

Jagan Institute of Management Studies
End-Term Examination, September, 2016
Trimester I – PGDM 2016-18

Managing Organization
ET_PG_MO_2809

Time: 3 Hrs.

M. Marks: 70

INSTRUCTIONS: Attempt any FIVE questions including Q1 & Q7 which are compulsory.

- Q 1** Attempt any **FOUR** part from this Question:
- a) Delphi technique is a modification of brain storming technique that it involves obtaining the opinions of experts physically separated from each other and unknown to each other. Elucidate.
 - b) MBO by definition is a goal oriented process not a work oriented process. Comment.
 - c) Planning and controlling may be viewed as the blades of a pair of scissors; the scissors cannot work, unless there are two blades”. It is only the difference in angles. But both function to complement the attainment of organizational goal. Discuss with rational in support of your views.
 - d) The managerial function of controlling is the measurement and correction of performance in order to make sure that enterprise objectives and the plans devised to attain them are being accomplished.
 - e) Decision making process at times looks to be quite simple, but more often than not it is not so, because managers at times tend to be intuitive than be analytical while making decisions. Why? Discuss. **16**
- Q 2** Aarti loves her job, especially because of the people she works with. Aarti has always found her company, The Force to be a great place to work because her co-workers and manager are supportive and work together to help each other succeed. Aarti's manager, Raj, considers himself a part of the team and even shares the same workspace as his subordinates. Aarti is able to focus on her work and ask questions when needed and is highly productive as a result. The correlation between the social context of workplace environment and employee productivity can best be understood by examining the Hawthorne effect. Discuss. **12**
- Q 3** Critically examine the statement “Decision making is the primary task of the manager” giving reasons for your answer and two appropriate examples. **12**

Q 4 Managers can only juggle so much information in their minds, and often must make decisions under significant time pressures. The concept of Bounded Rationality, Satisficing and Heuristics put these constraints in perspective. Do you think that with these ideas, managers can better understand rational decision making? Explain with the help of an example. **12**

Q 5 Attempt any **THREE** parts from this question:

- a) The practical effectiveness of MBO appears to be a matter of debate and many of the criticisms or limitations are related to the formulation of appraisal schemes. Discuss. How?
- b) The question whether management is a science, art or profession is put to debate quite frequently. There are arguments on both sides. Comment with supportive logic.
- c) All intelligent decision makers dealing with uncertainty like to know the size and nature of the risk they are taking in choosing a course of action. The ordinary practice is to have staff specialists come up with “best estimates.” Virtually every decision is based on the interaction of a number of important variables, many of which have an element of uncertainty but perhaps, a fairly high degree of probability. Elucidate with example.
- d) Motivation is essential to the operation of organisations, no matter how much technology and equipment an organisation has. These things cannot be put to use until they are effectively used by people who are motivated. Explain with the help of two theories of Motivation. **12**

Q 6 Discuss the concept of the “readiness level of followers” in the light of the Situational Leadership Theory of Hersey and Blanchard and suggest the styles that are relevant for different levels of readiness. **12**

Q 7 Study the following case carefully and answer the questions that follow:
THE VICE PRESIDENT, THE PRODUCT MANAGER AND THE MISUNDERSTANDING

Tom Brewster, one of the field sales managers of Major Tool Works, Inc., was promoted to his first headquarters assignment as an assistant product manager for a group of products with which he was relatively unfamiliar. Shortly after he undertook this new assignment, one of the company’s vice presidents, Nick Smith, called a meeting of product managers and other staff to plan marketing strategies. Brewster’s immediate superior, the product manager, was unable to attend, so the director of marketing, Jeff Reynolds, invited Brewster to the meeting to help orient him to his new job.

Because of the large number of people attending, Reynolds was rather brief in introducing Brewster to Smith, who, as vice president, was presiding over the meeting. After the meeting began, Smith, a veteran with a reputation for bluntness – began asking a series of probing questions that most of the product managers were able to answer in detail. Suddenly, he turned to Brewster and began to question him quite closely about his group of products. Somewhat confused, Brewster confessed that he really did not know the answers.

It was immediately apparent to Reynolds that Smith had forgotten or had failed to understand that Brewster was new to his job and was attending the meeting more for his own orientation than to contribute to it. He was about to offer a discreet explanation when Smith, visibly annoyed with what he took to be Brewster's lack of preparation, announced, "Gentlemen, you have just seen an example of sloppy staff work and there is no excuse for it!"

Reynolds had to make a quick decision. He could interrupt Smith and point out that he had judged Brewster unfairly; but that course of action might embarrass both his superior and his subordinate. Alternatively, he could wait until after the meeting got over and offer an explanation in private. In as much as Smith quickly became engrossed in another conversation, Reynolds decided to follow the second approach. Glancing at Brewster, Reynolds noted that his expression was one of mixed anger and dismay. After catching Brewster's eye, Reynolds winked at him as a discreet reassurance that he understood and that the damage could be repaired.

After an hour, Smith, evidently dissatisfied with what he termed the "inadequate planning" of the marketing department in general, abruptly declared the meeting over. As he did so, he turned to Reynolds and asked him to remain behind for a moment. To Reynolds' surprise, Smith himself immediately raised the question of Brewster. In fact, it turned out to have been his main reason for asking Reynolds to remain behind. "Look" he said "I want you to tell me frankly, do you think I was too rough with that kid?" Relieved, Reynolds said, "Yes, you were. I was going to speak to you about it."

Smith explained that the fact that Brewster was new to his job had not registered adequately when they had been introduced and that it was only sometime after his own outburst that he had the nagging thought that what he had done was inappropriate and unfair. "How well do you know him?" he asked. "Do you think I hurt him?"

For a moment, Reynolds took the measure of his superior. Then he replied evenly, "I don't know him very well yet. But, yes, I think you hurt him."

"Damn, that's unforgivable," said Smith. He then telephoned

his secretary to call Brewster and ask him to report to his office immediately. A few moments later, Brewster returned, looking perplexed and uneasy. As he entered, Smith came out from behind his desk and met him in the middle of the office. Standing face to face with Brewster, who was twenty years and four organisation levels his junior, he said, “Look, I have done something stupid and I want to apologise. I had no right to treat you like that. I should have remembered that you were new to your job. I am sorry.”

Brewster was somewhat flustered but muttered his thanks for the apology.

“As long as you are here, young man,” Smith continued, “I want to make a few things clear to you in the presence of your boss’s boss. Your job is to make sure that people like me do not make stupid decisions. Obviously, we think you are qualified for your job or we would not have brought you in here. But it takes time to learn any job. Three months from now I will expect you to know the answers to any questions about your products. Until then,” he said, thrusting out his hand for the younger man to shake, “you have my complete confidence. And thank you for letting me correct a really dumb mistake.”

Questions:

- a) What do you think was the effect on Brewster and the other managers of Smith’s outburst at the meeting?
- b) Was Smith right to apologise to Brewster or should he have left well enough alone? Give reasons for your answer.
- c) What do you think the apology meant to Brewster? Why?
- d) What would it be like to have Nick Smith as a superior? As a subordinate?
- e) How does Smith define Brewster’s responsibilities as an assistant product manager? How does he define his own role as a top manager?
- f) What is the most important aspect of the relations between management levels in this company?

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