



(b) Explain and provide a workplace example for each of the following communication situations: oral communication in downward flowing direction; written communication in upward flowing direction; and non-verbal communication in lateral flowing direction. (5marks)

Q5. (a) Compare the fundamental attribution error and the self-serving bias. (5 marks)

(b) What is perception? Discuss the factors that influence perception. (5 marks)

Q6. (a) Describe the various situations under which culture acts as a liability. What are the various ways in which the organizational culture can be transmitted to the employees? (6 marks)

(b) According to the equity theory, what are the choices made by employees who perceive inequity? (4 marks)

Q7. (a) Explain Hershey- Blanchard Situational theory of leadership? How situation plays a vital role in deciding the leadership style. (7 marks)

(b) In terms of intra-organizational behavior, all things being equal, why is integrative bargaining preferable to distributive bargaining? (3 marks)

Q8. (a) List the eight steps in Kotter's eight-step plan for implementing change. (5marks)

(b) Describe the five conflict-handling intentions that are based on the dimensions of cooperativeness and assertiveness (5marks)

Q9. Case Study (10marks)

You may be familiar with the problems that have recently plagued Toyota. However, you may not know the whole story. First the facts. In 2010 Toyota issued a series of recalls for various models. The most serious was for a defect called “unintended acceleration,” which occurs when a car accelerates with no apparent input from the driver. Investigations revealed that unintended acceleration in Toyota cars has been the cause of 37 deaths since 2000. When the problems first surfaced, however, Toyota denied it was the cause. Eventually, Toyota apologized and recalled more than 9 million cars. To many, the root cause of Toyota’s problems was its insular, arrogant culture. *Fortune* argued: “Like GM before it, Toyota has gotten smug. It believes the Toyota Way is the only way.” *Time* reported “a Toyota management team that had fallen in love with itself and become too insular to properly handle something like the current crisis.”

Transportation Secretary Ray LaHood described Toyota’s culture as “safety-deaf.” But is this the reality? Increasingly, evidence suggests that Toyota’s culture—or even the cars it produces—is not the source of the problem. A 2011 report released by the U.S. National Highway Traffic Safety Administration (NHTSA) concluded that unintended acceleration was not caused by problems in the electronic circuitry. *The Wall Street Journal* wrote that “safety regulators, human-error experts and auto makers say driver error is the primary cause of sudden acceleration.” *Forbes* and *The Atlantic* commented that most of the incidents of sudden acceleration in Toyota cars occurred with elderly drivers,

and elderly drivers are known to be more prone to confusing pedals. Many other independent investigations, including ones conducted by automobile experts at *Popular Mechanics* and *Car and Driver*, reached the same conclusion: the main cause of unintended acceleration was drivers mistaking the gas pedal for the brake pedal.

There's a long history of misreporting on this issue. Audi was nearly driven into bankruptcy when *60 Minutes* aired a report, "Out of Control," purportedly proving that defects in the car were behind six fatal sudden-acceleration accidents. As it turns out, *60 Minutes* paid someone to tamper with the car—filling a canister of compressed air linked to the transmission—to cause the sudden acceleration shown in the segment. Further investigations never uncovered evidence that defects in Audi's cars were behind the incidents. Does Toyota have an insular and inbred corporate culture? Probably. But it's been that way for a long time, and it's far from clear that the culture, or even the company's cars, is responsible for the sudden acceleration problems.

### **Questions**

1. If Toyota is not the cause of unintended acceleration, why was it blamed for it?
2. Investigations have shown that after stories of unintended acceleration are publicized, report of incidents increase for all automakers. Why is this the case?
3. Is it possible to have a strong—even arrogant— culture and still produce safe and high-quality vehicles?
4. If you were the CEO of Toyota when the story was first publicized, how would you have reacted?