

M.B.A. DEGREE (FT) II SEMESTER EXAMINATION, MAY 2007

SMS 2201 ORGANISATIONAL EFFECTIVENESS AND CHANGE

Time: 3 Hours

Maximum marks : 50

(Answer all questions)
(All questions carry equal marks)

I. A. What do you mean by Organisational Climate and examine the impact of Organisational Climate on effectiveness of organizations?

OR

B. Explain the role and functions of Organisational Culture.

II. A. Explain the various bases of Power. Also explain Power Politics in Organisations.

OR

B. What is Leadership? Examine the various substitutes for Leadership.

III. A. Explain different conflicts that take place in Organisations and suggest measures for their resolution.

OR

B. Distinguish between Intra-Personal and Inter-Personal conflicts. What measures do you suggest to resolve them?

IV. A. Why is Organisational change resisted? Examine the approaches to manage Organisational Change effectively.

OR

B. What is Sensitivity Training? Examine its role in Organisational Development.

V Case :

Light Engineering Company, a successful company in light engineering business had manufacturing units in Hyderabad, Pondicherry and Indore. The company was very particular about budgeting and budgetary control with an emphasis on production and expenses control.

(Turn over)

Production units in Hyderabad and Pondicherry were very successful in their operations and meeting targets whereas the unit in Vijayawada was consistently failing to meet targets.

Rajmohan, the Assistant Manager at Hyderabad, the most successful unit in the company was asked to take over the management of the Indore unit as a Plant Manager.

Rajmohan who joined the Company eight years back with a Gold Medal in Engineering was known as a strict manager with a high degree of ambition and drive for success. His track record was excellent and he was well known for his fast and impressive achievements and insistence on getting things done through strict supervision and constant control over company affairs.

After taking charge of the Vijayawada unit, Rajmohan, undertook a preliminary study of the plant and issued the following instructions to all the departmental heads:

- 1 to reduce their expenses by 10%
- 2 to increase the production by 10%
- 3 to introduce better reporting and control systems.

Two supervisors were suspended and two officers left the institution unable to adjust with the new style of affairs. However, the Unit's performance improved and within eight months, the Unit's performance of the company surpassed all targets. Rajmohan was called back by the Head Office and he was promoted and designated as Plant Manager, Hyderabad as a reward for his success in Indore.

Within three months of his departure from Indore, the affairs in Vijayawada turned to worse. There was a fall in productivity and production. The Unit failed to meet all its budgeted targets. The unit was in trouble again.

Questions:

1. Analyse the Organisational Climate established by Rajmohan at Vijayawada Unit.
2. What were the reasons for Rajmohan's success in Vijayawada Unit?
3. What were the reasons for the decline in the situation in Vijayawada soon after Rajmohan's redeployment?
4. Suggest changes in style of management needed to make Rajmohan a more effective manager.
