ‘Follow the sun’ 24/7 support exists primarily because … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Humans work best in daylight

B. it is a premium product clients pay extra for

C. time zones are fun

D. it is cheaper

Answer: B. Always-on support is a sellable moat; a 9-to-5 competitor loses the deal.

Q62. Offshoring (vs onshoring) means support delivered … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. From the client’s own location

B. from a cheaper distant location, e.g. India for a US client

C. only on weekends

D. by the client themselves

Answer: B. Offshore = cheaper but distant; onshore = costlier but local, faster, same culture.

Q63. US staff doing client-facing work while India did back-end work was driven mainly by …

BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Skill gaps

B. client trust and cultural familiarity (accent, small talk)

C. time zones

D. cost alone

Answer: B. Clients warm to shared accent and references, creating the status split that bred resentment.

Q64. Hofstede’s work showed that …

A. Culture doesn’t affect work

B. national cultures differ on measurable dimensions (e.g. power distance)

C. only individuals matter

D. India has no work culture

Answer: B. His IBM-subsidiary study mapped dimensions like power distance and individualism-collectivism.

Q65. ‘Power distance’ refers to a culture’s …

A. Geographic spread

B. attitude to hierarchy and authority

C. electricity grid

D. salary range

Answer: B. High power distance = deference to hierarchy; the Colonel said it ‘always works’ in his field.

Q66. In the SPLIT diagnostic for distributed teams, the letters stand for … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Speed, Pay, Logic, Input, Time

B. Structure, Process, Language, Identity, Technology

C. Status, People, Location, IT, Trust

D. Strategy, Plan, Lead, Iterate, Test

Answer: B. SPLIT buckets every fix: Structure, Process, Language, Identity, Technology.

Q67. Rotating who gets the inconvenient meeting slot is an application of … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Goal-setting

B. Equity theory

C. Reinforcement

D. Groupthink

Answer: B. ‘If I’m inconvenienced, others should be too’ — shared fairness over one team always suffering.

Q68. The professor’s leadership test contrasted ‘keeping tabs’ with … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Cutting costs

B. opening doors (‘what can I do so you perform better?’)

C. sending emails

D. holding weekly calls

Answer: B. James only monitored; a leader removes barriers and enables performance.

Q69. When the right answer is clear but the organisation resists, the framework offered was … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. SWOT

B. Exit, Voice, Loyalty

C. BCG matrix

D. Five Forces

Answer: B. Exit (leave), Voice (stay and push for change), or Loyalty (stay and accept).

Q70. Most people, faced with a frustrating organisation, default to ... BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Exit

B. Voice

C. silent Loyalty

D. sabotage

Answer: C. Voice feels risky and exit drastic, so silent loyalty is the common default, though voice is often the responsible path.

03

Organisation Structures

How tasks are divided, grouped and coordinated · Robbins, Judge & Vohra, Ch. 14

Structure is the skeleton of an organisation — invisible from outside, but it decides how everything moves. We learn the seven design elements, the eight recognisable structure types, the mechanistic–organic spectrum, and the four contingency factors that decide which design fits. Two cases clarify it: **The Restaurant** (one diner growing through four stages) shows structure evolving in real time; **Acme & Omega** (identical twins, opposite structures) shows that structure is a choice, and the "right" one is always contextual.

PICKING UP THE THREAD

We have climbed one level at a time, the motivated person, then the group they work in. Greg James's team failed for a reason that kept pointing upward: the missing piece wasn't effort or even goodwill, it was **structure**, the invisible architecture of who owns what, who reports to whom, and which decisions sit where. That architecture isn't an accident or an org chart drawn after the fact. It is designed, and the design shapes everything the people and groups inside it can do. This chapter is about the seven dials every leader is turning, whether they know it or not.

3.1 The seven key elements of structure

An organisational structure defines how job tasks are formally divided, grouped and coordinated. Every structure ever designed is shaped by exactly seven dials.

Element	What it means	The question it answers
Work specialisation	How far activities are divided into separate jobs. High = narrow roles; low = broad, overlapping.	How narrow is each person's job?
Departmentalisation	The basis on which jobs are grouped — function, product, geography, customer or process.	How are we organised into units?
Chain of command	The unbroken line of authority top to bottom; unity of command = one boss each.	Who do I take orders from?
Span of control	How many subordinates a manager can direct. Narrow = taller org; wide = flatter.	How many people per manager?
Centralisation	How far decision-making is concentrated at the top.	Where are decisions made?
Decentralisation	How far decision authority is pushed to lower levels.	How much autonomy below the top?
Formalisation	How far jobs are standardised through written rules, descriptions and procedures.	How rule-bound is the work?

IN PLAIN ENGLISH

Think of seven dials on a mixing board. Acme turns specialisation, centralisation and formalisation way up; Omega turns the same dials down; Indian Railways sits at maximum; an early-stage startup near zero. Neither extreme is universally right — the setting depends on what the organisation must do, in what environment, with what people.

FROM THE CLASSROOM — WHY STRUCTURE EXISTS AT ALL: EFFECTIVENESS

Prof. Jha opened the session with a bigger question: structure exists to raise an organisation's **effectiveness**, but effectiveness is not one number. You make effectiveness judgements all day, as a customer, a parent choosing a school, an employee, and the catch is that **different stakeholders' measures pull in different directions**. Higher salaries make employees happier but cut shareholder returns in the short run; what IIM Calcutta counts (enrolment, word-of-mouth, dropout, revenue share) isn't what your family counts. A manager could track hundreds of measures, so the real skill is choosing *which* to put on the dashboard. Two named models came out of this:

- **Strategic Constituencies model** — an organisation prioritises whoever is most critical to its survival, and structures itself around them. His example: when the US airline industry was heavily regulated, success depended on winning route rights, so **lawyers** rose to run airlines (the regulatory battle was the survival issue). A consumer-goods firm elevates sales; a finance-starved firm elevates finance; a public-sector unit orients to the ministry.
- **Competing effectiveness measures** — employee, customer, shareholder and compliance goals rarely move together, so structure is partly about deciding whose effectiveness wins.

— structure is the organisation's answer to 'whose effectiveness matters most?'

EXAM VOCABULARY — THE PROFESSOR'S WORDS FOR STRUCTURE'S THREE DIMENSIONS

He gave the class specific terms he expects back in the exam. Structure has **three dimensions**: **(1) Complexity** — itself made of **horizontal differentiation** (division of labour / specialisation across jobs), **vertical differentiation** (the number of layers in the hierarchy), and **spatial / geographical differentiation** (spread across locations). More of any of these = a more complex organisation. **(2) Standardisation** (he used this interchangeably with **formalisation**) — how far work is fixed by rules and procedures. **(3) Centralisation vs decentralisation** — where decisions are made. If the textbook's seven elements feel like a list, this is the three-bucket map that organises them.

Work specialisation — the productivity curve and its breaking point

Specialisation raises productivity up to a point: narrow repetitive tasks are mastered faster (Ford's line cut a Model T from 700+ hours to under 93). But gains flatten and reverse as **human diseconomies** appear — boredom, absenteeism, errors, turnover — and coordination cost exceeds efficiency gain. McDonald's shows extreme specialisation (consistent, high-throughput, but high turnover); Toyota builds in rotation and quality participation, getting lower turnover and higher per-worker productivity. The optimal point moves *right* (more specialisation) for simple physical tasks and *left* for complex, knowledge or creative work.

FROM THE CLASSROOM — THE LEARNING CURVE, AND WHY SPECIALISATION HAS A CEILING

The professor drew the case for specialisation as a **learning curve**: effort against performance isn't a straight line, you put in heavy effort for early gains, then performance rises fast, then **tapers off** (his own joke: he isn't better at his 5,000th class than his 4,000th). Two limits follow: efficiency gains aren't infinite (diminishing returns), and doing the same task forever **demotivates**. He linked this straight to the class's own lives, "you signed up for this programme because you felt stuck in a repetitive role." Hence the **work-redesign movement**: rotation failed in practice (you can't make the cook the security guard), so firms tried **job enlargement** (more tasks of the same level, which doesn't help if both are dull) and then **job enhancement / enrichment** (giving people a slice of the boss's job, which does). His IIM-Calcutta colleague Nitish's **Parliament Street post office experiment** nailed it: replacing strict single-task counters with a **single-window** design cut customer queues *and* raised employee satisfaction, the Marxist ideal of task variety ("fisherman in the morning, factory worker in the afternoon, philosopher in the evening").

— specialisation buys efficiency but spends motivation; redesign tries to buy it back

Departmentalisation — five ways to group jobs

Type	How it works	Example
Functional	Group similar specialists together.	Acme; Jones's restaurant (cooks together, waitresses together).
Divisional	Group by product or service line, each with own resources.	Tata Group (Steel, Motors, TCS).
Geographic	Group by location/region.	HUL's regional structures.
Process	Group around workflow stages.	Jones Stage 4: kitchen → runner → pantry → floor.
Customer	Group by type of customer served.	HDFC: retail, corporate, private wealth.

Chain of command & span of control

Unity of command holds that each person reports to exactly one superior — conflicting instructions from two bosses produce paralysis. **Span of control** sets the shape: narrow spans give taller hierarchies (more oversight, more cost); wide spans give flatter ones (fewer managers, faster communication) but only work when the work is routine. The arithmetic: 4,096 front-line workers with a span of 4 need 1,365 managers across 5 levels; widen the span to 8 and you need only 585 managers across 4 levels.

> **FROM THE CLASSROOM — WHY DO WE EVEN NEED SUPERVISORS?**
>
> The professor pressed the class hard: hierarchy **costs money**, so every layer must earn its keep. His "KFC" illustration: Kentucky Fried Chicken with three layers of managers carries higher overheads than a single-owner "Kasma Fried Chicken" shop selling similar food, so the leaner one can undercut it. That forces the question, what is a supervisor actually *for*? He split it in two: **control** (keeping tabs so people don't slack) — which he argued is increasingly hard to justify in a competitive, knowledge-driven world, and **coordination** (making sure the hand-offs between people and processes gel) — which remains valid. A related distinction on quality: **end-of-line quality control** (a separate inspector at the end) is being replaced by **in-process quality control**, where *each next step becomes the previous step's quality checker*, so you need fewer dedicated controllers. His sharpest provocation: experience-based authority weakens in a fast-changing AI world, "human beings are not pickles; older isn't automatically better" when the world itself has changed under you.
>
> *— control is dying, coordination survives; every layer must add value*

> **FROM THE CLASSROOM — SPAN OF CONTROL SHAPES THE WHOLE ORG**
>
> The number reporting to each manager decides the org's shape. **Narrow span → tall hierarchy** (more layers); **wide span → flat hierarchy** (fewer layers). Span depends on **task criticality** (holding a nuclear button might be one-to-one), **staff skill**, and **task complexity**. The professor drew out the human trade-off: **customers** prefer *flat* orgs (a fly-in-the-soup complaint resolves faster with fewer layers), while many **employees** prefer *tall* orgs because layers mean more promotions, titles and (in India especially) status symbols like a bigger car. His honest aside from his own career: institutions like IIM are quietly becoming *more* hierarchical and less flat over time, the democratic flat structure he joined for is eroding.
>
> *— flat is good for customers and speed; tall is what employees often want*

Centralisation, decentralisation & formalisation

Centralised organisations decide at the top (consistency, control, but slower and a single point of failure — Acme's "one-man band"). Decentralised ones push authority down (faster, higher engagement, develops future leaders, but risks inconsistency — Omega's collective decisions). **Amul** is structurally decentralised — millions of farmers and local cooperatives decide locally while the federation handles processing and distribution. **Formalisation** is the degree of written rules and standard procedures; ISRO's Chandrayaan-3 control ran at near-maximum formalisation, while a film concept has no SOP. **Boundary spanning** — communicating across formal group lines — increases knowledge transfer and innovation; Omega's new engineer is a boundary spanner by design.

FROM THE CLASSROOM — THE FLY IN THE SOUP (CENTRALISATION MADE CONCRETE)

The professor's running example for **where decisions should sit**. A fly in your soup: under **centralisation**, the waiter says "I'm not authorised, I'll escalate," and three days later a letter offers a free soup, useless, slow, and the information distorts as it travels up (fly → "foreign object" → something else). Under **decentralisation**, the waiter replaces it instantly, where the information is. But pure decentralisation invites abuse (the waiter and his friend conspire to get free soup nightly). The elegant fix he offered is **controlling the premises of the decision, not the decision itself**: every waiter may comp *five* soups a month, no questions asked, tracked, beyond that it's reviewed. That is decentralised and controlled at once.

— push the decision to where the information is, but bound it

FROM THE CLASSROOM — BOUNDARY SPANNING & KARL WEICK'S 'ENACTMENT'

Boundary spanning (the textbook's seventh element, which the professor noted the ChatGPT slide had dropped) is mostly about the boundary between the **organisation and its environment**: certain people (HR reading the hiring market, sales reading demand, and top management) interpret the outside world for the firm. But, citing **Karl Weick** (and his idea of **enactment**), he stressed there is **no single objective environment**, you see what you're trained to see and what serves your interest. A finance person reads financial signals and argues "our big problem is finance, and I can fix it"; a marketer reads market signals. So the same monsoon forecast produces opposite strategies in two firms. "The environment lies in the eyes of the beholder."

— training + self-interest shape what the organisation even perceives

EXAM TIP

The productivity-vs-specialisation curve (Exhibit 14-2) is a favourite: it rises steeply, flattens, then declines as human diseconomies emerge. Centralisation vs decentralisation is a **spectrum, not a binary** — most firms centralise some decisions (brand, strategy, capital) and decentralise others (frontline service, local pricing).

3.2 Common structures — eight design options

Structure	Strengths	Weaknesses	Example
Simple	Fast, flexible, clear accountability.	Can't scale; one-person dependency.	Kirana store; Jones Stages 1–2.
Bureaucracy	Efficient for high-volume routine; consistent; low cost.	Rigid; rule-following crowds out problem-solving.	Indian Railways; McDonald's kitchen.
Functional	Deep specialist expertise; clear career paths.	Silos; poor cross-functional coordination.	Acme; traditional manufacturing.
Divisional	Each division focuses on its market; clear accountability.	Resource duplication; divisions compete.	Tata; Reliance.
Matrix	Shared resources; cross-functional expertise.	Dual authority → role conflict; violates unity of command.	Consulting; aerospace; IIM faculty.
Virtual	Minimal overhead; best-in-class specialists without hiring.	Loss of control; hard to build culture.	Zomato/Swiggy core tech; early Airbnb.
Team	Breaks silos; decentralised; high ownership.	High coordination cost without shared direction.	ISRO mission teams; Razorpay product teams.
Circular	Signals equality and openness.	Confusing for hierarchical thinkers; unclear authority.	Some healthcare/NGO structures.

CONCEPT TRAP

The matrix's most dangerous feature is the **dual reporting line**. When the functional manager and the project manager want different things from the same person, that is role conflict (the same idea from our Chapter 2 on groups) playing out at the organisational level. Matrix works only with strong psychological safety and explicit conflict-resolution protocols.

FROM THE CLASSROOM — DIFFERENTIATION VS INTEGRATION

Departmentalisation creates a hidden problem the professor flagged: every specialised unit builds a **strong identity and an "us vs them"** (finance says "we bring in the money," marketing says "we sell," each talking past the others). That is **differentiation**, an organisation should have as much internal variety as its environment demands (a law department if regulation bites, a compliance team if compliance matters). But differentiated specialists must then be pulled back together, which is **integration**: cross-functional teams, regular all-hands reporting, or invoking a **superordinate goal** ("at the end of the day we all serve the same organisation"). Good structure balances the two: differentiate to match the world, integrate so the pieces still act as one.

— specialise to handle complexity, then deliberately stitch the silos back together

FROM THE CLASSROOM — CASUALISATION, THE GIG ECONOMY AND 'PRECARITY' (BEYOND THE BOOK)

On virtual and boundaryless structures, the professor pushed past the textbook to two trends. **Casualisation**: firms increasingly want "switch on, switch off" labour rather than permanent staff, the structural root of the **gig economy**. Its human cost is **precarity**: when jobs become insecure, people postpone families and life decisions, which is partly why birth rates fall in advanced economies (in a market frame, children become a "dead investment"). His reading pointer was Michael Sandel's *What Money Can't Buy: The Moral Limits of Markets*. The structural point: how an organisation chooses to employ people (permanent vs gig) is itself a design decision with consequences far beyond the org chart.

— how you employ people is a structural choice with social consequences

3.3 Mechanistic vs organic — the two ends of the spectrum

Characteristic	Mechanistic	Organic
Specialisation	High — narrow roles.	Low — cross-functional, overlapping.
Chain of command	Rigid hierarchy.	Authority follows expertise, not position.
Span of control	Narrow; close supervision.	Wide; self-direction expected.
Formalisation	High — explicit rules.	Low — method is discretionary.
Decision-making	Centralised.	Decentralised, participative.
Information flow	Top-down, filtered.	Multi-directional.
Adaptation to change	Slow.	Fast.
Best for	Stable environments; cost-minimisation; routine.	Dynamic environments; innovation; novel work.
Case example	Acme Electronics.	Omega Electronics.

IN PLAIN ENGLISH

A traditional joint family (elders decide, defined roles, strong norms) is mechanistic; a nuclear Mumbai family (both partners work, decisions debated between equals, continual adaptation) is organic. Neither is superior — one is built for stability and scale, the other for fast change.

3.4 Why structures differ — four contingency factors

Factor	Pushes mechanistic when…	Pushes organic when…
Strategy	Cost minimisation; routine tasks (Acme).	Innovation; differentiated products (most tech startups).
Size	Large — coordinating thousands needs rules.	Small — informal coordination still works (Omega, 480 people).
Technology	Routine — same inputs, same outputs (assembly line).	Non-routine — high variability, custom solutions (R&D).
Environment	Stable — predictable suppliers, customers, rules.	Dynamic, complex — constant change and uncertainty.

KEY INSIGHT — THE STRATEGY–STRUCTURE LINK

The most important contingency factor here. **Innovation** strategy needs an **organic** structure; **cost-minimisation** needs a **mechanistic** one; **imitation** (copying what works with modest tweaks) needs a mix. Acme pursues cost-minimisation in a stable market, so its mechanistic design is a perfect match.

3.5 The leaner organisation — downsizing

Downsizing is the **systematic, permanent** reduction of the workforce as a deliberate redesign — not a temporary cost cut. Firms that downsize to remove genuine inefficiency gain lasting speed and empowerment; firms that cut payroll without redesigning the actual work get **survivor syndrome** — remaining staff carry disproportionate burden, morale falls, and institutional knowledge walks out the door. The question is always: did we redesign the work, or just remove the people?

3.6 Structure shapes behaviour

Structural feature	Effect on employees
High work specialisation	Short-term efficiency, long-term boredom and absenteeism below a threshold of task variety — regardless of pay.
Narrow span of control	Can feel suffocating to skilled staff, but enables learning on complex, high-stakes tasks.
High formalisation	Fewer errors in routine work, but less initiative in novel situations.
Decentralisation	Higher satisfaction, commitment and lower turnover — when employees feel capable of the responsibility.
Individual fit	High need-for-clarity people thrive in mechanistic structures; high need-for-autonomy people in organic ones.

KEY INSIGHT

No single structure reliably produces the best performance or satisfaction everywhere. The same structure that makes one person thrive makes another miserable. Good design matches what the organisation must do against honest self-awareness of what brings out a person's best.

3.7 Cases as concept-clarifiers

THE RESTAURANT — STRUCTURE EVOLVING IN REAL TIME

Tom Jones's diner grows through four stages, navigating the seven elements without knowing their names. **Stage 1:** no structure — three people do everything (a Simple Structure; like Ramesh Bhai's kirana store). **Stage 2:** growth brings the first *work specialisation* (cooks, dishwashers, waitresses) and the first *coordination* problem — fragile because everything still depends on Jones being present. **Stage 3:** his *span of control* is exceeded, so he adds the first management layer (supervisors + a checker); he stops being a restaurateur and becomes a manager of managers, and discovers he needs *human-relations skill*, which is hard to measure. **Stage 4:** a service pantry adds a second layer and the central dilemma: "how do I gain the benefits of standardisation (*formalisation*) without losing morale and the warmth that made the place worth visiting?"

The recommended fix is a **functional departmental structure** with clear roles, defined spans (no supervisor over ~8–10 reports), unity of command, an Operations Manager as the formal coordination bridge, written SOPs where precision matters (portions, cost) but human discretion where warmth matters (customer interaction), and a Training Coordinator who turns Jones's personal standards into a teachable system. It solves coordination, the single-point-of-failure and inconsistent quality — while honestly creating new risks: bureaucracy creep, silos, higher payroll, and regulars missing Jones personally.

FROM THE CLASSROOM — THREE ROUTES TO STANDARDISATION (JONES'S REAL CHOICE)

The case's last line is Jones's worry: *how do I gain the benefits of standardisation without demotivating the employees?* The professor laid out three ways to make people behave consistently, not just one:

- **Formalisation** — written rules and procedures. Powerful but brittle: McDonald's thousand-page rulebook still can't foresee every situation, and the moment a customer is an *exception* (a salt restriction) the rule fails.
- **Socialisation** — train people in the philosophy, then trust their judgement. More flexible than rules. His examples: MindTree founders meeting every recruit, Four Seasons giving each joiner the founder's book, and the **Udupi restaurant** chain achieving remarkable consistency through shared origin and culture rather than manuals.
- **Professional socialisation** — the profession itself shapes behaviour (a CA is trained to verify everything thrice; an MBA to think a certain way), so members act alike without company rules.

For Jones, socialisation (a values-led induction, a training video carrying his standards) preserves warmth better than pure formalisation.

— rules are one route to consistency; culture and profession are the gentler two

FROM THE CLASSROOM — STRUCTURAL INERTIA (WHY RULES PILE UP)

The deeper problem with the rules route is **structural inertia** (the same physics idea of inertia: a body stays as it is until an external force acts). Every structure brings stability *and* resistance to change. The world shifts, you write rules to catch up (always with a lag), the world shifts again, but the old rules don't leave, because it's easier to *add* a rule than to remove one. So systems silently grow more bureaucratic over time. (Hold this thread, it returns as a core source of resistance to change in Chapter 4.)

— rules accumulate because adding is easy and deleting is hard

FROM THE CLASSROOM — THE CASE FOR FEWER SUPERVISORS: SELF-MANAGED TEAMS, THEORY X/Y/Z, JIDOKA

Why did anyone think we could cut supervision at all? The professor traced the **self-managed work team** movement to 1960s Scandinavia, where a more democratic society asked: citizens make huge decisions at home, why treat them as incapable at work? Underneath sits **McGregor's Theory X vs Theory Y**, Theory X assumes people dislike work and must be controlled; Theory Y assumes people *will* work if the work is fulfilling, so poor effort signals a badly designed job, not a lazy worker. Toyota's **Jidoka** (the andon cord: *any* operator can stop the whole assembly line if they spot a defect) shows trust and authority pushed to the front line. And **Theory Z** (William Ouchi; the professor also nodded to Kurt Weick / Lewin's era of thinking) captures the Japanese value order, *country first*, *company second*, *family third*, *individual last*, which meant people worked without being watched, giving Japanese firms **low supervision costs and high performance**. The thread connecting all three: where people are trusted and the work is meaningful, you need less hierarchy.

— trusted, well-designed work needs fewer supervisors

FROM THE CLASSROOM — 'WEAPONISED INCOMPETENCE'

A lighter but real point on specialisation and skill: people protect their turf by pretending they *can't* do a task ("I don't know how"), so no one asks them to, the professor called it **weaponised incompetence** (Bombay Hindi: *yeda banke peda khana*). His serious counter-point: skills are not inborn; with training and exposure most people can pick up most things, which is exactly why the Stage-1 restaurant, where everyone did everything, actually worked and kept people engaged through task variety.

— 'I can't do it' is often turf protection, not truth

ACME & OMEGA — STRUCTURE IS A CHOICE

Same parent, same product, same market, same city — opposite structures. **Acme** (Tyler, retained) is mechanistic: formal hierarchy, written channels, top-down decisions, fixed roles — higher sales and profit in a stable, high-volume market, but a "one-man band" ceiling and managers starved of information. **Omega** (Rawls, external hire) is organic: no org charts, no memos (walk over and talk), collective decisions, fluid roles — less profitable on conventional metrics, but building distributed knowledge, cross-functional understanding and adaptability.

Dimension	Acme (mechanistic)	Omega (organic)
Specialisation	High, narrow roles.	Low, fluid roles.
Formalisation	High — documented procedures.	Very low — no memos, no org charts.
Centralisation	High — Tyler decides.	Low — collective management team.
Profitability (now)	Higher — wins more contracts.	Lower — but more adaptable.
Best when…	Environment is stable.	Environment changes.

IN PLAIN ENGLISH

Acme is like a well-run **Udupi restaurant franchise** — every outlet identical, the idli always the same, because the process is fixed and documented. Omega is like an early-stage Indian startup, **Zerodha or Razorpay in their first fifty people** — roles blur, everyone talks to everyone, decisions are made together, and the whole thing rearranges itself the moment the market shifts.

CONCEPT TRAP

Do not assume Acme = correct just because it is more profitable now. The case is set in a stable, high-volume 1960s market — a perfect fit for mechanistic. Change the context (new technology, a supply shock, a custom client request) and Omega's flexibility becomes the decisive advantage. Always ask: "profitable in *what* environment?"

FROM THE CLASSROOM — THE CONTRACT THAT EXPOSED BOTH FIRMS

Prof. Jha read the rest of the case aloud, and it is the clearest picture of mechanistic vs organic *in motion*. A photocopier maker (Xerox) needed 100 prototype memory units, fast, after integrated circuits suddenly threatened both firms' old printed-circuit-board business. It deliberately split the trial between Acme and Omega (two suppliers = risk mitigation + price competition). Watch how each **solved the same problems**:

- **Acme (mechanistic).** Everything routed through **John Tyler** individually, memo to purchasing, memo to drafting, memo to engineering, so problems bounced up and down, costing time. When a component was delayed and methods engineers were bypassed by the production foreman, it ignited a **turf war** (industrial engineering vs production), resolved only by escalating to a common boss. The missing part had to be torn out and reinstalled; people *knew* it would fail but stayed in their lanes. Result: **shipped late (18–21 days vs the 14-day target), with 10 defective units.**
- **Omega (organic). Jim Rolls** called all department heads into one room; *they* decided together. Electrical engineering spontaneously suggested a Japanese substitute part (in Acme that would have been "not your department"); the team caught and fixed a design error in the connector cable because *everyone* owned the whole product. Result: **delivered on time (11 days), zero defects.**

— same problems, opposite handling: the structure decided the outcome

FROM THE CLASSROOM — 'LONELY AT THE TOP' AND THE LIMITS OF HIERARCHY

Why was only Tyler anxious about the whole product while Acme's staff each did just "my bit"? Because centralisation makes the boss the only integrator, and the whole organisation then *expects him to know everything*. The professor's image: the oldest surviving hierarchy is the Roman Catholic Church, where the qualities of God (omniscient, omnipotent, omnipresent) quietly transfer onto the hierarchical superior, "boss knows everything, boss can do everything, boss is everywhere." His Marathi-graduate-in-a-tiger-skin parable made the same point: everyone is pretending to be a tiger. No real person is all-knowing, which is exactly why "competent authority" is often a polite fiction and why over-centralisation is fragile. (He also distinguished **delegation** — prepare people, give resources, praise and correct — from **relegation**, just dumping your monkey on someone else's shoulder; and warned against the **Great Man theory of management**, Tyler personally testing one unit and declaring all 50 fine.)

— no one is omniscient, so structures that assume an all-knowing boss break

KEY INSIGHT — EXPLORATION VS EXPLOITATION, AND AMBIDEXTERITY

This is the concept the whole Acme/Omega session built toward. **Exploitation** = doing known work cheaper, better, faster (Acme's gift). **Exploration** = doing genuinely new things, inventing, thinking (Omega's gift). Acme is a well-oiled machine that executes but cannot think; Omega is a living organism that thinks but is costlier. The professor tied this to strategy: **cost leadership** needs exploitation + a mechanistic structure; **product differentiation / innovation** needs exploration + an organic one. Historically firms picked one. Then **Toyota** (slashing **setup / changeover time**, just-in-time) created **mass customisation** — variety *and* low cost — so today the demand is to be **ambidextrous**: good with both hands, exploit and explore at once.

FROM THE CLASSROOM — WHY AMBIDEXTERITY IS SO HARD (AND WHY MERGERS FAIL)

Knowing you need both doesn't make it happen. **Where do you put your best people?** Logic says exploration (the future), but career paths, rewards and current revenue all sit in exploitation, so the best people, and the money, gravitate to the known work, starving exploration. And you can't simply **merge** an Acme and an Omega to get both: an Acme person under Jim Rolls feels rudderless ("no one tells me what to do"), an Omega person under Tyler feels suffocated. Most mergers fail on exactly this **cultural mismatch**, which is why, despite complementary skills on paper, combined-company shareholder value often *falls* rather than rises.

— the goal is ambidexterity; the obstacle is that culture and incentives resist it

FROM THE CLASSROOM — THE INVESTOR-VS-EMPLOYEE PARADOX

The session's most provocative thread. Almost everyone *says* they'd rather **work** at Omega (autonomy, learning, growth), yet when asked where they'd **invest** a prize lakh, most chose Acme (steadier, more profitable now). The professor's point, via Thomas Friedman's Walmart thought experiment (would you pay $1 more so employees are treated better? most won't) and the real story of **CMC Limited** (a famously employee-friendly Indian firm, self-approved leave, unlimited sick leave, eroded over time): when our expectations as *employees* and as *investors* point in opposite directions, the investor usually wins, so the whole world drifts toward Acme, toward 24×7, and work-life balance erodes. A structural choice with a social consequence.

— we want to work at Omega but invest in Acme, so the world becomes Acme

THE LASTING LESSON

Structure is strategy made visible. Every reporting line, every rule, every decision about who talks to whom is a leadership choice — it determines what the organisation can do, how fast it can move, and what kind of people will want to work for you.

WHERE THIS LEADS → CHAPTER 4

But here is the twist that sets up the final chapter. Acme's tidy mechanistic structure was perfect, for a stable 1960s market. The very things that make a structure efficient, fixed roles, settled rules, a comfortable way of doing things, are also exactly what make it **resist change** when the world shifts. So the structure you built in this chapter becomes the thing that fights you in the next. Chapter 4 sets the whole picture in motion: what happens when the person, the group and the frame all have to change at once, and why the human forces from the first three chapters decide whether that change survives.

MCQ Bank 3 • Organisation Structure (Ch. 14)

Answer and one-line reason under each question. Amber BEYOND TEXTBOOK = class enrichment, not core exam material.

Q1. Organisational structure defines how job tasks are …

A. Paid and promoted

B. Formally divided, grouped and coordinated

C. Advertised and sold

D. Audited

Answer: B. Those three verbs — divide, group, coordinate — are the core definition.

Q2. How narrow each person's job is reflects which element?

A. Formalisation

B. Work specialisation

C. Centralisation

D. Span of control

Answer: B. Specialisation is the degree to which activities are divided into distinct jobs.

Q3. Grouping all engineers together and all accountants together is …

A. Divisional departmentalisation

B. Functional departmentalisation

C. Customer departmentalisation

D. Geographic departmentalisation

Answer: B. Functional groups similar specialists; Acme and Jones's kitchen use it.

Q4. Unity of command means each employee …

A. Has many bosses

B. Reports to exactly one superior

C. Sets their own goals

D. Works alone

Answer: B. One boss prevents conflicting instructions and paralysis.

Q5. A wide span of control produces an organisation that is …

A. Taller, with more managers

B. Flatter, with fewer managers

C. More centralised

D. More formalised

Answer: B. Wide spans mean fewer managers and flatter hierarchies — cheaper and faster, if work is routine.

Q6. Concentrating decision-making at the top is …

A. Decentralisation

B. Centralisation

C. Formalisation

D. Specialisation

Answer: B. Centralisation = decisions at the top; Acme is the case example.

Q7. The degree to which jobs are governed by written rules and procedures is …

A. Formalisation

B. Departmentalisation

C. Span of control

D. Chain of command

Answer: A. Formalisation is standardisation through rules, descriptions and policies.

Q8. Ford cutting Model T build time from 700+ to under 93 hours illustrates …

A. Decentralisation

B. Early gains from work specialisation

C. Boundary spanning

D. Downsizing

Answer: B. Narrow specialised tasks raised productivity sharply — the rising part of the curve.

Q9. 'Human diseconomies' of specialisation include all EXCEPT …

A. Boredom

B. Absenteeism

C. Higher error rates

D. Faster mastery

Answer: D. Faster mastery is a gain; the diseconomies are boredom, absenteeism, errors, turnover.

Q10. For complex, knowledge-based work, the optimal specialisation point moves …

A. Right (more specialisation)

B. Left (less specialisation)

C. To zero

D. Off the chart

Answer: B. Complex/creative work turns negative sooner, so the optimum is lower (left).

Q11. Kitchen → runner → pantry → floor is which departmentalisation?

A. Functional

B. Process

C. Customer

D. Geographic

Answer: B. Grouping around workflow stages is process departmentalisation.

Q12. HDFC's retail/corporate/private-wealth split is which departmentalisation?

A. Process

B. Customer

C. Functional

D. Divisional by product

Answer: B. Grouping by type of customer served is customer departmentalisation.

Q13. With 4,096 workers, widening the span from 4 to 8 mainly …

A. Adds levels

B. Reduces managers and levels

C. Increases formalisation

D. Centralises power

Answer: B. Span 8 needs ~585 managers over 4 levels vs ~1,365 over 5 — flatter and cheaper.

Q14. Amul's structure is best described as …

A. Highly centralised

B. Structurally decentralised

C. A matrix

D. A virtual structure

Answer: B. Farmers and local cooperatives decide locally; the federation handles processing/distribution.

Q15. ISRO's Chandrayaan-3 mission control exemplifies ...

A. Low formalisation

B. Near-maximum formalisation

C. An organic structure

D. A circular structure

Answer: B. Every command rehearsed and documented — you can't 'wing it' landing on the Moon.

Q16. Communicating across formal group boundaries is ...

A. Groupthink

B. Boundary spanning

C. Centralisation

D. Role conflict

Answer: B. Boundary spanning raises knowledge transfer and innovation; Omega's engineer does it by design.

Q17. A Simple Structure's biggest weakness is ...

A. Slow decisions

B. One-person dependency; cannot scale

C. Too many rules

D. High overhead

Answer: B. Flat and centralised is fast but fragile and unscalable.

Q18. Indian Railways and a passport office best illustrate a ...

A. Matrix

B. Bureaucracy

C. Virtual structure

D. Team structure

Answer: B. Highly standardised, rule-bound, high-volume routine work is bureaucracy.

Q19. The functional structure's classic weakness is ...

A. No specialists

B. Silo mentality / poor cross-functional coordination

C. Too much flexibility

D. No career paths

Answer: B. Deep silos and a 'not my job' culture across functions.

Q20. A divisional structure's typical downside is …

A. No accountability

B. Resource duplication and inter-division competition

C. Slow decisions only at the top

D. No market focus

Answer: B. Each division duplicates resources and may compete with the others.

Q21. Which structure violates unity of command by design?

A. Functional

B. Matrix

C. Simple

D. Bureaucracy

Answer: B. Matrix gives employees two bosses (functional + project) simultaneously.

Q22. Zomato/Swiggy core tech and early Airbnb illustrate a …

A. Circular structure

B. Virtual structure

C. Divisional structure

D. Bureaucracy

Answer: B. A small core outsourcing major functions to external partners is a virtual structure.

Q23. The matrix's most dangerous feature is …

A. No formalisation

B. The dual reporting line creating role conflict

C. Too few managers

D. No specialists

Answer: B. Two legitimate authorities pulling on one person is organisational-level role conflict.

Q24. In a mechanistic model, information flow is …

A. Multi-directional

B. Top-down and filtered through hierarchy

C. Absent

D. Customer-led

Answer: B. Mechanistic = top-down filtered flow; organic = anyone-to-anyone.

Q25. Organic structures are best suited to …

A. Stable environments and routine work

B. Dynamic environments, innovation and novel problems

C. Cost-minimisation only

D. High-volume manufacturing

Answer: B. Fluidity and decentralisation fit change and innovation.

Q26. Acme is the case example of a … structure; Omega of a … one.

A. organic; mechanistic

B. mechanistic; organic

C. matrix; virtual

D. virtual; team

Answer: B. Acme = mechanistic (rules, hierarchy); Omega = organic (fluid, collective).

Q27. The four contingency factors are strategy, size, technology and …

A. Culture

B. Environment

C. Pay

D. Tenure

Answer: B. Strategy, organisation size, technology and environment determine the right design.

Q28. An innovation strategy calls for which structure?

A. Mechanistic

B. Organic

C. Bureaucratic

D. Functional silos

Answer: B. Innovation needs flexibility and experimentation — organic.

Q29. A cost-minimisation strategy calls for which structure?

A. Organic

B. Mechanistic

C. Circular

D. Virtual

Answer: B. Efficiency and volume favour tight, standardised mechanistic design.

Q30. An imitation strategy is best served by …

A. Pure organic

B. Pure mechanistic

C. A mix of both

D. No structure

Answer: C. Mechanistic for proven products, selective organic for adaptation.

Q31. Larger organisation size pushes structure toward …

A. Less formalisation

B. More formalisation and specialisation

C. Pure organic

D. No hierarchy

Answer: B. Coordinating many people requires rules and hierarchy small firms don't need.

Q32. Routine technology pushes toward …

A. Organic

B. Mechanistic

C. Matrix

D. Circular

Answer: B. Same inputs → same outputs (assembly line) suits mechanistic design.

Q33. A stable environment pushes toward …

A. Organic

B. Mechanistic

C. Virtual

D. Team-based

Answer: B. Predictable conditions allow long planning horizons and tight structure.

Q34. Downsizing is best defined as …

A. A temporary pay cut

B. A systematic, permanent workforce reduction as redesign

C. Hiring freeze

D. Outsourcing only

Answer: B. It is an architectural decision, not a short-term cost measure.

Q35. ‘Survivor syndrome’ appears when firms …

A. Redesign work thoughtfully

B. Cut payroll without redesigning the work

C. Hire more staff

D. Decentralise

Answer: B. Remaining staff carry more burden, morale drops, knowledge leaves.

Q36. High formalisation tends to …

A. Raise initiative in novel situations

B. Reduce errors in routine work but cut initiative in novel ones

C. Have no behavioural effect

D. Increase turnover always

Answer: B. Rules cut routine errors but suppress going-beyond-the-role.

Q37. Decentralisation is associated with higher satisfaction and commitment, but only when employees …

A. Are paid hourly

B. Feel genuinely capable of the responsibility

C. Work remotely

D. Have one boss

Answer: B. Autonomy motivates only if people feel able to handle it.

Q38. High need-for-clarity individuals perform best in …

A. Organic structures

B. Mechanistic structures

C. Matrix structures

D. Virtual structures

Answer: B. They prefer defined roles and rules; high need-for-autonomy people prefer organic.

Q39. In The Restaurant, Stage 1 (three people do everything) is a …

A. Matrix

B. Simple Structure

C. Bureaucracy

D. Divisional structure

Answer: B. Flat, centralised, low-formalisation — like a kirana store.

Q40. Jones's span of control was first exceeded around …

A. Stage 1

B. Between Stage 2 and Stage 3

C. Stage 4 only

D. Never

Answer: B. Growth meant he could no longer supervise everyone, forcing the first management layer.

Q41. At Stage 3 Jones's hardest new requirement was supervisors with …

A. Technical skill

B. Human-relations skill (hard to measure)

C. Lower pay

D. More tenure

Answer: B. Technical skill is testable; the ability to motivate and manage conflict is much harder to assess.

Q42. Jones's central Stage 4 dilemma is …

A. Where to buy food

B. Standardisation vs morale/culture

C. How to advertise

D. Whether to franchise

Answer: B. Gaining the benefits of formalisation without losing the warmth that built loyalty.

Q43. The recommended Operations Manager role mainly provides …

A. More specialisation

B. A formal cross-functional coordination bridge

C. Lower payroll

D. Customer departmentalisation

Answer: B. It owns the kitchen-to-customer handoff and resolves cross-departmental disputes.

Q44. A new problem the recommended restaurant structure can create is …

A. Single point of failure

B. Bureaucracy creep / silo formation

C. No coordination

D. No training

Answer: B. Rules can become ends in themselves and departments can blame each other.

Q45. Acme and Omega differ most fundamentally in their …

A. Product

B. Market

C. Structural philosophy (mechanistic vs organic)

D. City

Answer: C. Same parent/product/market/city — opposite structures, by deliberate choice.

Q46. Rawls bans written memos at Omega because he believes …

A. Email is expensive

B. Org charts and memos build artificial barriers between specialists

C. Staff can't write

D. Memos are illegal

Answer: B. He wants people to walk over and talk, dissolving departmental boundaries.

Q47. Acme's 'one-man band' problem is a downside of …

A. Decentralisation

B. High centralisation

C. Low formalisation

D. Wide spans

Answer: B. Concentrated decisions create a bottleneck and starve managers of information.

Q48. The honest verdict on 'which structure is better, Acme or Omega?' is …

A. Acme always

B. Omega always

C. It depends on the environment/contingencies

D. Neither works

Answer: C. Mechanistic wins in stable settings; organic wins when the environment changes.

Q49. Omega's most valuable organisational asset is …

A. Higher profit

B. Cross-functional understanding and adaptability

C. Strict rules

D. A clear org chart

Answer: B. Breadth and distributed knowledge make it more adaptable, if less profitable now.

Q50. ‘Structure is strategy made visible’ means …

A. Strategy is irrelevant

B. Reporting lines and rules are leadership choices shaping what the org can do

C. Charts are decoration

D. Structure never changes

Answer: B. Design decisions determine capability, speed and who wants to work there.

Q51. The Udupi-franchise analogy (every outlet identical, idli always the same) describes …

A. Omega’s organic structure

B. Acme’s mechanistic structure

C. A matrix

D. A virtual structure

Answer: B. Fixed, documented, identical process is mechanistic — Acme.

Q52. The ‘Zerodha/Razorpay in their first fifty people’ analogy describes …

A. Acme’s mechanistic structure

B. Omega’s organic structure

C. A bureaucracy

D. Indian Railways

Answer: B. Blurred roles, everyone talking to everyone, fast rearrangement is organic — Omega.

Q53. In the professor’s three-dimension map, ‘complexity’ is made up of horizontal differentiation, spatial differentiation and …

A. Centralisation

B. Vertical differentiation (number of layers)

C. Formalisation

D. Socialisation

Answer: B. Complexity = horizontal (division of labour) + vertical (layers) + spatial (locations).

Q54. ‘Horizontal differentiation’ is the professor’s exam term for …

A. Number of hierarchy layers

B. Division of labour / specialisation across jobs

C. Geographic spread

D. Decision location

Answer: B. Horizontal = specialisation across jobs; vertical = layers; spatial = geography.

Q55. The Strategic Constituencies model says an organisation structures itself around …

BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Its oldest employees

B. Whoever is most critical to its survival

C. The largest department

D. Government rules only

Answer: B. Regulated US airlines elevated lawyers because winning routes was the survival issue.

Q56. US airlines once being run by lawyers illustrates that … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Lawyers make the best CEOs

B. the survival-critical function rises to the top (strategic constituencies)

C. airlines avoid regulation

D. structure doesn't matter

Answer: B. When route rights decided success, legal expertise became the constituency that ran the firm.

Q57. A key point about effectiveness measures is that they … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Always move in the same direction

B. Often pull in different directions across stakeholders

C. Are the same for all firms

D. Don't matter to structure

Answer: B. Employee, customer, shareholder and compliance goals frequently conflict.

Q58. The learning curve behind specialisation shows that performance gains …

A. Rise forever

B. Rise then taper off (diminishing returns)

C. Never rise

D. Fall immediately

Answer: B. Early effort yields fast gains, then performance flattens, the basis for specialisation's ceiling.

Q59. Job enlargement differs from job enrichment/enhancement in that enlargement …

A. Gives part of the boss's job

B. Adds more tasks of the same level (which may not motivate)

C. Removes tasks

D. Cuts pay

Answer: B. Enlargement = more same-level tasks; enrichment/enhancement adds higher-level responsibility.

Q60. The Parliament Street post office single-window experiment showed that reducing strict specialisation …

A. Cut satisfaction

B. Raised both throughput and employee satisfaction

C. Had no effect

D. Only helped customers

Answer: B. Single-window cut queues and raised satisfaction, task variety helped employees too.

Q61. The professor argued the dying justification for supervision is … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Coordination

B. Control

C. Mentoring

D. Quality

Answer: B. Control (keeping tabs) is increasingly hard to justify; coordination still adds value.

Q62. 'In-process quality control' means … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. A separate inspector at the end of the line

B. each next step checks the previous step's quality

C. No quality checks

D. Only the manager checks

Answer: B. It replaces end-of-line inspection, so fewer dedicated controllers are needed.

Q63. The KFC vs 'Kasma Fried Chicken' example makes the point that … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Branding wins

B. hierarchy costs money, so each layer must add value

C. franchises always lose

D. food quality is irrelevant

Answer: B. Extra managerial layers raise overheads, letting a leaner rival undercut on price.

Q64. A narrow span of control produces a … hierarchy; a wide span a … one.

A. flat; tall

B. tall; flat

C. circular; matrix

D. virtual; team

Answer: B. Fewer reports per manager means more layers (tall); more reports means fewer layers (flat).

Q65. In the fly-in-the-soup example, ‘controlling the premises of the decision’ means …

BEYOND TEXTBOOK · CLASS ENRICHMENT

A. The manager decides every case

B. letting waiters comp up to 5 soups freely, then reviewing

C. banning free soup

D. escalating every complaint

Answer: B. It is decentralised and bounded at once, autonomy within a tracked limit.

Q66. Karl Weick’s idea of ‘enactment’ holds that … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. The environment is objective and fixed

B. there is no single objective environment; we see what we’re trained and motivated to see

C. managers ignore the environment

D. only data matters

Answer: B. Training and self-interest shape perception, so firms read the same facts differently.

Q67. Boundary spanning is primarily about the boundary between …

A. Two employees

B. the organisation and its environment

C. two soups

D. HR and payroll

Answer: B. Boundary spanners (HR, sales, top management) read and interpret the outside world.

Q68. The three routes to standardisation the professor gave are formalisation, professional socialisation and …

BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Coercion

B. Socialisation (values-led induction)

C. Downsizing

D. Centralisation

Answer: B. Socialisation (e.g. MindTree, Four Seasons, Udupi) builds consistency through culture, not rules.

Q69. Structural inertia explains why …

A. Rules are easy to remove

B. rules accumulate over time because adding is easier than deleting

C. organisations never change

D. structure has no downside

Answer: B. Stability brings resistance; old rules linger as new ones are added, breeding bureaucracy.

Q70. Theory Y (McGregor) assumes that …

A. People dislike work and must be controlled

B. people will work if the work is fulfilling

C. only money motivates

D. supervision must increase

Answer: B. Theory Y underpins self-managed teams; poor effort signals bad job design, not laziness.

Q71. Toyota's Jidoka (andon cord) illustrates … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Maximum supervision

B. authority pushed to the front line (any operator can stop the line)

C. end-of-line inspection

D. centralised decisions

Answer: B. Trusting the operator to halt production shows decentralised authority and quality ownership.

Q72. Theory Z / the Japanese value order cited (country>company>family>individual) helped explain …
BEYOND TEXTBOOK · CLASS ENRICHMENT

A. High supervision costs

B. low supervision costs and high performance

C. weak quality

D. matrix conflict

Answer: B. People worked without being watched, cutting the need for supervision.

Q73. 'Weaponised incompetence' means … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Genuine lack of skill

B. pretending you can't do a task so you're never asked to

C. advanced expertise

D. cross-training

Answer: B. It is turf protection; the professor stressed most skills can in fact be learned.

Q74. Differentiation must be balanced by integration, where integration includes …

A. More silos

B. cross-functional teams and superordinate goals

C. fewer meetings

D. more rules only

Answer: B. Integration (teams, all-hands, shared goals) pulls specialised units back together.

Q75. ‘Casualisation’ and the resulting ‘precarity’ refer to …

A. More permanent jobs

B. the shift to switch-on/switch-off gig labour and the insecurity it creates

C. higher pay

D. stronger unions

Answer: B. Casualisation drives the gig economy; precarity is its social cost (e.g. delayed families).

Q76. ‘Exploitation’ (vs exploration) means an organisation is good at …

A. Inventing brand-new things

B. doing known work cheaper, better, faster

C. ignoring customers

D. avoiding all structure

Answer: B. Exploitation = refining the known (Acme); exploration = inventing the new (Omega).

Q77. In the photocopier contract, Omega delivered on time with zero defects mainly because …

A. It had more staff

B. department heads decided together and everyone owned the whole product

C. it ignored quality

D. it had lower bids

Answer: B. Organic collaboration caught the cable error and solved the missing-part problem fast.

Q78. Acme shipped late with defects largely because …

A. Its staff were unskilled

B. everything routed through Tyler and people stayed in their silos

C. it had no deadline

D. Omega sabotaged it

Answer: B. Centralised, siloed working created bottlenecks and turf wars under time pressure.

Q79. ‘Ambidexterity’ in organisation design means being able to …

A. Only cut costs

B. do both exploitation and exploration at once

C. avoid mergers

D. centralise fully

Answer: B. Modern firms must exploit the known and explore the new simultaneously.

Q80. Toyota's reduction of setup/changeover time helped create ...

A. Pure cost leadership only

B. mass customisation (variety AND low cost)

C. craft customisation

D. higher defects

Answer: B. Cutting changeover time broke the old customised-costly vs standardised-cheap trade-off.

Q81. 'It's lonely at the top' (the John Tyler / Roman Catholic Church point) means ...

BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Bosses are introverts

B. centralisation makes the org expect the boss to know everything, which no one can

C. top jobs pay less

D. hierarchy is illegal

Answer: B. God-like omniscience is projected onto the hierarchical superior, an impossible expectation.

Q82. The investor-vs-employee paradox (Friedman's Walmart test, CMC Limited) shows that ...

BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Employees and investors always agree

B. we prefer to WORK at Omega but INVEST in Acme, so the world drifts toward Acme

C. investors fund Omega

D. money never matters

Answer: B. When the two expectations conflict, the investor usually wins, eroding work-life balance.

Q83. Most mergers (e.g. a hypothetical Acme + Omega) fail because of ... BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Lack of capital

B. cultural mismatch between the two organisations

C. too few customers

D. government rules

Answer: B. Complementary skills on paper are undone by clashing cultures; shareholder value often falls.

Q84. Why does ambidexterity stay hard in practice? BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Exploration is illegal

B. best people, career paths and rewards all gravitate to exploitation (the known, revenue-earning work)

C. exploitation is unprofitable

D. no one wants to innovate

Answer: B. The future (exploration) is starved because incentives and talent flow to the present.

Q85. ‘Delegation’ differs from ‘relegation’ in that delegation … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Just dumps work on someone

B. prepares people, gives resources, praises and corrects

C. avoids giving work

D. centralises decisions

Answer: B. Relegation is offloading the monkey; delegation is genuine empowerment with support.

04

Organisational Change & Stress

The moment every leader faces · Robbins, Judge & Vohra, Ch. 16

You can see clearly that something must change, and the organisation simply… doesn't. We cover the six forces that push organisations to change, why people resist (and why a little resistance is healthy), the eight tactics to win people over, the playbooks (Lewin, Kotter, action research, OD), what makes an organisation change-ready, and stress — change's shadow. Jess Westerly at Kauflauf — a brilliant analyst whose change initiative failed for every reason the chapter predicts — runs underneath.

PICKING UP THE THREAD

We have built the whole picture: the motivated **person** (Chapter 1), the **group** they work in (Chapter 2), and the **structure** that holds it all together (Chapter 3). Every one of those was described as if it sits still. It doesn't. Markets move, technology shifts, people leave, and the comfortable structure that fit yesterday becomes the cage that traps you today. This final chapter sets the entire system in motion, and you will see every earlier idea come back: motivation (why people cling to the old way), groups (why teams hold each other in place), and structure (why the org's own machinery resists). If change is where leadership is truly tested, it is because change is where all three earlier layers get tested at once.

4.1 Why change is so hard

Organisations rarely fail because nobody saw the change coming. They fail because seeing it and doing something about it are two different problems. The first is analysis; the second is people.

REAL-WORLD EXAMPLE — THE KIRANA STORE AND THE BILLING APP

A shop owner's son installs a billing app: faster billing, automatic stock alerts, clean GST records — better in every way. Yet for months the owner keeps the notebook going on the side, calls the app "too slow," and bills regulars the old way when the son isn't watching. Nothing is wrong with his intelligence. What's under threat is his habit, his sense of mastery, and his identity as the person who knows this shop best. That, in one image, is the whole chapter.

KEY INSIGHT

Change management is not about convincing people the new thing is better. It is about managing the **loss of the old thing** — habit, status, competence, relationships. The kirana owner doesn't doubt the app; he mourns the notebook.

4.2 Six forces that push organisations to change

Force	What it is & example
Changing workforce	More diversity, aging, immigration, outsourcing — one-size-fits-all hiring and motivating stops working. One manager now leads a fresh graduate, a 55-year-old veteran, two remote colleagues and a vendor's staff, each motivated differently.
Technology	Quietly makes a skill obsolete — it changes customers and competitors first, then changes you. UPI: the shopkeeper who fought billing software now can't survive a day without a QR code.
Economic shocks	Events no plan predicted. Demonetisation hit at 8pm; by morning every cash business needed a new way of working. COVID turned WFH from perk to survival in a week.
Competition	Rivals from anywhere; mergers double their size overnight. 10-minute grocery apps didn't win on price — they changed what "buying" feels like.
Social trends	Society's values shift — environmental awareness, work-life balance. Customers now ask about fair wages; candidates ask about balance in the first interview.
World politics	Distant decisions land on your order book — a Washington tariff changes Tiruppur textile orders within a week; a war reroutes shipping and raw-material costs.

Two terms that organise the chapter

Planned change is intentional, goal-oriented change (as opposed to change that just happens to you). It has two goals: improve the organisation's ability to adapt, and change how employees actually behave — because an organisation has only changed when its people start doing things differently. A new strategy document changes nothing; new Monday-morning behaviour changes everything. **Change agents** are the people who act as catalysts and take responsibility for the change — managers or not, insiders or outsiders. Boards often hire outsiders for big transformations precisely because outsiders aren't trapped by old loyalties. (Hold that thought: Jess Westerly is a textbook change agent — an outsider, brand new, hired to push growth.)

LEADER'S LENS

Run your unit through the six forces once a quarter. Leaders who name the rising water level early get to do *planned* change; those who don't end up doing damage control with the same effort six months later.

4.3 Why people resist — and why that's useful

A little resistance is healthy: it brings stability, sparks real debate, and often surfaces genuine flaws in the plan. Resistance becomes dangerous only when it goes underground. The first big distinction is **loud vs silent** resistance. Loud (overt, immediate) resistance — complaints, pushback in the meeting — is visible, so you can engage it. The killer is **silent (implicit, deferred)** resistance: loyalty quietly drops, motivation fades, errors and absences creep up, and months later one small change becomes "the straw that breaks the camel's back."

REAL-WORLD EXAMPLE — THE TOWNHALL WHERE EVERYONE NODDED

A new process is announced. The townhall goes smoothly — no hard questions, plenty of nodding. Three months later adoption is near zero, workarounds are everywhere, and two good people have quietly started interviewing outside. Nobody ever objected — because the objection went underground on day one. The nodding *was* the resistance.

Five sources of resistance inside people

Source	What it is
Habit	We run the day on autopilot; changing a routine forces conscious effort, which is tiring — so the mind votes for the old way.
Security	"Will I still matter here?" High need-for-safety people resist the threat they hear, not the technology.
Economic fear	"I'm good at the old way and my pay depends on it; what if I'm worse at the new way?" Strongest where rewards track productivity.
Fear of the unknown	Humans prefer a familiar problem to an unfamiliar promise — why people stay in jobs they dislike.
Selective hearing	We filter information to protect the world we've built — reading the slide that says our region is fine, skipping the one that says the model is dying.

Five sources of resistance inside the system

Source	What it is
Structural inertia	Organisations are machines for producing sameness — the same checks and audit trails that create stability defend the old way like antibodies. (The more mechanistic the structure, the heavier this inertia.)
Limited focus of change	Subsystems are interconnected like a baby's mobile — change one without the others and the system pulls it back. Half-changes don't survive.
Group inertia	Even when an individual privately agrees, group norms hold them in place. People follow each other, not just rules.
Threat to expertise	A change that makes a new skill important devalues masters of the old skill — which is why your strongest people sometimes resist hardest (senior on-premise experts vs cloud).
Threat to power	Whoever controls a decision today resists any change that moves it elsewhere. The fight is rarely about the topic — it's about who decides. (The engine of the Jess Westerly case.)

REAL-WORLD EXAMPLE — THE HOUSING SOCIETY AGM

Watch any housing society's annual general meeting and you see the politics of change in miniature: the loudest defenders of "how we've always done it" are the long-serving committee members whose influence flows from the existing arrangements. Note the double edge for our case — Jess Westerly has the perfect profile to *initiate* change (new, outsider, nothing invested) and exactly the profile with zero political capital to spend when the resistance arrives.

LEADER'S LENS

Before announcing any change, write two lists: 'who loses a habit' and 'who loses power or status.' The first needs training and time; the second needs a conversation *before* the announcement, not after. And treat silence in the townhall as your most important data point, not as agreement.

4.4 Winning people over — the eight tactics

Picture a ladder: the top five build change *with* people; the bottom three do change *to* people. The lower you go, the faster it works — and the more it poisons the well for every future change.

#	Tactic	The idea & the catch
1	Communication	Explain the logic honestly, before and during — people fill an information vacuum with worst-case rumours. *Catch:* only fixes resistance from misunderstanding; if people understand and still lose something, talking more won't help.
2	Participation	It's hard to fight a decision you helped make — their fingerprints become their commitment (Toyota's kaizen). *Catch:* slower, and you must be genuinely willing to let the plan change; fake participation is worse than none.
3	Build support & commitment	Counselling and new-skills training convert "I can't" into "I can"; run training *before* go-live.
4	Positive relationships	People accept change from leaders they trust — trust is a bank account, filled in normal times; a change is a big withdrawal. *Catch:* the account must be full *before* announcement day.
5	Implement fairly	Same rules for all, reasons explained, process transparent — people accept a hard outcome from a fair process (leaders taking the first cuts). *Catch:* one visible exception destroys the whole effort.
6	Manipulation & cooptation	**Crossing the line.** Manipulation is covert influence; cooptation buys off resistance leaders with a fake important role. *Catch:* detonates the moment people realise they were played — credibility drops to zero, permanently.
7	Select people who accept change	Some people are simply more adaptable — staff change-heavy roles with them. *Catch:* does nothing for the rollout you're struggling with this quarter.
8	Coercion	Direct pressure ("accept this or face a transfer"). *Catch:* fastest tactic, highest interest later — surface compliance, underground disengagement, and people remember.

KEY INSIGHT — HONEST COOPTATION EXISTS

Giving your loudest credible critic a *real* design role — with actual power to change the plan — is participation. Giving them a fake seat is manipulation. The difference is whether you're willing to be changed by them.

4.5 The playbooks

FROM THE CLASSROOM — THE THREE QUESTIONS OF ANY CHANGE: CONTENT, PROCESS, CONTEXT

Before any model, Prof. Jha gave the class a frame to carry into the exam: every change effort must answer three questions, **what is to be changed (content)**, **how it is to be changed (process)**, and **where it is being changed (context)**. Jess Westerly's core error was assuming that because her redesign worked at her last company, it would work here, ignoring that the **context** was completely different. Hold these three; the rest of the chapter hangs off them.

- **Content** — who actually knows what should change? Often the insiders (the field consultants), not the outside expert. Bring them in.
- **Process** — how you change it (Lewin / Kotter below); ranges from "expert tells you" to participative.
- **Context** — the same change won't work everywhere; even one branch differs from another.

FROM THE CLASSROOM — EXPERT VS PROCESS CONSULTATION (EDGAR SCHEIN)

Jess arrived as **the expert** ("here is the answer"), which invites everyone to prove she's wrong ("you don't understand our Asian clients"). Edgar Schein's **process consultation** is the alternative: the client system knows its own work best, and the consultant's job is to help it ask itself the right questions. Had Jess framed it as "we're doing well, how do we reach the next level?" and let respected consultants who *had* served large clients make the case, it stops being an us-vs-them fight and her credibility problem disappears. Expert mode fits only when the outsider genuinely holds knowledge the insiders lack (e.g. entering a brand-new market).

— don't arrive with the answer; help the organisation find its own

Lewin's three steps: melt, mould, freeze

Change succeeds in three steps: **unfreeze** the status quo, **move** to the new state, **refreeze** so it sticks. You can't reshape an ice cube by pushing it — melt it, pour it into the new mould, freeze it, or it melts back into the puddle of old habits. The New Year resolution: the doctor's report is the unfreeze, the gym is the movement, and refreezing (the fixed slot, the gym buddy) is the part we skip — which is why it's over by March.

FROM THE CLASSROOM — WHO LEWIN WAS, AND 'CREATING A BURNING PLATFORM'

The professor gave the human backstory: **Kurt Lewin** was a German-Jewish social psychologist who fled Nazi Germany, and spent his life on the question of how to *change attitudes* (toward race and prejudice), as urgent then as now. His model says any situation is an **equilibrium** held by opposing forces; to move it you must first **unfreeze**, i.e. **create the need for change**. Kotter's phrase for this is **"creating a burning platform"** (his accessible little book is *Our Iceberg Is Melting*). Jess's failure was skipping unfreezing entirely, she could have asked leadership to present her data at the company's annual meeting and let the whole firm feel the need, instead of assuming what was obvious to her was obvious to all. (A trap for technical experts: they think "2+2 is always 4," but in organisations 2+2 is "how much do you want it to be?")

— no change moves until someone makes standing still feel unsafe

Lewin's second gift is the **force-field** idea: the status quo is a car held still with accelerator and brake pressed together. **Driving forces** push toward change; **restraining forces** hold it back. Most managers press the accelerator harder (more targets, more emails) while the brake (fear, capacity gaps, unclear benefits) stays on. The smarter, cheaper move is usually **releasing the brake** — and the strongest restraining force is **past success** ("why fix what isn't broken?" is loudest in winning companies).

> **KEY INSIGHT — ALL CHANGE MODELS TRACE BACK TO LEWIN**
>
> The professor's claim: there are "as many change models as there are consultants" (everyone invents a branded X-Y-Z model to charge for it), but **every one is a reworking or expansion of Lewin's unfreeze–move–refreeze**. Kotter's 8 steps are simply Lewin fleshed out (steps 1–4 = unfreeze, 5–7 = move, 8 = refreeze). Learn Lewin deeply and you can decode any model you meet.

Kotter's eight steps: Lewin with a checklist

Kotter turned Lewin into an operating manual — steps 1–4 unfreeze, 5–7 move, 8 refreezes:

#	Step	In one line
1	Create urgency	Make 'why now' so vivid that standing still feels riskier than moving.
2	Form a powerful coalition	Recruit formal bosses *and* informal influencers; a CEO-only change is one resignation from dying.
3	Create a vision	One picture simple enough to repeat at the chai stall.
4	Communicate the vision	Everywhere, two-way; people believe what leaders repeat *and* do.
5	Empower others, remove barriers	Fix the appraisal, budget and approval systems that punish the new behaviour.
6	Create short-term wins	People follow evidence, not promises — engineer and publicise early victories.
7	Consolidate and keep moving	'Declaring victory too soon' is a classic killer; the old culture flows back.
8	Anchor it in the culture	Keep linking new behaviour to success until it's 'how we do things here.'

> **KEY INSIGHT**
>
> More than half of Kotter happens **before anything visibly changes**. Most failed change skipped steps 1–4, not 5–8 — which is exactly the autopsy of Jess Westerly's June memo. (Satya Nadella's Microsoft turnaround is the textbook walk-through: honest urgency, a rebuilt coalition, 'cloud-first, mobile-first,' scrapping stack ranking, publicising Azure's wins, anchoring 'growth mindset' for a decade.)

Action research: let the data choose the solution

Planned change run like the scientific method, in five steps: **diagnosis** (gather problems from the people themselves), **analysis** (find patterns), **feedback** (share findings and co-develop the plan), **action** (carry it out together), **evaluation** (measure against the initial data). Two benefits: it is *problem-focused* — the problem picks the solution, instead of a manager arriving with a favourite solution hunting for a problem — and because people participate from diagnosis onward, resistance falls before the change even starts.

Organisational Development (OD): the human-centred toolkit

Tool	What it does
Sensitivity training	Unstructured group interaction that mirrors how others actually experience you (today: diversity training, executive coaching).
Survey feedback	The engagement survey done right — results shared, discussed, converted into commitments; the discussion is the intervention.
Process consultation	A consultant who coaches the manager to diagnose their own workflow issues, so the skill stays after they leave.
Team building	High-interaction trust work — shared goals, role clarity, honest review (Kohli's team playing paintball before a World Cup opener).
Intergroup development	Fixing 'sales thinks ops is slow.' Each group writes how it sees itself and the other, then compares — most of the war is stereotype.
Appreciative inquiry	Starts from 'when were we at our best?' not 'what's broken?' Four Ds: Discovery, Dreaming, Design, Destiny.

4.6 Change-ready organisations

The best organisations don't treat change as an event — they build the capacity for it. **Managing paradox**: leadership means holding tensions that never fully resolve (build on the past while letting go of it; empower while keeping order) — like a bicycle, balance exists only with forward momentum. **Stimulating innovation** needs four conditions: organic structures, rewards tied to innovation, slack resources to absorb failure, and heavy cross-boundary communication — plus **idea champions** who fight an idea through resistance. **The learning organisation** has the continuous capacity to adapt — shared vision, willingness to discard old routines, systems thinking, open communication, and personal agendas subordinated to the common goal — the antidote to fragmentation, internal competition and reactiveness.

> **KEY INSIGHT — CONNECT TO CHAPTER 3**
>
> Organic, Omega-style structures innovate; mechanistic, Acme-style structures execute. A change-ready organisation deliberately keeps pockets of 'organic' alive inside the machine — a loose, exploratory team running alongside the strict process-driven one.

4.7 Stress: change's shadow (not taught for the exam — included for completeness)

> **REAL-WORLD EXAMPLE — KAROSHI: WORKING ONESELF TO DEATH**
>
> Naoya Nishigaki joined a large Japanese telecom straight out of college. He worked until the last train; when he missed it, he slept at his desk; once he worked 37 hours straight. Within a few years he was dead — ruled a case of **karoshi**, the Japanese term for death from overwork. The chapter pairs change with stress deliberately: change is one of the biggest stress generators in working life, and stress is not an HR poster topic — it is a leadership responsibility.

Stress is a condition where you face a demand or opportunity whose outcome is both uncertain and important. It lives in the gap between **demands** (deadlines, reviews) and **resources** (skills, support, control). High demands with high

resources feel like a **challenge**; high demands with low resources feel like drowning. Stressors are **additive** — each new one stacks on the pile, which is why a trivial request can trigger a disproportionate reaction.

The crucial split: **challenge stressors** (workload, time pressure on meaningful work) push you toward goals and can energise; **hindrance stressors** (red tape, office politics, unclear responsibilities) block you from goals and only corrode. Same racing pulse, opposite effect. A leader's job is not to remove all pressure — it's to strip out the hindrance so the challenge is what remains.

Source bucket	What's in it
Environmental	Economic, political and technological uncertainty — reaches your team whether discussed or not.
Organisational	The job itself, and the part a leader can fix: **task demands** (design, deadlines, no autonomy), **role demands** (role conflict, overload, ambiguity — the most underrated stressor), **interpersonal demands** (no support, an abusive supervisor). One study found simply being treated unfairly measurably raised people's **cortisol** — unfair treatment is not just bad manners, it is a physiological event.
Personal	Family and money issues that walk in every morning — even high earners report money trouble (overextension scales with income).

Stress shows up in the **body** (headaches, blood pressure, fatigue), the **mind** (anxiety, irritability, procrastination) and **behaviour** (falling productivity, rising absences and attrition) — and the behavioural symptoms are a leader's dashboard, because you can't see blood pressure but you can see absences creeping up. Two more ideas: **allostasis** (we find stability by continually adjusting; the cumulative wear is **allostatic load**) and the **inverted-U model** (low-to-moderate stress may help, excessive collapses — popular but weakly supported, so use carefully). Individual differences moderate all of it: perception (the same layoff terrifies one person and frees another), experience, **social support** (the best-documented buffer in the whole stress literature) and personality (neurotics feel more stressors; **workaholics** burn toward work-life conflict). Culture shapes it too: one study found US employees stressed by lack of control while Chinese employees were stressed by job evaluations and lack of training — and in collectivist cultures extra hours read as sacrifice *for* the family, in individualist ones as time taken *away* from it.

> **REAL-WORLD EXAMPLE — SAME DEADLINE, TWO KINDS OF STRESS**
>
> Two teams face the same release date. Team A is stretched but energised — the goal matters, ownership is clear, blockers get cleared in hours (challenge stress). Team B is exhausted — nobody's sure who owns what, three approvals are pending, a turf war eats every standup (hindrance stress). The deadline was identical. The leadership wasn't.

Managing stress — two levels

Individual: time management, non-competitive physical exercise, relaxation techniques (even 20 minutes produces measurable change), and social support. **Organisational / leader:** selection and training for high-stress roles, goal-setting (clarity itself reduces stress), job redesign (more autonomy — but remember some people prefer routine), employee involvement, regular communication (cuts role ambiguity), sabbaticals (Infosys, TCS, Accenture and others offer extended voluntary leave, which helps most when the person fully detaches), and wellness programmes — at the Philips Innovation Centre in Bangalore employees credit daily yoga for proactivity, and a meta-analysis of 36 wellness programmes found genuinely reduced stress — but they work only when leaders visibly participate, not just approve the budget.

LEADER'S LENS

Audit your team's stress like a P&L: list the top five stressors, mark each C (challenge) or H (hindrance). Protect the Cs and kill the Hs — and most Hs are within your signature: unclear ownership, duplicate reporting, approval loops. Role ambiguity is the cheapest stressor to fix and the one leaders create most.

4.8 The case as concept-clarifier: Jess Westerly at Kauflauf

HOW TO USE THIS CASE

Jess Westerly — 29, American, an outsider hired to push growth — joined Kauflauf (a Heidelberg SaaS firm with an anti-hierarchical, relationship-driven culture and salaried field consultants who rank money *last* among motivators). Her analysis was excellent: only 35% of consultants' time went to customers producing 85% of revenue, and shifting 20% of time from small to large clients would lift revenue at least 30%. On 14 June 2011, three months in, she emailed the whole field force a directive memo. It failed completely — and every reason maps to this chapter.

Concept	How it appears
Change agent (outsider)	Perfect political profile to *initiate* change — new, nothing invested — but zero political capital to spend when resistance arrived.
No unfreezing (Lewin)	She jumped straight to 'movement' — a memo changes information, not behaviour.
Skipped Kotter 1–4	No urgency (Kauflauf was winning — past success is the strongest brake), no coalition (one boss's approval; the sales chief found out as a cc), no co-created vision, one-way communication.
Threat to power	Call patterns were the consultants' own decision; a new assistant product owner just took it — the engine of the resistance.
Threat to expertise / identity	Many FCs joined Kauflauf precisely to escape big-account selling.
Limited focus of change	Development capacity genuinely couldn't support more large-client work; she changed one subsystem and the rest snapped it back.
Silent resistance	Roeder found the FCs who never replied more troubling than the ones who shouted.
Some resistance = free consulting	At least two replies were legitimate warnings about capacity and territory mix, not wounded pride.
Action research skipped	Her diagnosis was superb, but *feedback* — sharing findings and co-developing the plan with the field — never happened.
Content / Process / Context	She got the **content** roughly right but ignored **context** (this firm differs from her last) and botched **process** (a memo, not participation).
Expert vs process consultation	She arrived as the **expert**, inviting everyone to disprove her ("you don't know our clients"); Schein's process-consultation framing would have dissolved the us-vs-them.
Wrong messenger / no credibility	The directive went out under *her* name from *her* ID, so she, not her boss, absorbed all the blame when it failed.
Double minority	Non-German and a young woman in a formerly all-male field force, an outsider on several axes at once, raising the credibility bar further.
Self-set vs assigned goals	Call patterns were the consultants' own decisions; imposing a target removed their ownership, and self-set goals command far more commitment.

FROM THE CLASSROOM — WHO EVEN WANTED THIS CHANGE?

A subtle point the professor drew out: Kauflauf was **winning** (outperforming SAP and Oracle in its niche), so the firm didn't feel it needed change. The push came not from a market need but from the **"grown-ups"**, the professional managers (like Jess's boss) brought in to bring order to a founder-led, money-isn't-the-motivator culture (he likened it to the outside money and managers who entered *housing.com*). To the field consultants, the directive read as "who is this American imposing her last company's playbook on us?" — people reach for the tool they *can* use, not the one the situation needs.

— change imposed without a felt need reads as an outsider's vanity project

FROM THE CLASSROOM — TWO PARADOXES OF WHEN TO CHANGE

Insider vs outsider: an outsider *sees* the need for change more readily (comparing against the outside world), but an insider *knows* better what will actually work, so an outsider risks throwing the baby out with the bathwater. The fix is to pair outside diagnosis with insider knowledge (bring the consultants who've served big clients onto your side). **Doing well vs doing badly:** when a firm is winning, its *capability* to change is high (a failed attempt can be brushed off) but the *felt need* is low; when it's losing, the need is obvious but capability collapses, each failed fix triggers a **downward spiral** where blame paralyses decision-making and the organisation can spin down to dissolution (Kodak survives now only as a licensed brand name). The sweet spot is to change *while* still strong, which is exactly why unfreezing a winning firm is so hard.

— change while you're strong; the need is lowest exactly when the ability is highest

WHAT SHE SHOULD DO NEXT

Run it as a real change process: **unfreeze** with the data as a shared problem at a Heidelberg meeting, build a deliberate coalition (Kristoff co-sponsoring, RSDs as co-owners, respected big-account FCs as peer champions), and repair her standing by spending weeks in the field. **Move** by fixing the system the FCs themselves named (ring-fenced development capacity, fast lead qualification, a big-account playbook), flexing the target by territory, and piloting with volunteers for quick wins. **Refreeze** into territory plans, reviews and onboarding — recognising wins the Kauflauf way (pride and storytelling, not cash, which this sales force demonstrably doesn't run on). The one thing she must *not* do: send another mass directive, or reach for compensation as the first lever.

4.9 Six takeaways

- **Organisations don't resist change; people protect what change threatens** — habit, competence, identity, power. Diagnose the loss before you announce the gain.
- **Silence is more dangerous than shouting** — quiet non-compliance kills change after the applause fades.
- **Melt before you mould, freeze after you mould** — most failed change skipped the unfreezing (Kotter 1–4), not the execution.
- **Release the brake before pressing the accelerator** — removing fear and unclear ownership beats adding targets and emails.
- **Some resistance is free consulting** — build a channel for dissent, or it arrives as reply-all anger.
- **Being right is the entry ticket, not the victory** — data wins approval upward; relationships, participation and working systems win adoption downward.

MCQ Bank 4 • Organisational Change & Stress (Ch. 16)

Answer and one-line reason under each question. Amber BEYOND TEXTBOOK = class enrichment; red NOT IN EXAM SCOPE marks stress (the professor did not teach the stress section for the exam).

Q1. The kirana owner keeping his notebook despite a better billing app shows that change management is really about …

A. Proving the new tool is better

B. Managing the loss of the old (habit, mastery, identity)

C. Buying better software

D. Hiring younger staff

Answer: B. People mourn the old thing; the resistance isn't about the tool's merits.

Q2. Which is NOT one of the six forces for change?

A. Changing workforce

B. Technology

C. Economic shocks

D. Stable suppliers

Answer: D. The six are workforce, technology, economic shocks, competition, social trends, world politics.

Q3. Demonetisation hitting cash businesses overnight is an example of which force?

A. Competition

B. Economic shock

C. Social trends

D. Technology

Answer: B. An unpredicted event that instantly forces new ways of working is an economic shock.

Q4. Planned change is best defined as change that is …

A. Accidental

B. Intentional and goal-oriented

C. Forced by regulators

D. Purely technological

Answer: B. Planned change is deliberate, aiming to improve adaptability and alter behaviour.

Q5. An organisation has truly changed only when …

A. A new strategy is written

B. Its people start behaving differently

C. The CEO announces it

D. Software is installed

Answer: B. Behaviour change, not documents, is the real test of change.

Q6. Boards often hire outsiders as change agents because outsiders …

A. Are cheaper

B. Aren't trapped by old loyalties

C. Know the firm better

D. Need less data

Answer: B. An outsider has no investment in the status quo — Jess Westerly fits this exactly.

Q7. A little resistance to change is actually healthy because it …

A. Slows everything down

B. Brings stability and surfaces genuine flaws

C. Eliminates debate

D. Hides problems

Answer: B. Functional conflict can improve the plan; the danger is resistance going underground.

Q8. The most dangerous form of resistance is …

A. Loud, immediate complaints

B. Silent, deferred resistance

C. Written objections

D. Questions in the townhall

Answer: B. Quiet, deferred resistance is invisible until adoption collapses months later.

Q9. A townhall where everyone nods and no one objects is best read as …

A. Genuine agreement

B. Possibly resistance going underground

C. Proof of success

D. Irrelevant

Answer: B. Silence can be the resistance; treat it as data, not consent.

Q10. ‘I prefer a familiar problem to an unfamiliar promise’ captures which source of resistance?

A. Habit

B. Fear of the unknown

C. Economic fear

D. Selective hearing

Answer: B. Fear of the unknown keeps people in situations they dislike.

Q11. Reading the slide that says your region is safe and skipping the one that says the model is dying is …

A. Structural inertia

B. Selective information processing

C. Group inertia

D. Habit

Answer: B. We filter information to protect the world we’ve already built.

Q12. ‘The same audit trails that create stability defend the old way like antibodies’ describes …

A. Group inertia

B. Structural inertia

C. Threat to power

D. Habit

Answer: B. Structural inertia: built-in mechanisms producing sameness resist change.

Q13. Changing one subsystem while the rest pulls it back is …

A. Threat to expertise

B. Limited focus of change

C. Selective hearing

D. Coercion

Answer: B. Interconnected subsystems (the baby’s mobile) snap a half-change back.

Q14. Your strongest specialists sometimes resist hardest because of …

A. Habit

B. Threat to established expertise

C. Economic fear

D. Group inertia

Answer: B. A change that elevates a new skill devalues masters of the old one.

Q15. The deepest engine of resistance in the Jess Westerly case is …

A. Threat to expertise

B. Threat to established power relationships

C. Habit

D. Fear of unknown

Answer: B. Call patterns were the consultants' decision; taking it threatened their power.

Q16. Among the eight tactics, communication mainly cures resistance caused by …

A. Power loss

B. Misunderstanding / poor information

C. Habit

D. Economic fear

Answer: B. If people understand and still lose something, more talking won't help.

Q17. Why does participation reduce resistance?

A. It's faster

B. It's hard to fight a decision you helped make

C. It avoids training

D. It uses coercion

Answer: B. Co-creation turns fingerprints into commitment — but you must mean it.

Q18. Trust as a buffer for change is described as …

A. Irrelevant

B. A bank account that must be full before the announcement

C. Built during the crisis

D. Only about pay

Answer: B. A change is a big withdrawal; the account is filled in normal times.

Q19. Which tactic clearly 'crosses the ethical line'?

A. Communication

B. Participation

C. Manipulation and cooptation

D. Fair implementation

Answer: C. Covert influence and fake roles detonate when discovered, destroying credibility.

Q20. Honest cooptation (vs manipulation) means giving a critic …

A. A fake title

B. A real design role with power to change the plan

C. A pay rise

D. A transfer

Answer: B. The difference is whether you're genuinely willing to be changed by them.

Q21. Coercion is characterised as …

A. Slowest, lowest resentment

B. Fastest, but highest later resentment and underground disengagement

C. Always unethical and illegal

D. The best first option

Answer: B. Direct threats get surface compliance fast and quiet disengagement later.

Q22. Lewin's three steps, in order, are …

A. Move, unfreeze, refreeze

B. Unfreeze, move, refreeze

C. Refreeze, move, unfreeze

D. Diagnose, act, evaluate

Answer: B. Melt the status quo, move to the new state, then refreeze so it sticks.

Q23. In force-field analysis, the smarter and cheaper move is usually to …

A. Press the accelerator harder

B. Release the restraining forces (the brake)

C. Add more targets

D. Send more emails

Answer: B. Reducing restraining forces beats piling on driving forces.

Q24. The strongest single restraining force is often …

A. Lack of money

B. Past success

C. New technology

D. Young employees

Answer: B. 'Why fix what isn't broken?' is loudest in winning organisations.

Q25. In Kotter's model, steps 1–4 correspond to which Lewin phase?

A. Move

B. Unfreeze

C. Refreeze

D. Evaluate

Answer: B. Steps 1–4 unfreeze, 5–7 move, 8 refreezes.

Q26. Kotter's step 1 is …

A. Create a vision

B. Create urgency

C. Form a coalition

D. Anchor the culture

Answer: B. Make 'why now' vivid enough that standing still feels riskier.

Q27. 'Declaring victory too soon' violates which Kotter step?

A. Create urgency

B. Consolidate gains and keep moving

C. Form a coalition

D. Communicate the vision

Answer: B. Step 7 warns the old culture flows back if you stop early.

Q28. The key insight about Kotter is that …

A. Most failures skip steps 5–8

B. More than half happens before anything visibly changes

C. Only the CEO matters

D. Vision is optional

Answer: B. Most failed change skipped the unfreezing steps 1–4.

Q29. Satya Nadella's Microsoft turnaround is used to illustrate …

A. Coercion

B. Kotter's eight steps in action

C. Survivor syndrome

D. Piece-rate pay

Answer: B. Honest urgency, rebuilt coalition, clear vision, publicised wins, anchored growth mindset.

Q30. The five steps of action research are diagnosis, analysis, feedback, action and ...

A. Coercion

B. Evaluation

C. Refreezing

D. Selection

Answer: B. It runs change like the scientific method and ends by measuring against baseline data.

Q31. Action research lowers resistance mainly because ...

A. It's fast

B. People participate from diagnosis onward

C. It avoids data

D. It uses incentives

Answer: B. It is problem-focused and participative, so buy-in builds before change starts.

Q32. Two groups each writing how they see themselves and the other is which OD tool?

A. Survey feedback

B. Intergroup development

C. Sensitivity training

D. Process consultation

Answer: B. Intergroup development surfaces that most of the conflict is stereotype.

Q33. Appreciative inquiry differs from other OD tools because it starts from ...

A. What's broken

B. When we were at our best

C. The balance sheet

D. The org chart

Answer: B. Its 4-D cycle (Discovery, Dreaming, Design, Destiny) builds on strengths.

Q34. Process consultation's distinctive value is that ...

A. The consultant solves it for you

B. The manager learns to diagnose their own issues

C. It needs no manager

D. It's purely survey-based

Answer: B. The diagnostic skill stays with the manager after the consultant leaves.

Q35. ‘Managing paradox’ in change-ready firms means …

A. Removing all tension

B. Holding tensions that never fully resolve (like a moving bicycle)

C. Choosing stability always

D. Avoiding innovation

Answer: B. Balance exists only with forward momentum; tensions are held, not solved.

Q36. Which is NOT one of the four conditions that stimulate innovation?

A. Organic structures

B. Rewards tied to innovation

C. Slack resources

D. Maximum formalisation

Answer: D. The four are organic structures, innovation rewards, slack resources and cross-boundary communication.

Q37. An ‘idea champion’ is someone who …

A. Writes the budget

B. Actively fights an innovation through resistance

C. Audits compliance

D. Runs payroll

Answer: B. Champions provide the energy and political push to get ideas adopted.

Q38. A learning organisation is characterised by …

A. Rigid routines

B. Continuous capacity to adapt; systems thinking and shared vision

C. Internal competition

D. Reactiveness

Answer: B. It discards old routines, thinks in systems and subordinates personal agendas.

Q39. Stress is defined as a condition where an outcome is both …

A. Cheap and quick

B. Uncertain and important

C. Easy and pleasant

D. Distant and minor

Answer: B. Stress lives in the gap between demands and resources when stakes are high.

Q40. High demands with high resources are experienced as …; high demands with low resources as drowning.

A. a hindrance

B. a challenge

C. boredom

D. apathy

Answer: B. Resources convert a heavy load into an energising challenge.

Q41. That a trivial last request can trigger a huge reaction shows stressors are …

A. Subtractive

B. Additive (they stack)

C. Independent

D. Self-cancelling

Answer: B. Each stressor adds to the pile; the small one is just the last straw.

Q42. Red tape, office politics and unclear responsibilities are …

A. Challenge stressors

B. Hindrance stressors

C. Resources

D. Buffers

Answer: B. Hindrance stressors block goals and only corrode; challenge stressors can energise.

Q43. A leader's job regarding stress is best described as …

A. Remove all pressure

B. Strip out hindrance stress so challenge remains

C. Add more deadlines

D. Ignore it

Answer: B. Keep the energising challenge, kill the corrosive hindrance.

Q44. Which stress symptoms form a leader's most usable 'dashboard'?

A. Physiological (blood pressure)

B. Behavioural (productivity, absence, attrition)

C. Psychological only

D. None are visible

Answer: B. You can't see blood pressure, but you can see absences and output.

Q45. The cumulative ‘wear and tear’ from constant adjustment is …

A. Inverted-U

B. Allostatic load

C. Groupshift

D. Reflexivity

Answer: B. Allostasis is the adjusting; allostatic load is the accumulated cost.

Q46. The inverted-U stress model should be used cautiously because it is …

A. Strongly proven

B. Popular but weakly supported empirically

C. Illegal

D. A type of OD

Answer: B. Intuitive but not well backed by evidence.

Q47. The best-documented buffer against stress is …

A. High pay

B. Social support

C. Caffeine

D. Longer hours

Answer: B. Collegial and social support is the most reliable moderator of stress.

Q48. Even high earners reporting money troubles reflects that overextension …

A. Falls with income

B. Tends to scale with income

C. Is imaginary

D. Only affects the poor

Answer: B. Lifestyle and commitments often rise with earnings; it’s a personal-life stressor.

Q49. The cheapest organisational stressor for a leader to fix is usually …

A. Pay

B. Role ambiguity (unclear ownership)

C. The economy

D. Personality

Answer: B. Clarifying who owns what costs little and is largely within the leader’s signature.

Q50. The single thing Jess Westerly must NOT do next is …

A. Spend time in the field

B. Build a coalition

C. Send another mass directive memo

D. Pilot with volunteers

Answer: C. Repeating the original mistake — or leading with cash — would deepen the failure.

Q51. Kauflauf's field consultants are notable because they rank money … among motivators.

A. First

B. Second

C. Last

D. They only want money

Answer: C. This sales force runs on pride and storytelling, so cash is the wrong first lever.

Q52. Jess's analysis (35% of time on 85%-revenue clients) being excellent yet failing shows …

A. Data is useless

B. Being right wins approval up, but relationships/systems win adoption down

C. She had bad data

D. Change is impossible

Answer: B. Correct diagnosis is the entry ticket, not the victory.

Q53. 'Karoshi', the anchor story of the stress section, refers to … NOT IN EXAM SCOPE · STRESS NOT TAUGHT

A. A relaxation technique

B. Death from overwork (Japanese term)

C. A wellness programme

D. A type of sabbatical

Answer: B. Naoya Nishigaki's death from overwork frames stress as a leadership responsibility.

Q54. One study found that being treated unfairly measurably raised employees' …

NOT IN EXAM SCOPE · STRESS NOT TAUGHT

A. Dopamine

B. Cortisol (the stress hormone)

C. Productivity

D. Job satisfaction

Answer: B. Unfair treatment is a physiological event, not just bad manners.

Q55. The most underrated organisational stressor, per the notes, is … NOT IN EXAM SCOPE · STRESS NOT TAUGHT

A. Pay

B. Role demands (conflict, overload, ambiguity)

C. Commute

D. Office noise only

Answer: B. Role conflict, overload and especially ambiguity are highlighted as underrated.

Q56. On culture and stress, the study cited found US employees stressed by lack of control while Chinese employees were stressed by … NOT IN EXAM SCOPE · STRESS NOT TAUGHT

A. Too much pay

B. Job evaluations and lack of training

C. Short hours

D. Team rewards

Answer: B. The stressors and their meaning differ across cultures.

Q57. The best-documented buffer against stress in the whole literature is … NOT IN EXAM SCOPE · STRESS NOT TAUGHT

A. High pay

B. Social support

C. An enriched job

D. A bonus

Answer: B. Social support is repeatedly the strongest moderator.

Q58. The professor's three questions for any change are content, process and …
BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Cost

B. Context (where it is being changed)

C. Compliance

D. Culture

Answer: B. Content = what changes; process = how; context = where. Jess ignored context.

Q59. Jess Westerly's core misjudgement was assuming … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Her data was wrong

B. what worked at her last company would work here (ignoring context)

C. money motivates the FCs

D. the firm was failing

Answer: B. Same tool, different context, the classic expert's error.

Q60. Edgar Schein's 'process consultation' holds that … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. The consultant is the expert with all answers

B. the client system knows its work best; the consultant helps it ask the right questions

C. consultants should avoid clients

D. change needs no help

Answer: B. It dissolves us-vs-them by letting the organisation diagnose itself.

Q61. Arriving as 'the expert' (as Jess did) tends to … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Build instant trust

B. invite everyone to prove you wrong

C. guarantee success

D. remove resistance

Answer: B. Expert mode fits only when the outsider truly holds knowledge insiders lack.

Q62. Kurt Lewin developed his change model partly out of his lifelong concern with … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Profit maximisation

B. changing attitudes toward race and prejudice (he fled Nazi Germany)

C. supply chains

D. tax policy

Answer: B. The German-Jewish refugee studied how to shift deeply held attitudes.

Q63. 'Creating a burning platform' corresponds to which Lewin stage?

A. Refreeze

B. Unfreeze (create the need for change)

C. Move

D. Evaluate

Answer: B. Kotter's phrase for unfreezing; Jess skipped it entirely.

Q64. The professor's claim about change models is that … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. They are all completely different

B. every model is a reworking/expansion of Lewin's unfreeze-move-refreeze

C. only Kotter matters

D. models are useless

Answer: B. Branded X-Y-Z models all trace back to Lewin; Kotter's 8 steps map onto the 3 stages.

Q65. On who sees vs who knows the need for change: an outsider tends to … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Know best what will work

B. see the need more readily but risk throwing the baby out with the bathwater

C. never notice problems

D. always succeed

Answer: B. Pair outsider diagnosis with insider knowledge of what actually works.

Q66. The ‘doing well vs doing badly’ paradox of change is that … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Failing firms change easily

B. a winning firm has high capability but low felt need; a losing firm the reverse

C. change is always easy

D. only money matters

Answer: B. The sweet spot is to change while still strong, which is why unfreezing winners is hard.

Q67. In a ‘downward spiral’, each failed fix tends to … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Improve decisions

B. reduce decision-making ability as blame paralyses people

C. raise morale

D. guarantee recovery

Answer: B. Repeated failure can spin an organisation down toward dissolution (e.g. Kodak).

Q68. The directive failing under Jess’s own name and ID meant that … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. Her boss took the blame

B. she, not her boss, absorbed all the blame

C. no one noticed

D. it succeeded

Answer: B. The wrong messenger destroyed her credibility when it failed.

Q69. Self-set goals generally command more commitment than assigned goals, which is why …

A. Targets should always be imposed

B. removing the consultants’ own control over call patterns bred resistance

C. goals don’t matter

D. money is the only lever

Answer: B. Imposing a target stripped ownership the field force previously held.

Q70. Kauflauf’s change was pushed mainly by … BEYOND TEXTBOOK · CLASS ENRICHMENT

A. A market crisis

B. the professional ‘grown-ups’ brought in to bring order, not a felt market need

C. the founders alone

D. customers

Answer: B. The firm was winning; the push came from incoming managers, so the field saw no need.

Final Test · Comprehensive Mixed Paper (all four chapters)

60 questions drawn across Motivation, Groups & Teams, Structure, and Change & Stress. Answer and reason under each.

Q1. Motivation's three dials are intensity, persistence and …

A. Intelligence
B. Direction
C. Ability
D. Equity

Answer: B. Intensity (how hard), direction (toward what), persistence (how long).

Q2. Removing a hygiene problem (Herzberg) produces …

A. Satisfaction
B. No dissatisfaction
C. Motivation
D. Engagement

Answer: B. Satisfaction and dissatisfaction are separate scales.

Q3. In expectancy theory a zero on any link collapses motivation because the links are …

A. Added
B. Multiplied
C. Averaged
D. Ignored

Answer: B. Motivation = Expectancy × Instrumentality × Valence.

Q4. Cafeteria-style rewards directly address low …

A. Expectancy
B. Instrumentality
C. Valence
D. Equity

Answer: C. Letting people choose the reward raises its personal value.

Q5. Biprajeet earning more but feeling less satisfied is explained by ...

A. Reinforcement

B. A higher-paid referent in equity theory

C. Goal-setting

D. Self-efficacy

Answer: B. Fairness is a ratio against a referent, not an absolute number.

Q6. In the MPS formula, the two multiplier dimensions are ...

A. Variety and identity

B. Autonomy and feedback

C. Significance and feedback

D. Identity and autonomy

Answer: B. Zero autonomy or zero feedback zeroes motivating potential.

Q7. The strongest source of self-efficacy is ...

A. Verbal persuasion

B. Enactive mastery

C. Arousal

D. Vicarious modelling

Answer: B. Actually succeeding at the task builds belief most.

Q8. The Wells Fargo scandal shows goals ...

A. Never work

B. Have a dark side when unrealistic and reward-linked

C. Must be vague

D. Reduce effort

Answer: B. Aggressive reward-linked goals invited mass cheating.

Q9. The fundraiser-meets-student study illustrates ...

A. Job rotation

B. Relational job design

C. Flextime

D. Piece-rate pay

Answer: B. Seeing the beneficiary raised persistence and funds raised.

Q10. A high-nAch person in the integrated model …

A. Needs tight supervision

B. Jumps from effort straight to personal goals

C. Only wants pay

D. Avoids challenge

Answer: B. They're internally driven and bypass extrinsic rewards.

Q11. ESOPs raise performance only when employees …

A. Are paid hourly

B. Psychologically feel ownership and have a say

C. Work remotely

D. Get bonuses

Answer: B. Felt ownership and voice are required.

Q12. Marcia losing her joy once paid for shelter work illustrates …

A. Equity theory

B. Cognitive evaluation theory

C. Goal-setting

D. Reinforcement

Answer: B. Extrinsic reward can crowd out intrinsic interest.

Q13. ERG's frustration-regression explains offshore pay premiums because …

A. Work is heavier

B. Frustrated relatedness regresses to existence demands

C. Growth is satisfied

D. Safety dominates

Answer: B. Blocked relatedness becomes 'then pay me more.'

Q14. Job enrichment is rooted in which theory?

A. Equity

B. Herzberg's motivators

C. Reinforcement

D. Expectancy

Answer: B. Enrichment adds motivators — responsibility, growth, achievement.

Q15. Self-determination theory's three needs are autonomy, competence and …

A. Power

B. Relatedness

C. Achievement

D. Security

Answer: B. Autonomy, competence, relatedness.

Q16. The punctuated-equilibrium model applies only to …

A. Permanent groups

B. Temporary deadline-driven groups

C. Virtual teams

D. Large groups

Answer: B. Major change occurs at the midpoint of a fixed-deadline group.

Q17. Asch's experiments demonstrated …

A. Social loafing

B. Conformity

C. Groupshift

D. The Hawthorne effect

Answer: B. ~75% matched an obviously wrong group answer at least once.

Q18. Social loafing in collectivist cultures is … than in the West.

A. Stronger

B. About equal

C. Lower

D. Absent

Answer: C. Collectivist members feel more responsible to the group.

Q19. The most dangerous cohesiveness combination is …

A. High cohesion + high norms

B. High cohesion + low performance norms

C. Low cohesion + high norms

D. Low + low

Answer: B. A tight team coheres around disengagement.

Q20. A faultline is …

A. A personality clash

B. An invisible split where aligned attributes divide a group

C. A reward system

D. A decision rule

Answer: B. It's where the group breaks when pressure comes.

Q21. Which decision technique yields the highest-quality ideas?

A. Interacting

B. Brainstorming

C. Nominal Group Technique

D. Voting

Answer: C. Silent idea-writing removes social pressure.

Q22. The defining difference between a work group and a team is …

A. Size

B. Positive synergy and mutual accountability

C. Location

D. Pay

Answer: B. Teams produce more than the sum of inputs; groups don't.

Q23. Roughly what fraction of employees actually prefer teamwork?

A. 95%

B. 75%

C. 50%

D. 25%

Answer: D. Teams are admired in the abstract, avoided in practice.

Q24. Knowing who is best at what on a team is …

A. Reflexivity

B. Transactive memory

C. Efficacy

D. Cohesion

Answer: B. Part of a shared mental model.

Q25. The Big Five trait most important for teams is …

A. Extraversion

B. Conscientiousness

C. Openness

D. Agreeableness

Answer: B. Conscientious members follow through and back up teammates.

Q26. Optimal team size per research and the ‘two-pizza rule’ is about …

A. 2–3

B. 5–9

C. 10–15

D. 20+

Answer: B. Above ~10, loafing and coordination cost rise.

Q27. Which conflict type can help a team when moderate?

A. Relationship

B. Task

C. Personal

D. Political

Answer: B. Moderate task conflict sharpens evaluation.

Q28. The central lesson of Greg James is that he …

A. Lacked skill

B. Applied co-located habits to a distributed team

C. Had too few staff

D. Was overpaid

Answer: B. Distributed coordination must be deliberately designed.

Q29. Nick’s ‘not competent’ remark is …

A. Role conflict

B. Social identity threat

C. Groupthink

D. Status equity

Answer: B. It damaged self-esteem and had direct operational fallout.

Q30. A team is appropriate only if work passes complexity, common purpose and …

A. Cost

B. Interdependency

C. Size

D. Speed

Answer: B. Like soccer (interdependent), not swimming (additive).

Q31. How rule-bound a job is reflects …

A. Specialisation

B. Formalisation

C. Centralisation

D. Span of control

Answer: B. Formalisation = standardisation through written rules.

Q32. A wide span of control produces a … organisation.

A. Taller

B. Flatter

C. More centralised

D. More formal

Answer: B. Fewer managers, flatter hierarchy — if work is routine.

Q33. Which structure violates unity of command by design?

A. Functional

B. Matrix

C. Simple

D. Divisional

Answer: B. Matrix gives two bosses (functional + project).

Q34. Acme is mechanistic; Omega is …

A. Also mechanistic

B. Organic

C. Matrix

D. Virtual

Answer: B. Fluid roles, no memos, collective decisions.

Q35. An innovation strategy calls for a … structure.

A. Mechanistic

B. Organic

C. Bureaucratic

D. Functional

Answer: B. Innovation needs flexibility and experimentation.

Q36. Routine technology pushes structure toward …

A. Organic

B. Mechanistic

C. Circular

D. Team-based

Answer: B. Same inputs/outputs suit standardised design.

Q37. Cutting payroll without redesigning the work produces …

A. Higher morale

B. Survivor syndrome

C. More innovation

D. Decentralisation

Answer: B. Remaining staff overloaded, morale down, knowledge lost.

Q38. In The Restaurant, Stage 1 is a … structure.

A. Matrix

B. Simple

C. Bureaucracy

D. Divisional

Answer: B. Flat, centralised, low formalisation.

Q39. Jones's Stage 4 dilemma is balancing standardisation against …

A. Cost

B. Morale and warmth

C. Location

D. Menu size

Answer: B. Formalisation's benefits vs the culture that built loyalty.

Q40. ‘Profitable in what environment?’ warns that Acme’s edge depends on a … market.

A. Dynamic

B. Stable

C. Global

D. Shrinking

Answer: B. Mechanistic wins when the environment is stable.

Q41. Boundary spanning increases …

A. Silos

B. Knowledge transfer and innovation

C. Formalisation

D. Centralisation

Answer: B. Communicating across group lines spreads knowledge.

Q42. High need-for-autonomy employees thrive in … structures.

A. Mechanistic

B. Organic

C. Bureaucratic

D. Functional

Answer: B. They prefer discretion; need-for-clarity people prefer mechanistic.

Q43. Amul is structurally …

A. Centralised

B. Decentralised

C. A matrix

D. Virtual

Answer: B. Local cooperatives decide locally; the federation coordinates.

Q44. The matrix’s most dangerous feature is …

A. No specialists

B. The dual reporting line creating role conflict

C. No rules

D. Too few managers

Answer: B. Two authorities pulling on one person.

Q45. ‘Structure is strategy made visible’ means design choices …

A. Don’t matter

B. Determine what the org can do and who wants to work there

C. Are decoration

D. Never change

Answer: B. Reporting lines and rules are consequential leadership choices.

Q46. Change management is really about managing …

A. Software

B. The loss of the old (habit, status, identity)

C. Budgets

D. Org charts

Answer: B. People mourn what change threatens, not the new tool’s merits.

Q47. The most dangerous resistance is …

A. Loud complaints

B. Silent, deferred resistance

C. Written objections

D. Townhall questions

Answer: B. Invisible until adoption quietly collapses.

Q48. Lewin’s steps in order are …

A. Move, unfreeze, refreeze

B. Unfreeze, move, refreeze

C. Refreeze, move, unfreeze

D. Diagnose, act, evaluate

Answer: B. Melt, mould, freeze.

Q49. The strongest restraining force in force-field analysis is often …

A. Lack of cash

B. Past success

C. New tech

D. Young staff

Answer: B. ‘Why fix what isn’t broken?’ in winning firms.

Q50. Kotter steps 1–4 map to which Lewin phase?

A. Move

B. Unfreeze

C. Refreeze

D. Evaluate

Answer: B. Most failed change skips the unfreezing steps.

Q51. Which tactic crosses the ethical line?

A. Communication

B. Participation

C. Manipulation and cooptation

D. Fair implementation

Answer: C. Covert influence and fake roles destroy credibility when found out.

Q52. Coercion is …

A. Slow but durable

B. Fast but breeds later resentment and disengagement

C. Always best

D. Cost-free

Answer: B. Surface compliance now, underground disengagement later.

Q53. Action research's five steps are diagnosis, analysis, feedback, action and …

A. Coercion

B. Evaluation

C. Refreezing

D. Selection

Answer: B. It ends by measuring against the baseline data.

Q54. Appreciative inquiry starts from …

A. What's broken

B. When we were at our best

C. The budget

D. The org chart

Answer: B. Its 4-D cycle builds on strengths, not deficits.

Q55. Red tape and office politics are … stressors. NOT IN EXAM SCOPE · STRESS NOT TAUGHT

A. Challenge

B. Hindrance

C. Resource

D. Buffer

Answer: B. They block goals and only corrode.

Q56. The best-documented buffer against stress is … NOT IN EXAM SCOPE · STRESS NOT TAUGHT

A. High pay

B. Social support

C. Caffeine

D. Overtime

Answer: B. Social support is the most reliable moderator.

Q57. The cheapest organisational stressor a leader can fix is … NOT IN EXAM SCOPE · STRESS NOT TAUGHT

A. Pay

B. Role ambiguity

C. The economy

D. Personality

Answer: B. Clarifying ownership costs little and is within the leader's control.

Q58. Kauflauf's consultants rank money … among motivators.

A. First

B. Second

C. Last

D. Only money

Answer: C. Pride and storytelling motivate them, not cash.

Q59. Jess Westerly's deepest resistance engine was …

A. Threat to expertise

B. Threat to power (who decides call patterns)

C. Habit

D. Fear of unknown

Answer: B. Taking a decision that was theirs threatened their power.

Q60. Being right about the data, for a change agent, is …

A. The victory

B. The entry ticket, not the victory

C. Irrelevant

D. Enough alone

Answer: B. Data wins approval up; relationships and systems win adoption down.

Exam tips & cross-chapter quick reference

The patterns examiners reward, and the distinctions they love to test.

The traps that cost marks

If you see…	Remember…
"Opposite of satisfaction" (Herzberg)	It's *no satisfaction*, not dissatisfaction — two separate scales.
Expectancy theory calculation	The three terms **multiply**; a zero anywhere = zero motivation.
Equity / fairness	It's a **ratio vs a referent**, never an absolute amount.
MPS formula	Autonomy and feedback are **multipliers**; the first three are averaged.
Social loafing	Has a **Western/individualist bias**; lower in collectivist cultures.
Punctuated equilibrium	**Temporary deadline groups only**, not permanent ones.
Group vs team	Only ~25% of employees actually *prefer* teams.
Matrix structure	It deliberately **violates unity of command** — dual bosses.
Acme vs Omega	"Better" depends on the **environment**; don't pick Acme just because it's more profitable now.
Lewin / Kotter	Most failures skip **unfreezing** (Kotter 1–4), not execution.
Challenge vs hindrance stress	Same physiology, opposite effect; leaders kill hindrance, keep challenge.
Inverted-U stress model	Popular but **weakly supported** — hedge if you cite it.

The one-line thread through all four chapters

- **Motivation:** people give effort when they believe effort → performance → a reward they actually value — and when the deal feels fair.
- **Groups & teams:** a label doesn't create synergy; visible coordination, shared mental models and trust do — and proximity is not a prerequisite for visibility.
- **Structure:** the right design is contingent — match strategy, size, technology and environment; structure is strategy made visible.
- **Change & stress:** diagnose the loss before announcing the gain; unfreeze before you move; release the brake before pressing the accelerator; silence is data.

ANSWERING CASE QUESTIONS

Name the concept, point to the exact moment in the case, state the consequence, then prescribe the fix using the relevant framework. “This is X (concept); it appears when Y happens (evidence); the result was Z (consequence); the remedy is W (framework).” That four-beat structure reliably scores well — and works for Shivani, Greg James, the Restaurant, Acme/Omega and Jess Westerly alike.

A CLOSING WORD

These four chapters are one argument seen from four angles: organisations are people, and people give their best when the work means something, the team is real, the structure fits, and change is done *with* them rather than *to* them. Carry that sentence into the exam hall and most answers write themselves.

Exam Cheat Sheet

The whole course on a few pages · Robbins Ch. 7, 8, 9, 10, 14, 16

Built for the last ten minutes. Every theory, list and framework in its shortest recallable form, plus the traps that lose marks and the case maps. If you remember nothing else, remember the spine: **the person → the group → the frame → the frame in motion.**

Chapter 1 — Motivation (Robbins Ch. 7 & 8)

Core theories at a glance

Theory	One-line core	Trigger word / hook
Motivation def.	Intensity × Direction × Persistence of effort toward a goal.	3 dials; miss one, goal slips
Maslow	5-rung ladder: Physiological → Safety → Social → Esteem → Self-actualisation.	Famous, weak evidence; lower=external, higher=internal
Herzberg 2-factor	Hygiene removes dissatisfaction; Motivators create satisfaction. Separate scales.	Opposite of satisfaction = NO satisfaction
McClelland	nAch (50-50 odds), nPow, nAff. Best managers: high nPow, low nAff.	Acquired needs; hard to measure
ERG (Alderfer)	Existence/Relatedness/Growth; no strict order; frustration-regression.	Oil-rig pays more; blocked higher need → demand lower
Self-Determination	Autonomy + Competence + Relatedness. Cognitive evaluation: pay can kill intrinsic joy.	Marcia & the animal shelter
Goal-Setting (Locke)	Specific + Difficult + Feedback > vague/easy. MBO cascades it.	"Do your best" is useless; Wells Fargo = dark side
Self-Efficacy (Bandura)	Belief you can do THIS task. 4 sources: Mastery>Modelling>Persuasion>Arousal.	Mastery strongest; Pygmalion effect
Reinforcement	Behaviourist: consequences drive behaviour. Social-learning = learn by observing.	4 steps: Attention-Retention-Reproduction-Reinforcement
Expectancy (Vroom)	**THE SPINE.** Effort→Performance (E) × Performance→Reward (I) × Reward→Goal (V).	Multiplied; a zero zeroes all; cafeteria rewards fix valence
Equity / Justice	Compare outcome/input ratio vs referent. 4 justices: Distributive, Procedural, Informational, Interpersonal.	Biprajeet earns more, less happy (referent changed)
Job Engagement	Physical+cognitive+emotional energy in work. Dark side: burnout.	The absorbed nurse

Applications (Ch.8) — the toolkit

Tool	Must-remember
JCM (5 dims)	Skill variety, Task identity, Task significance (→meaning) + Autonomy (→responsibility) + Feedback (→results). **MPS = [(SV+TI+TS)/3] × Autonomy × Feedback** — A&F multiply, zero either = zero.
Job redesign	Rotation (horizontal, anti-boredom) / Enrichment (vertical depth, Herzberg) / Relational (see the beneficiary — fundraisers +42%).
Work arrangements	Flextime / Job-sharing / Telecommuting ("out of sight, out of mind" costs raises).
EIP	Participative mgmt & Representative participation (works councils, board reps; VW). Weaker than direct.
Pay	Structure = internal (job eval) vs external (surveys); lead/match/lag. Variable: piece-rate, merit, bonus, profit-share, ESOP. Gainsharing.
Rewards	Flexible benefits = valence made concrete. Recognition = praise is free yet powerful.

TOP TRAPS — CH.1

Herzberg opposites (no satisfaction vs no dissatisfaction) · Expectancy is MULTIPLIED not added · Mastery (not modelling) is the strongest efficacy source · Autonomy & Feedback are the MPS multipliers · Equity is a RATIO vs a referent, not absolute pay.

Chapter 2 — Groups & Teams (Robbins Ch. 9 & 10)

Group foundations (Ch.9)

Concept	One-line core
Group def.	2+ people, interact, interdependent, shared objective. Formal vs Informal (informal often stronger).
Social identity	Group becomes part of you. Ingroup favouritism + Social identity threat (Nick's "not competent").
Punctuated equilibrium	Temporary deadline groups: inertia → midpoint transition → renewed inertia → final burst. **ONLY temporary groups.**
Roles	Perception / Expectation / Psychological contract / Conflict. Stanford Prison: people BECOME roles.
Norms	Unwritten rules. Conformity (Asch 75%), Hawthorne (observed→produce more), gossip, deviance (4 types, contagious).
Status	Status characteristics theory: Power / Contribution / Valued traits. Inequity → exit. Stigma by association.
Social loafing	Less effort when unidentifiable; grows with size. **TRAP: lower in collectivist cultures (China/India/Japan).**
Cohesiveness	Depends on performance norms. High cohesion + LOW norms = most dangerous quadrant.
Diversity	Surface (visible) vs Deep (values, real conflict). Faultlines = aligned attributes split the group.
Social categorisation	Us vs Them: outgroup seen as all alike, ingroup kept as individuals. Engine of the India-won't-call-Nick problem.
Conflict types	Task conflict = healthy (more views); Affective/relationship conflict = toxic. Rich media (face-to-face) resolves fast; lean (virtual) festers.
Decisions	Groupthink (harmony>truth; born from JFK/Cuban missile crisis; cohesiveness>effectiveness) & Groupshift/polarisation. Best technique: **NGT** (silent writing removes pressure). 12 Angry Men = antidote.

Work teams (Ch.10)

Concept	One-line core
Group vs Team	Team = positive synergy + mutual accountability + complementary skills. **Only 25% prefer teams.**
5 types	Problem-solving (recommend only) / Self-managed (psych safety) / Cross-functional (Starbucks Via) / Virtual (4 conditions) / Multiteam (team of teams).
Effectiveness	**Context** (resources, leadership, trust, rewards-hybrid, crises/Mann Gulch) + **Composition** (ability, conscientiousness-pure clusters, 9 roles, demography~neutral, size 5–9) + **Process** (plan/reflexivity, efficacy, identity, cohesion, shared mental models/transactive memory, task vs relationship conflict, trust).
Team players	Select / Train / Reward (hybrid).
When NOT to team	3 tests: Complexity, Common purpose, Interdependency. (Soccer yes, swimming no.)
Distributed teams (class)	Follow-the-sun = premium 24/7 product. Onshore (local, costly) vs Offshore (cheap, distant). Hofstede = national-culture dimensions (power distance etc.). **SPLIT** fix = Structure/Process/Language/Identity/Technology. Co-located-with-boss advantage. Leadership = open doors, not keep tabs. Resist? **Exit/Voice/Loyalty**.

TOP TRAPS — CH.2

Punctuated equilibrium = temporary groups only · Social loafing is LOWER in collectivist cultures · High-cohesion + low-norms is the danger quadrant · Conscientiousness → build PURE clusters, don't mix · Task conflict can help, relationship conflict almost never does.

Chapter 3 — Organisation Structure (Robbins Ch. 14)

Block	Must-remember
7 elements	Work specialisation, Departmentalisation, Chain of command, Span of control, Centralisation, Decentralisation, Formalisation. ("7 dials.")
Specialisation curve	Productivity rises, flattens, falls (human diseconomies). Optimum moves RIGHT for simple work, LEFT for complex.
Departmentalisation	Functional / Divisional / Geographic / Process / Customer.
Span arithmetic	Narrow=tall+costly; Wide=flat+cheap (only if routine). 4,096 workers: span 4→1,365 mgrs/5 levels; span 8→585/4.
8 structures	Simple, Bureaucracy, Functional, Divisional, Matrix (dual report=role conflict), Virtual, Team, Circular.
Mechanistic vs Organic	Mechanistic = rules/hierarchy/centralised/stable (Acme). Organic = fluid/decentralised/dynamic (Omega).
4 contingencies	Strategy (innovation→organic, cost-min→mechanistic, imitation→mix), Size (large→mechanistic), Technology (routine→mechanistic), Environment (stable→mechanistic).
Downsizing	Permanent redesign, not a cost-cut. Bad version → survivor syndrome.
3 dimensions (class)	Complexity (= horizontal + vertical + spatial differentiation), Standardisation (=formalisation), Centralisation. Prof's exam vocab.
Effectiveness (class)	Measures conflict across stakeholders. Strategic Constituencies model = structure around whoever is survival-critical (regulated airlines → lawyers ran them).
Supervision (class)	Hierarchy costs money (KFC vs Kasma). Control = dying; Coordination = survives. In-process > end-of-line QC.
Standardisation routes	Formalisation (rules, brittle on exceptions) / Socialisation (culture: MindTree, Udupi) / Professional socialisation. Structural inertia = rules pile up (adding easy, deleting hard).
Less hierarchy (class)	Self-managed teams (Scandinavia), Theory X vs Y, Jidoka/andon cord, Theory Z (country>company>family>individual). Trusted + meaningful work = fewer supervisors.
Boundary spanning + Weick	Org-environment boundary (HR/sales/top mgmt read the world). Enactment = no objective environment; you see what training + self-interest let you see.
Differentiation/Integration	Specialise to match environment (differentiation) THEN stitch silos via teams/superordinate goals (integration).
Exploit vs Explore (class)	Exploitation = known work cheaper/faster (Acme). Exploration = new things/thinking (Omega). Need BOTH = **ambidexterity** (hard: best people + rewards flow to exploitation). Toyota setup-time cut → mass customisation. Mergers fail on culture mismatch. 'Lonely at top' = boss expected to know all.

TOP TRAPS — CH.3

Centralisation is a SPECTRUM not binary · Matrix violates unity of command (dual boss = role conflict) · Don't assume Acme is "right" — it fits a STABLE environment; ask "profitable in what environment?" · Strategy-structure link is the key contingency · Know the prof's vocab: horizontal/vertical/spatial differentiation = complexity.

Chapter 4 — Change & Stress (Robbins Ch. 16)

Block	Must-remember
Why hard	Managing LOSS of the old (habit, status, competence), not proving the new is better.
3 questions (class)	Content (what changes, insiders often know best), Process (how, Lewin/Kotter), Context (where, same change won't work everywhere). Jess ignored CONTEXT.
6 forces	Workforce, Technology, Economic shocks, Competition, Social trends, World politics.
Resistance: individual	Habit, Security, Economic fear, Fear of unknown, Selective hearing.
Resistance: system	Structural inertia, Limited focus, Group inertia, Threat to expertise, Threat to power.
Loud vs silent	Silent (deferred) resistance is the killer; silence ≠ agreement.
8 tactics	Communication, Participation, Build support, Positive relationships, Fairness | (line) | Manipulation/cooptation, Select adaptable, Coercion. Lower = faster but poisons future change.
Lewin	Unfreeze → Move → Refreeze. Force-field: release the BRAKE > push accelerator. Strongest brake = past success. ALL change models = reworkings of Lewin.
Expert vs process (class)	Schein process consultation: client knows best, consultant helps it ask its own questions. Arriving as 'expert' invites disproof (Jess's error).
Change paradoxes (class)	Outsider SEES need / insider KNOWS fix. Winning firm = high capability, low felt need (change while strong!). Losing firm → downward spiral (blame paralyses). Wrong messenger = Jess's name took the blame.
Kotter 8	Urgency, Coalition, Vision, Communicate (1–4=unfreeze) | Empower, Wins, Consolidate (5–7=move) | Anchor (8). >half happens BEFORE visible change.
Action research	Diagnosis, Analysis, Feedback, Action, Evaluation. Problem-focused; lowers resistance.
OD (6 tools)	Sensitivity training, Survey feedback, Process consultation, Team building, Intergroup dev, Appreciative inquiry (4Ds: Discovery/Dreaming/Design/Destiny).
Change-ready	Manage paradox, Stimulate innovation (4 conditions + idea champions), Learning organisation.
Stress (not in exam)	Demands vs Resources. Challenge (energises) vs Hindrance (corrodes) stressors; additive. Sources: Environmental/Organisational/Personal. Allostasis & load. Inverted-U weakly supported. Social support = best buffer.

TOP TRAPS — CH.4

Most change fails at UNFREEZE (Kotter 1–4), not execution · Silence is resistance, not consent · Inverted-U is popular but weakly evidenced · Challenge vs Hindrance is the stress distinction that scores · Release the brake before pressing the accelerator.

Case → concept quick map

Case	Use it to illustrate
Shivani Carriers	Maslow/ERG (existence), frustration-regression, goal-setting + expectancy, equity, variable-pay demotivator (the cap).
Greg James (Sun)	Social identity threat, missing norms, status inequity, faultlines, virtual-team 4 conditions, divergent mental models, group≠team. Lesson: co-located habits in a distributed world.
The Restaurant	Structure evolving through 4 stages; the 7 elements; standardisation vs morale dilemma.
Acme & Omega	Mechanistic vs organic; contingency factors; "right structure depends on environment." Exploit vs Explore → ambidexterity. Investor-vs-employee paradox. Mergers fail on culture.
Jess Westerly	Ignored CONTEXT; arrived as expert (vs Schein process consultation); no unfreeze, skipped Kotter 1–4, threat to power, silent resistance. Lesson: being right ≠ winning adoption.

THE ANSWER STRUCTURE THAT SCORES (USE FOR ANY CASE QUESTION)

Name → Evidence → Consequence → Fix. "This is X (concept); it appears when Y happens in the case (evidence); the result was Z (consequence); the remedy is W (framework)." Works for all five cases. Always end a structure answer with "profitable/effective in *what* environment?" and always tie a change answer back to unfreeze.

THE ONE-SENTENCE SPINE

Organisations are people, and people give their best when the work means something (motivation), the team is real (groups), the structure fits (org design), and change is done *with* them rather than *to* them (change). Person → group → frame → frame in motion.