

INSTRUCTIONS:

1. This examination booklet contains 6 pages including this title page. Please ensure that it is complete.
2. Only non-communicating calculators may be used. You may not listen to or use any communicating or receiving hardware such as a cellular telephone, a Blackberry, or an iPod.
3. If you have a question please ask one of the examination proctors. It is unacceptable for you to communicate with another student for any reason.
4. When you leave the examination you should hand in this examination containing BOTH the examination questions and your responses.
5. Suggested Time and Grade Distribution on this Examination are outlined in the following table.

NOTE: Only answer four (4) of the five (5) questions.

	Suggested Time	Mark Allocation	Grade
Question 1	30	20	
Question 2	30	20	
Question 3	30	20	
Question 4	30	20	
Question 5	30	20	
TOTAL (Answer 4 of 5)	120 minutes	80	

Choose 4 of the 5 following questions

For all questions, your responses are limited to what you are able to fit on the front and back of the page containing the question.

Question 1

The local office of a national accounting firm has recently been losing clients to a local firm. None of the clients gave the same reasons for leaving. You and the Managing Partner need to decide what actions to take to rebuild your client base. Using theories we have covered in the course, list and explain decision-making biases that you need to be aware of as you evaluate the reasons given and plan your course of action. Explain how you might address or avoid each bias.

Question 2

Gordon Jones, the VP Manufacturing at ABC Inc. is concerned about decreasing levels of productivity in the firm's London Plant. He believes the decline is due to a lack of job satisfaction among the plant's employees. The recent closing of the Kellogg plant in that city reinforced employee fears that their plant could be the next to go. Gordon thinks: "if we don't improve productivity, their fears might come true".

One of his staff suggested (1) increasing salaries and (2) providing them assurance that the plant would continue as a means of increasing job satisfaction among employees. Gordon feels that it is the wrong approach, as such a large increase in costs might increase the possibility of the plant closing. He wondered what he could do to increase job satisfaction at the plant without such a large increase in costs.

You are an advisor in ABC's corporate HR department and have been asked to advise Gordon on what tactics he might consider. Using what you know about both the creation of job satisfaction, provide Gordon with suggestions on how to increase job satisfaction among employees. Take care to discuss the steps that link your ideas to the expected increase in job satisfaction using theories that we have covered in the course.

Question 3

Gerry Li and Sam Chung are close friends who both graduated from the University of Waterloo's School of Accounting and Finance. They were both successful in getting their CPA designation and they both went into the Auditing but with different firms. Gerry is working for one of the major multi-national accounting firms and Sam decided to join a smaller local firm that has seven partners. Last Thursday they met for dinner and Gerry learned that Sam had just been promoted and was now earning 15% more than him. Gerry was happy for his friend but couldn't help but feel frustrated and upset. They were both hard workers, put in similar hours and both graduated in the top 10% of their class. Using theories we have covered in the course, explain why Gerry is upset and what he might do in response to learning this information. In other words, what impact(s) do you expect this might have on Gerry's job performance and organizational commitment?

Question 4

Sara was speaking to Mary after the latest Implementation Team meeting. “Mary, why were you so hard on John, he is trying his best. I think you were rude.” Mary replied, “Because I don’t think his best will be good enough and he isn’t doing anything to help us get this project finished. Besides, we never invited him on the team. I have no idea why our boss appointed him to this project. Frankly, I don’t trust him”

What does this conversation allow you to infer about the concepts of trust and justice in this firm and potential impact of trust and justice on the Implementation Team’s job performance and the team members’ organizational commitment? Use theories we have covered in the course to support your answer.

Question 5

Harry had been working for the finance team of a small Waterloo technology start-up for almost a year when he ran into you - a student in the School of Accounting and Finance who was taking a course in organizational behaviour. He said there had been a few strange things happening in his organization and asked if there was anything you had learned that might explain what was behind the strange behaviour.

“First, Joe, one of the guys on my team, thought he was in line for a promotion and he doesn’t seem to have gotten over the company hiring an outsider. Ever since the new manager arrived, Joe has been arriving late, spending time on Facebook and not keeping his commitments. Why might that be?”

“Second, we fired a employee because she didn’t seem to fit our culture. She never seemed to want to be part of the team and always seemed unhappy. I later learned her Mom was dying from cancer. What might we learn from the situation to ensure that the next person fits our culture better?”

“Third, the replacement we hired is turning out to be a real dud. I thought she would be great because she graduated from the School of Accounting and Finance at the University of Waterloo; however, she is always asking me questions about high-level decisions in the finance department and offering up suggestions for changes in our processes. This wastes both our time. When I tell her to get back to work, it seems to upset her. How can I best resolve this situation for both of us?”

Use theories covered in the course to help Harry better understand potential causes for these incidents and develop suggestions for actions he might take to improve the situation.