

MANAGEMENT PROGRAMME

Term-End Examination

December, 2013

04116

MS-1 : MANAGEMENT FUNCTIONS AND BEHAVIOUR

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

-
- Note :** (i) There are two Sections, A and B.
(ii) Attempt **any three** questions from **Section A**, each question carrying **20** marks.
(iii) **Section B** is **compulsory** and carries **40** marks.
-

SECTION-A

1. Describe various Responsibilities of a professional manager in an organisational set up. Discuss any four of them with suitable examples.
2. Describe MBO process and discuss pre-requisites and benefits of a successful implementation of MBO. Explain with relevant examples.
3. What are the bases for differentiation and integration of tasks and activities within an organisation ? Explain with examples.
4. Define 'self' concept ? Describe various stages of developing inter-personal relationship. Give examples.

5. Write short notes on **any three** of the following :
- (a) Managerial Skills.
 - (b) Overcoming barriers to Effective Design Making.
 - (c) Types of conflict.
 - (d) Pre-requisites for effective delegation.
 - (e) Contingency theories of leadership.

SECTION-B

6. *Please read the case and answer the questions given at the end.*

Bellasti is a pioneer in the field of marketing surgical cotton, lint, adhesive plaster, and allied products. Started seventeen years ago with a couple of employees, in a hotel-room in New Delhi, the business had grown in size to over 132 employees in 1967, operating from the three cities of Delhi, Bombay, and Calcutta. The sales had grown from a negligible turnover at the start to over 12 million rupees in the northern zone in 1967, and to about 45 million rupees over the three zones.

During the period of growth, employee relationships in the organisation had been exceedingly good, the main characteristic being informality. The Chief Executive was affectionately called "Daula" for Dowlat Ram, who liked it. He was the seniormost member of the family owning the company. Though there was a Board of Directors, Dowlat Ram was everything in the company. He had professional

people to assist him in the management of the company.

In 1967, there was some restlessness among the staff on the award of increments. Dowlat Ram had an individual, man-to-man talk with his officers and satisfied them to some extent by awarding increments. In 1968, the dissatisfaction repeated, which was solved amicably.

In January 1969, Dowlat Ram had a heart attack, and doctors advised him to retire from active work. But he had too much of life in him to retire. He continued to work till September 1969 when he had the second attack. Then he retired in the real sense of the term. He stopped even a casual talk about the business and made gardening and religious activities his hobby. The restlessness of the staff noticed in 1967 and 1968 did not recur in 1969, since the staff did not want to strain Dowlat Ram.

Harish, the Sales Development Manager, and the seniormost in status among the officers, succeeded Dowlat Ram as the Chief Executive. He was 36, a graduate with statistics and Economics, with a post graduate in Market Research from the United States. He had studied Industrial Engineering as an elective subject. He had been with the company for eleven years, and was elevated to the post of Sales Development Manager after five years. He held shares in the company, though he was not related to Dowlat Ram.

By January 1970, Harish realized that there were no job classifications or grades in the company and salaries were paid on an ad hoc basis. Therefore, he felt that the time had come

for rationalizing the wage structure. He sought the help of Arvind, a management consultant. Arvind made a survey of the company and suggested job evaluation, using the point rating system. The Board of Directors accepted the suggestion of the consultant.

After that, within a week Harish appointed a Job Evaluation Committee consisting of the Administrative Officer, Arvind, and a clerk who was popular with the subordinate staff. There was no union. However, after the grades were worked out they were notified to the employees through a circular, with the proviso that employees were free to represent their objections, if any, to the revised grades. But there was no representation. The final proposals were ready by mid-March, i.e, ten weeks after the Committee was appointed. While some employees derived larger benefits than some others as a result of the changes, in some case there was no change.

The grades were given effect from 1 April 1970. Two weeks later, two steno-typists tendered their resignations ; a month later, a clerk wanted to leave. Two officers represented to Harish that they had been effectively down-graded, since an officer junior to them for years had been placed in higher grade.

The company's monthly wage bill had gone up by over Rs. 36,000.00 roughly eight percent of the total wage bill - as a result of job evaluation and gradation.

The various jobs evaluated and classified under the scheme were as follows :

	Job Title	Points	Grade
1	Development Engineer	280	I
2	Area Manager	269	I
3	Administrative Officer	240	I
4	Sales Rep. - Tech.	235	II
5	Publicity and PRO	222	II
6	Cashier and A/c's Asst.	220	II
7	Sales Rep. - Gen.	215	III
8	Secretary to Chief Exec.	176	IV
9	Sales Assistant	159	IV
10	P.A. to Chief Accountant	121	V
11	Stores Assistant	115	V
12	Accounts Clerk-Purchase	113	V
13	Steno to Area Sales Mgr.	111	V
14	Accounts Clerk-Bank	111	V
15	Steno - Typist	106	VI
16	Accounts Clerk-Stock	95	VI
17	Receptionist-cum-PABX- Tel. Op.	85	VI
18	Statistical Assistant	85	VI
19	Statistical Clerk	81	VI
20	Typist - Clerk	78	VI
21	Despatch Clerk	77	VI
22	Godown Keeper	71	VI
23	Telex Operator	71	VI
24	General Clerk	71	VI

Messenger boys, peons and attenders were not evaluated.

The total number of jobs evaluated was 102. The thirty delivery boys, messengers, and such others felt that they had been left out from the scheme and were deprived of the benefits given to other categories.

At this juncture the Board of Directors asked Harish for his explanation.

Questions :

- (a) Identify the core issues of the case.
 - (b) Critically analyse the organisational structure in the light of the core issues.
 - (c) What action plans could have been devised to avoid the problems ?
 - (d) What would you suggest to the Board of Directors ?
-