03311

MANAGEMENT PROGRAMME

Term-End Examination

June, 2012

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. Describe Evaluation and Action Research approach in organisational change. Discuss the importance of data analysis and feed back in the evaluation process.

2. Discuss how work redesign could be used as a technique of planned organisational change ?

3. Why does mergers and acquisitions take place ? Briefly discuss the alternatives which could be used instead of mergers and acquisitions.

4. Discuss the sources of resistance to change. How resistance to change can be managed effectively ? Justify your answer with examples.

5. Write short notes on *any three* of the following:

   (a) Horizontal and Vertical organisations.

   (b) Triggers of change

   (c) Organisational culture and change

   (d) Group based approach to change

   (e) Competencies required for a change agent.

SECTION - B

6. Read the following cases carefully and answer the questions given at the end. Both carry equal marks.

CASE - I

It was with mixed feelings of joy (for having completed the work assigned to him to work out the details of the already completed, barring the formal signing of the documents) and uncertainty in the new assignment entrusted to him, that Jimmy Verghese left the CEO's (Ganesh) office. Jimmy was the Vice President (Planning & Execution), RANCO Automobiles Ltd., Chennai. The above mentioned new assignment was related to the merger of RANCO with a German Automaker DAIMLER.

Both RANCO and DAIMLER had been holding talks of a formal merger between the two to gain competitive advantage. Jimmy had already spoken to the eight executives directly reporting to him, on the top management's decision to transfer each of them on a rotation basis initially for six months. This could extend to a period of 2-4 years so as to enable them to learn the German culture, values, style of working etc., which can be used to further train their employees in Chennai, on how to behave or on what is the new organisational behaviour expected of them?

Now that a formal communication ws received from the CEO, Jimmy in turn called for a formal meeting with his managers. There were only 2 (from 8) takers for the proposed moving of RANCO's employees to Germany. Abay and Kunal did not oppose the proposal because they were newly married and didn't mind going to Germany, if only their spouses could accompany them. But the other managers were very apprehensive and raised queries regarding the following cultural differences, which they felt in turn could affect their behaviours as a global organisation.

- RANCO culture has always adopted a low-cost business strategy. They preferred to use cost effective ways sush as online marketing. Whereas, German firms had a preference for using elaborate brochures to highlight reliability and efficiency, indicating distinctiveness, wealth etc.

- Usually German managers held meeting not only lasting the whole day but even stretching over to elaborate night dinners. In fact the real issues surfaced during such night dinners. Whereas, a cost conscious company such as RANCO, followed the practice of conference calls and at times

video conferencing so as to reduce time taken if executives are required to travel to different locations.

• To some extent both the countries had similar outlooks on - Designations, Location of the office, Salary and associated perks etc., as important status symbols which depicted the power and authority relationships among employees. Similarly, handling international assignments was treated as another stepping stone to further one's career.

Most of the above issues were discussed during the meeting. Only Jimmy was thinking on how to respond to the comment made by Diana (Sr. Human Resources Manager) " Since German is an alien language, and we are required to proceed within a fortnight to Germany, probably we will have to request for a translator to accompany us?"

Questions for Discusssion

(a) According to you what cultural factors should be considered by RANCO before sending their executives to Germany?

(b) Can you suggest ways to handle the cultural varidations mentioned in the above case ?

CASE - II

Tushar had been hearing the rumour doing the rounds since the past ten days. However, as per his nature, he had ignored it and concentrated on doing his job even better. But today, Tushar had seen his name along with other names recommended and officially told to start attending the three month's computer course to gain knowledge on the usage of computers to textile industry.

Tushar, after completing a polytechnic (diploma) in Textile engineering had joined J.P.Mills as a junior assistant in the design development department, some twenty years ago. At the time of joining, the textile industry was booming. J.P. Mills was also doing well in terms of volume and profitability during the boom period. However, with the opening of the economy and the entry of many multinational ready made brands, there was seen a visible change in the customers' buying behaviour. The past seven to eight years has seen a shift in the customer's mindset towards purchase of ready-to-use wear. Unlike the earlier trend when people preferred to purchase well known textile company's cloth material (in this market J.P. Mills was doing very well and had almost 27% market share), and get their clothes stitched by any

wellknown tailor. So as to keep in pace with the new market requirement, J.P.Mills Owner and Managing Director Nithin Kapasi, decided to enter into a tie up with a MNC Sandy wear store which wanted to enter into a joint venture with J.P. Mills to get a manufacturing base in India.

It was in this connection that the rumours started circulating about the new management planning to remove the existing employees of J.P.Mills by introducing programmes for them under the guise of upgrading their knowledge in computers. When the rumours, started initially, many executives and employees had put in their papers. But many others, like Tushar, continued to put in their hours but one could always sense their uneesiness. Hence, seeing his name on the notice board, made Tushar uneasy and he was expecting the worst, when he received a call from Nancy, the P.A to the personnel manager Viresh, asking him to meet the latter after the lunch break.

Tushar, when he met Viresh, was pleasantly surprised to hear that in the new organisatiion set up, would be required to do a lot of the work on the computer (packages).This would eventually result in a lot of cost saving for the company, because the available new computer packages in the market will help in reducing the time (spent) between receipt of order, selection of

the various designs (optimised selection can be done with the help of the new software packages) and execution of the orders in time. Viresh ended the talk by saying that the new management expected all this responsibility to be entrusted to Tushar and hence his name had been put up on the list of those required to attend various computer courses.

Questions for Discussion

(a) What factors had caused resistance in change among J.P. Mills employees ?

(b) Do you agree with the strategy adopted by Viresh in communicating about the changes to Tushar ? Or could you suggest any other way of handling the above situation ? Why ?