MANAGEMENT PROGRAMME

Term-End Examination

December, 2014

MS-25 : MANAGING CHANGE IN ORGANISATIONS

Time : 3 hours   *Maximum Marks : 100*

(Weightage 70%)

Note : (i) *This paper consists of two Sections A and B.*

(ii) *Answer any three questions from section A, each carrying 20 marks.*

(iii) *Section-B is compulsory and carries 40 marks.*

SECTION - A

1. Briefly discuss the factors which make companies successful despite environmental influences.

2. Describe "Business process Re-engineering" as an instrument to bring about change in organisation with a suitable example.

3. Briefly discuss the methods of evaluation of change and its significance.

4. What is the role and significance of leadership in managing change ? Explain with relevant examples.

5. Write short notes on **any three** of the following :
   (a) Resistance to change
   (b) Leveraging structure
   (c) Phases in Diagnosis
   (d) ISO 9000 Series
   (e) Technology and Merchandise Licensing

SECTION - B

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

Helen supervises the word processing/data entry (WP/DE) unit for the Department of Administration of State Government. She has held this job for about a year and is well liked by the employees in her unit. Helen took this job with the state as a step up from her former position as a data entry lead worker in an insurance company in the same city. Though Helen has a "task-oriented", professional approach to her work and high standards of quality, she also has good interpersonal skills and handles her employees well. Her supervisory style could be characterized as traditional - low in participativeness, but sensitive to employee needs and rights.

Rani is Helen's assistant. She has been a word processing employee since the new computerized equipment was installed four years ago. She was a secretary for many years before that. Her excellent work and leadership qualities were noticed, and

she was promoted at the same time that Helen was hired. The two have gotten along well with each other. The WP/DE unit was created by Helen's predecessor in a difficult and stressful transition from individual units having their own secretary to the processing "pool" of employees with all computerized equipment. Data entry was added with the increased use of new information and decision support systems by various state agencies. At present, the work area consists of four circles of word processing equipment stations (16 employees) and a row of 10 data entry employees and their equipment (See Exhibit 1)

Exhibit 1
Physical Layout of WP/DE Unit

Data entry
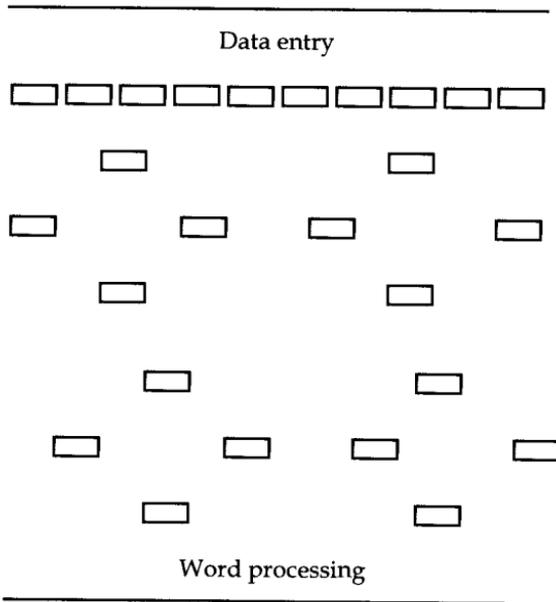
Word processing

Interestingly, the employees who handle word processing tasks are different in several ways from the data entry employees. Almost all of the WP employees had been secretaries prior to learning to use the computer equipment; this is not true of data entry employees. The WP employees typically wear formal business attire to work, while their counterparts in DE dress much more casually, including jeans and T-shirts. The immediate work spaces of the employees also differs, depending on their WP or DE work assignments. WP machines are covered with personal objects, like family pictures, radios, flowers, etc. The DE area has a noticeable lack of such decorations, with only an occasional cartoon taped to a machine. The DE employees are not as ownership oriented about their computers. Other, less visible differences in attitudes and behaviours also serve to create two distinct subgroups in Helen's unit.

Since the WP/DE unit was created, it continued to evolve and develop. Much of the work for the unit came in large batches due to project start - ups, committee report work with tight deadlines and so on. When the legislature was in session, the DE employees sometimes received large batches of work on very short notice. All too often, these employees are swamped with work while their WP counterparts

barely have enough to keep them busy. The opposite situation also arises on occasion. And if a WP or DE employee calls in sick, that computer sits idle for the day. There is no provision to replace the absent employee, regardless of workload demands.

Recently, top administration decided that some new machines should be added to the WP/DE unit. In conjunction with those additions, Helen was to be responsible for having the DE employees learn how to use the WP equipment and vice versa. As Helen thought about the implementation of the cross-training requirement, she knew there might be resistance from some employees. She was careful to devise what she felt was a method to accomplish the cross - training over a period of three months - enough time to give her employees sufficient training support. She felt her plan was realistic and fair, and that the whole unit would be able to work more efficiently once that plan was accomplished. Her boss heartily endorsed the plan when she presented it to him.

Shortly after announcing the plan to her unit, Helen was confronted with major and unexpectedly hostile reactions from her employees. Many of them were upset about having to learn to operate the other machines.

Others thought it was a good idea and a good opportunity, but were uncertain about the three - month time - table. Rani tended to agree that the plan was unfair and unreasonable. She expressed her concerns to Helen, but not to the other employees.

In an informal lunch meeting, 10 of the WP employees voted to resist the cross - training and later in the day, obtained support for their position from seven DE employees. They confronted Helen with their decision the next morning. Knowing that her boss was committed to the cross-training, Helen attempted to reason with her employees. But it seemed useless; they were adamant in their demands. Moreover, having heard about the resistance, the WP/DE employees who welcomed the cross - training opportunities united and indicated their support for the change. For the first time since Helen had been the supervisor of the unit, WP employee ranks were split on an issue, siding with DE employees who were of the same opinion. The situation in the unit was certainly a divisive and volatile one. Helen was under pressure to solve the problem as soon as possible.

Questions :

(a) What are your reactions to the way Helen handled the proposed change ? What factors contributed to this resistance ?

(b) What do you think will happen if Helen goes ahead with the cross - training, inspite of the resistance ? Discuss the possible consequences.

(c) What are some of the supporting forces for change in this situation ?

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