

No. of Printed Pages : 8

MS-25

MANAGEMENT PROGRAMME

(MP)

Term-End Examination

December, 2022

MS-25 : MANAGING CHANGE IN ORGANISATIONS

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 carries 20 marks.*

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

Section—A

1. Briefly explain the process of turnaround management and discuss its merits in bringing change in the organization. Give examples.

P. T. O.

2. What is indigenous management ?
Discuss indigenization and its complexities with reference to managing change in organizations.
3. Describe and discuss different alternatives to mergers and acquisitions and how it helps in bringing change in organizations, with examples.
4. Briefly describe open system analysis and its key features. Discuss how this model can be used as diagnostic guide.
5. Write short notes on any *three* of the following :
 - (a) Action Research
 - (b) Flat Structure
 - (c) Triggers for change
 - (d) Total Quality Management
 - (e) Quality circles

Section—B

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

Rajeev was recently selected by an MNC to head their Marketing function. This MNC has their units in multi locations in India and in some other parts of the world, Rajeev has a track record of good performance in his past jobs and about 15 years experience as SBU head with exposure to Marketing, Operations, Corporate Planning and HR. He is an engineer from IIT and MBA from IIM with marketing as major and systems as minor specialisation. He is in his mid forties and very dynamic and proactive with consistent track of achievement. For any organisation, Rajeev is a prized possession. This MNC has to pay a whopping sum of three months pay to a head hunter to whisk away Rajeev from his past organisation. Rajeev has got 50 per cent more than his past salary in the MNC with other competitive perquisites befitting with the status. During the first

quarter itself Rajeev has showed outstanding performance, achieving 50 per cent more than the budgeted target.

To reposition them in the world market, this MNC, which is a world leader in FMCG products, decided to restructure their business. Their consultant suggested to relocate the corporate headquarter from New Delhi to Hong Kong. New Delhi office would be converted to a country office to overview the India operation. The Board decided to relocate Rajeev in Hong Kong. Hong Kong by Indian standards is much more costly and accommodation itself cost almost 50% of one's salary. The company decided all the key employees (like Rajeev) at Hong Kong Headquarter would be given a bachelor type single room accommodation and other support staff would be put up in dormitories. All will receive a substantial relocation allowance per month to compensate the increased cost of living at Hong Kong and would receive 15 days leave along with return

air fare to their place of residence. Only two Directors of the company would be given family type accommodation, considering their age and long association with the organisation. The company is all set to shift and identified the personnel (along with Rajeev) for relocation to Hong Kong. A meeting was called to discuss this issue with all those set to relocate at Hong Kong. The Chairman of the company asked for the personnel details to HR Chief, who from well maintained HRIS given the information in the format below :

S. No.	Designation/ Level	No. of Years with the Company	Age Group	Marital Status
1.	Director-operation	20	55	Married with two children above 15 years
2.	Director-Marketing (Rajeev Saxena)	1	44	Divorced with one child below 5 years and mother as dependent
3.	Director-HR	15	52	Bachelor

4.	Director-Finance	16	51	Divorced and free from any encumbrances
5.	Director-Systems	5	47	Married with no issues
6.	Support Executives (Total-20) Male-15 Female-5	5-10 years	25-40	Two females bachelor and three are married with no issues. Ten male bachelor and one divorced, rest four are married with no issues each.

With the personnel data, Chairman foresees no problem, per se, in relocating to Hong Kong, excepting for support staff as some of them may ask for separation. As per the standing norms, if employees ask for separation themselves, they get only their normal entitlements, while in the reverse case, the company pays to such employees in addition a lump sum of ` 5 lakh each for support executives and staff members and ` 8 lakh to senior executives up to the level

of Directors. The Chairman also believes attrition of directors would not threaten the company from any competency gap, as such requirements can be met from local (Hong Kong) hiring on contractual terms. In Hong Kong labour laws are much more relaxed and employment is contractual. The Chairman convened the meeting and announced the names of those who are required to relocate to Hong Kong within a month. For such decision, it is not the practice of the company to reach to any consensus. If any one dissents, he or she is free to leave.

Within next 10 days the company received the following documents in connection with the relocation :

- I. Consent from all the Directors, excepting Rajeev.
- II. A letter of resignation from Rajeev with a claim of compensation of ` 10 lakh, alleging this decision is in contravention with his terms of employment.

- III. A court order for 5 support executives stalling their relocation to Hong Kong.
- IV. Letters of resignation, requesting for VRS benefits from 15 support executives.

Questions :

- (i) What went wrong in this plan ?
- (ii) What could have be done to make this plan successful ?
- (iii) Assuming you are the Chairman of the company, how will you now manage the situation ?