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M.B.A. (First Year) IInd Semester

Examination, 2009

BUSINESS COMMUNICATION

Paper : No. 201

Time Allowed : Three Hours]

[Maximum Marks : 75

Note : Attempt **all** questions. All questions carry equal marks.

Unit - I

1. Why do you think that good communication in an organisation improves employee attitudes and performance? Explain.

OR

As a manager, how can you impress on your

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subordinates the importance of strong business ethics when dealing with colleagues, customers, and the general public?

Unit - II

2. As a member of the public relations department, what medium would you recommend using to inform the local community that your toxic-waste cleanup programme has been successful? Why?

OR

What steps can you take to make abstract concepts such as opportunity feel more concrete in your message?

Unit - III

3. What is feedback? How can you make sure that your feedback is constructive?

OR

Do you believe that a skill like listening can be developed by hiring a professional who through

training and other activities will help people become better listeners? Give your suggestions.

Unit - IV

4. How have market globalization and cultural diversity contributed to the increased importance of intercultural communication?

OR

At your last department meeting, three people monopolized the entire discussion. What can you do at the next meeting to encourage other department members to voluntarily participate?

Unit - V

5. In 1961, two engineers who had just received their MBA degrees from the University of Michigan decided to capitalize on the exploding revolution in technology by going into business. Andrew Zamora and John Lee combined their expertise in electrical engineering with their new knowledge about management by opening

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a small factory in Dallas, Texas that produced television sets. Soon the company was producing not only televisions but also toasters, can openers, crock pots, and other small appliances.

One of the founders of the company, John Lee, had concentrated in transistors in engineering school. Lee continued to work in this area and was instrumental in the development of integrated circuits and semi conductors. This work helped make the Oralee Electric Company a success, leading to growth and moderate profits for many years. In 1976, Lee and his partner, Zamora, sold the company for five million dollars to the Matsushita Corporation, an Osaka-based Japanese conglomerate with holdings all over the world. Matsushita kept the name of the company and made Oralee Electric a division of Matsushita. Oralee Electric remained profitable throughout the '70's and early 80's, but in 1985, due

to the economic recession and increasing competition, it began a slow decline in profits and market share. In the fall of 1996, Matsushita sold the company to the Daewoo Corporation, a South Korean company, for 22 million dollars. This was considered to be a bargain for Daewoo in spite of the problems Oralee Electric was having.

Daewoo, the fourth largest corporation in South Korea with many diverse interests throughout the world, acquired Oralee Electric for the purpose of gaining a foothold in the U.S. market. Daewoo owns two electronics companies in South Korea (Daewoo Electronics Company and Orion Electric, LTD.) and makes parts for several international companies. Although Daewoo has been importing some products, such as TVs and VCRs, name recognition is poor. Acquiring Oralee Electric offered an opportunity to break into the American market with an established

company. Daewoo management was excited about the potential for growth.

Oralee Electric became a subsidiary of Daewoo Corporation. Daewoo placed three top-level people in the management of Oralee Electric. Sang-Chull Lee became president of the subsidiary after the acquisition. (The former president was Toshiaki Ohmura, who stayed with Matsushita.) Two other Daewoo corporation executives became Vice-President of Administration and Director of Human Resources, positions created for them. Il Suk Park, the Vice-President of Administration is a careful, exacting person who demands lots of information and evidence for all actions and expenditures. Jin Cheon Kim, the Director of Human Resources, is an idea man, creative, energetic, and often willing to take risks. The new president is also energetic and a workaholic—somewhat slow to make decisions, but

once he makes them, doesn't change his mind easily.

The remaining members of top management at Power Electronics consist of three vice presidents, one the chief financial officer, one in charge of operations, and the third the chief legal officer. The chief financial officer, Bruce Jarin, is notoriously conservative in approving expenditures; Kevin Anderson, the VP of operations, is much less conservative and a strong personality, who can push through most expenditures he believes are necessary for the operation of the two manufacturing facilities. The chief legal officer is Lynn Winters, a perfectionist who demands careful analysis and evidence before agreeing to any company action. Surprisingly, this group of Daewoo executives and Oralee electric executives got along well from the start. The Oralee executives believed that Daewoo would provide a needed rejuvenation of the company, allowing Oralee

to share in the exciting developments in digital TV and other technology advances.

Then the Asian economies fell apart. For months, nothing was decided at Oralee ' Electric. The company continued to produce products, but sales were anemic. However, a few months ago, the entire top management of Oralee Electric met in Seoul with Daewoo's executives. Daewoo's creative and daring Chairman Kim led the meeting. At the end of the five-day meeting, Oralee Electric executives flew back to Dallas with a promise of support, commitment, and direction for the company. They were all relieved, but there is much to do to make Oralee secure and ensure its continued profitability.

At present, Oralee Electric has a number of problems. Morale is low among the employees. Conditions in parts of the factories are sub-par. Medical expenses have been higher than usual. And

even though Oralee has been profitable in the past, there is little name recognition. Daewoo has not yet made a decision regarding whether or not to change the name of the company. Management has decided to address these problems over the next few weeks and hopes to enlist the help of their most promising employees.

As part of Daewoo's commitment to helping Oralee Electric resolve its more pressing problems, a small group of top executives from Seoul are coming to Dallas and will stay for at least two weeks. Chairman Kim himself will be there for the first week. The other members of the group include Suk-Hi Rhee, Chairman of Daewoo International, Seong-Jin Kim, Chairman of the Daewoo Economic Research Institute,, and Soon-Hoon Bae, Chairman of Daewoo Electronics. (All names are listed in the American convention of first name followed by last name. Korean

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conventions list the last name first.) This group will meet with Oralee executives and others to listen to problems and help with solutions.

Company Profile

Name : (at present) Oralee Electric Company

Products : TVs, VCRs, radios, toasters, can openers, food processors, etc.

Annual Sales : \$200 million in U.S. dollars

Employees : 227

Facilities : Headquarters and two manufacturing facilities in Dallas, Texas

Questions

1. How many cultures are represented in this case?
2. How might the management styles of the Japanese and the South Koreans differ?
3. Where do the Americans fit into the mix, and might there be more than one American culture represented, such as hispanics, African-Americans, etc.?

4. What are the important issues to resolve in order to restore profitability to the company?