

**MANAGEMENT PROGRAMME**

**Term-End Examination**

**June, 2010**

01738

**MS-26 : ORGANISATIONAL DYNAMICS**

*Time : 3 hours*

*Maximum Marks : 100*

*(Weightage 70%)*

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**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.*
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**SECTION-A**

1. Explain the group process in the organizational context, and differentiate between natural and created groups.
2. Discuss the notion of 'Power' in relation to organizational dynamics. Discuss the classification of power bases.
3. How is diversity management crucial in creating and maintaining organizational effectiveness ?

4. What are the facets of organisational culture ?  
Establish the linkage between Organizational Culture and Climate.
5. Write short notes on **any three** of the following :
- (a) Strategic Alliances
  - (b) Causes and correlates of Alienation
  - (c) Burnout
  - (d) Transformational leadership
  - (e) Organizational Ethics

## SECTION-B

Read the following cases carefully and answer the questions given at the end.

6. The Roopchand Departmental Stores, New Delhi, has a separate section to sell winter garments. This section consists of two groups : permanent clerks and temporary clerks appointed during winter season. Unfortunately, this section has always witnessed a tug-of-war situation between permanent and temporary clerks. The story begins thus.

The permanent clerks, by virtue of their long and fruitful association in the Departmental Stores, had developed intimate social relations among themselves. Usually, they take their lunch and tea together. They worked, like a well-knit group, in close proximity and not surprisingly, developed close relations even after the work is over. The slack period starting from April to September every year had given them wonderful opportunity to sit together, discuss about matters of common interest, peep into each other's minds and, if possible, solve their problems to mutual advantage. Presently all of them are unmarried with the exception of two.

The temporary clerks were school girls who are normally appointed before the commencement of winter. Often, they have

complained about their work in the Winter Garments Section and two of the clerks even desired transfer to some other section after a short stay. The reasons are quite obvious : The permanent clerks bothered little about helping the newcomers. If the newcomer is not able to strike a deal with a customer, often, the permanent clerks joined hands in making uncharitable criticism before the Section-in-charge. Being small in number, the temporary clerks could not resist the frequent onslaughts, which are at times irritating and insinuating. The temporary clerks had very little scope to blow off their "steam".

In this heated atmosphere, the determination of commission on sales remained a contentious issue. The permanent clerks had, through an informal understanding, agreed not to boost up sales. They feared, inherently, that fluctuations in sales would lead to fluctuation in employment. At the same time, they could not tolerate the sight of a temporary sales person pocketing a fair-share of commission. They always felt that the temporary ones do not deserve any commission, because they have not contributed anything on a continual basis for the development of the Department. Suffering from an inflated ego, they also believed that they had the right temperament and skill to boost up sales. Thus, in every way, the temporary sales clerks are

inferior to them. Recently an unhappy situation has developed when one of the temporary clerks is able to make a substantial sale to one of her acquaintances. Now, the permanent clerks began to make a hue and cry regarding the commission payment. The poor sales clerk came to the Assistant Sales Manager with tears after having been scolded bitterly by the permanent clerks for having sold a few sweaters in their absence.

The temporary clerks were always anxious to show good performance so as to earn a position in the department. To prevent this, the permanent clerks used to furnish false information about garments' quality, negotiable price etc. Whenever the temporary clerk sought the help of a senior in selling the garments to the customer, the latter would take over and claim the commission on sale herself. The temporary clerks were often assigned to insignificant tasks like arranging displays, rearranging garments, bringing garments from stores, etc., and were prevented from striking it rich with customers. At every stage the temporary ones are taken for a ride by the permanent clerks.

**Questions :**

- (a) Explain the behaviour of permanent clerks in the Winter Garments Section from group point of view.
- (b) What action strategies would you evolve to improve the situation ?

7. Sonia was the head of the marketing services division at the Triumph Management Group Head office based in Bangalore. On face it appeared Sonia was very lucky as she had it all - a high profile job with a big company, high pay along with stock options, a likeable enthusiastic team of co-workers. On the personal front Sonia's husband was a senior financial specialist with a multinational firm and they had a daughter who was going to a reputed school with a good housekeeper to look after the daughter and home.

On the job front, Sonia was liked not only by her colleagues but by her subordinates as well as her superiors for her total commitment to the task assigned to her, communication abilities and pleasant personality. The board of the Triumph Management Group were deliberating on the merging of this company with their sister concern Trident Value Group so as to gain strategic competence. After this decision was tentatively communicated there seemed to be visible certain working conditions leading to manager's level of perceived stress. The most stressful organisational change events were the frequent changes in instructions, policies and procedures, facing unexpected crises and deadlines and sudden increase in the activity level or pace of work.

Sonia realised that stress was affecting her team's performance because many of her managers complained about work overload, absence of a proper feedback and only communication was received when performance was found to be unsatisfactory, along with role conflict and ambiguity. Sonia, at her level tried to address these issues by frankly telling her subordinates that the management had not given clear guidelines on how the organisational changes were going to affect this firm's employees. So till such instructions were received, they (employees) continue to work as per the current requirement. She also advised them to do regular physical exercise and ensure a proper intake of balanced diet so as to reduce stress.

Very soon Sonia also started feeling that stress was affecting her performance. She recalled the turn of events after receiving oral information on the managements decision to elevate her to the post of Vice President (marketing). She had made two presentations of two important issues to the board during the past 1½ months. And they were reasonably good based on the feedback received from her superior. Sonia remembered that at the time of the presentation though 'keyed up', her presentation had revealed a lot of enthusiasm, energy and confidence. She had been able to answer almost all the questions put forward to her by the board members.

But after the presentations, Sonia started feeling that at the work place, her schedule was dominated by one crisis after another. On most of the days when she came home it was very late, giving her hardly any time to talk and play with her daughter or talk to her husband. Many of her work days started at 7 a.m. and continued till almost 10 p.m. She longed for quality time specially to be with her family and also pursue her passion of playing the 'Veena', her favourite musical instrument. Finally one fine day Sonia presented her resignation letter to her superior quoting "personal reasons" as the reason for leaving.

**Question for discussion :**

- (a) How do you perceive the working environment, contributing to the rising level of stress in the organisation ?
  
  - (b) What methods of stress management would you suggest to the organisation in the above case, to reduce stress at the individual employee level and organisational level ?
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