

No. of Printed Pages : 6

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MS-026

MANAGEMENT PROGRAMME

Term-End Examination, 2019

MS-026 : ORGANISATIONAL DYNAMICS

Time : 3 Hours]

[Maximum Marks : 100

(Weightage 70%)

Note : There are two Sections A and B. Attempt **any three** questions from Section-A. Each question carries 20 marks. Section-B is compulsory and carries 40 marks.

SECTION-A

1. Briefly discuss the reasons for Formation of Groups.
Explain the Stages of Group Development with examples.
2. Describe the concept of Role Analysis and its need.
Discuss the coping strategies in dealing with Role Stress.
Give examples.
3. Describe organisational culture with a dynamic view. Give suitable examples.

4. Briefly discuss the formation of Strategic Alliances and explain how to make them work citing relevant examples.
5. Write Short Notes on **any three** of the following :
 - (a) Learning Organisation
 - (b) Dimensions of Power Sharing
 - (c) Alienation
 - (d) Business Ethics
 - (e) Importance of Diversity

SECTION-B

6. Read the following case carefully and answer the questions given at the end.

Vista Industries Ltd., was a family-owned company. Having been founded by Prakash Joshi in 1970, the firm initially traded in paints. Later it set-up its own manufacturing facilities. As years went by, it also began to manufacture wooden furniture and sanitaryware.

By 1985, Vista had secured a good market share in each of the three product lines. The turnover had

reached Rs. 25 crore. In mid 1985, since the magnitude of operations had increased and Joshi himself wanted to concentrate on exports, he decided to go 'professional'. He brought in George Jacob, a chemical engineer who had worked as general manager with a multinational consumer products firm, as president. George in turn recruited three general managers as profit center heads for the three divisions respectively. A month later, the company went public. But the change was only cosmetic because Joshi was still the largest shareholder and remained the chairman and managing director. He also retained the critical finance portfolio within the family by inducting his son, Suresh Joshi, a young chartered accountant, as general manager (finance), reporting to George.

The organisational structure was somewhat ambiguous. But it seemed to work largely because George got along well with both the Joshis at a personal level. There were occasional irritants though. While the elder Joshi would often lapse into his feudal style of functioning that would distort formal reporting relationships in the company, the younger one would be brash at times. But George skilfully managed each

situation and provided a shield for this general managers who in turn enjoyed sufficient autonomy.

In addition to being a good team builder, George was strong on conceptual skills. He was also ambitious. He knew that Vista had a good future. The home decoratives market, of which the company's three product lines were a part, had an assured demand, thanks to the emerging consumer boom in the country. George anticipated further diversification into related product groups like wall papers, soft furnishings and kitchenware in about two years. He visualized that each would have its own independent production, marketing and distribution facilities and operate as an autonomous profit centre. Although he had not spelt it out to the elder Joshi, George imagined that he himself would some day have a full-time place on the board which for the moment comprised only non-executive members.

But all his dreams now seemed to come crashing down. He felt that his career with Vista was at an end. And he did not even know why.

It had started in a trivial way. A week earlier, the younger Joshi had withheld a few transport vouchers

from the paints division although the payments had been certified by the concerned general manager and approved by George. On a routine follow-up over the telephone by the general manager, the younger Joshi called him to his office and pulled him up saying that a lot of false vouchers were being put up for payment. He also said that hereafter all the three general managers would be reporting to him directly on all matters.

On being informed about the incident by the general manager who also told George that he now wished to be relieved. George sought to see the younger Joshi immediately. But he was 'busy' and 'unavailable'. Efforts to meet even the elder Joshi proved futile. This was unusual.

Things were clearly amiss. George felt a sense of vacuum for the first time. He was sure that the target of the younger Joshi's ire was not the general manager but George himself. He was being sidetracked. He wondered whether he had made a mistake after all in leaving multinational firm and joining a family owned business. Perhaps he should resign immediately. Or may be there was misunderstanding which could still be cleared.

Questions :

- (a) Discuss the basic problems in this case.
- (b) Based on the case, can you differentiate between a family owned business and a multinational firm from a cultural perspective ?
- (c) What type of conflict has been experienced by the owner as well as George ?
- (d) What would you do, if you were George ?

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