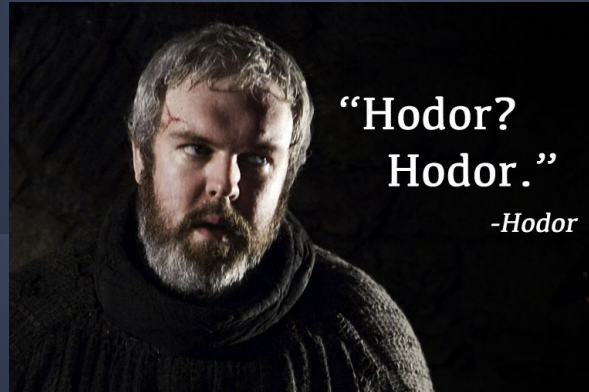


COM 220: Fernandes Case Study

Team Hodor



Agenda

Introduction

Summary of major issues

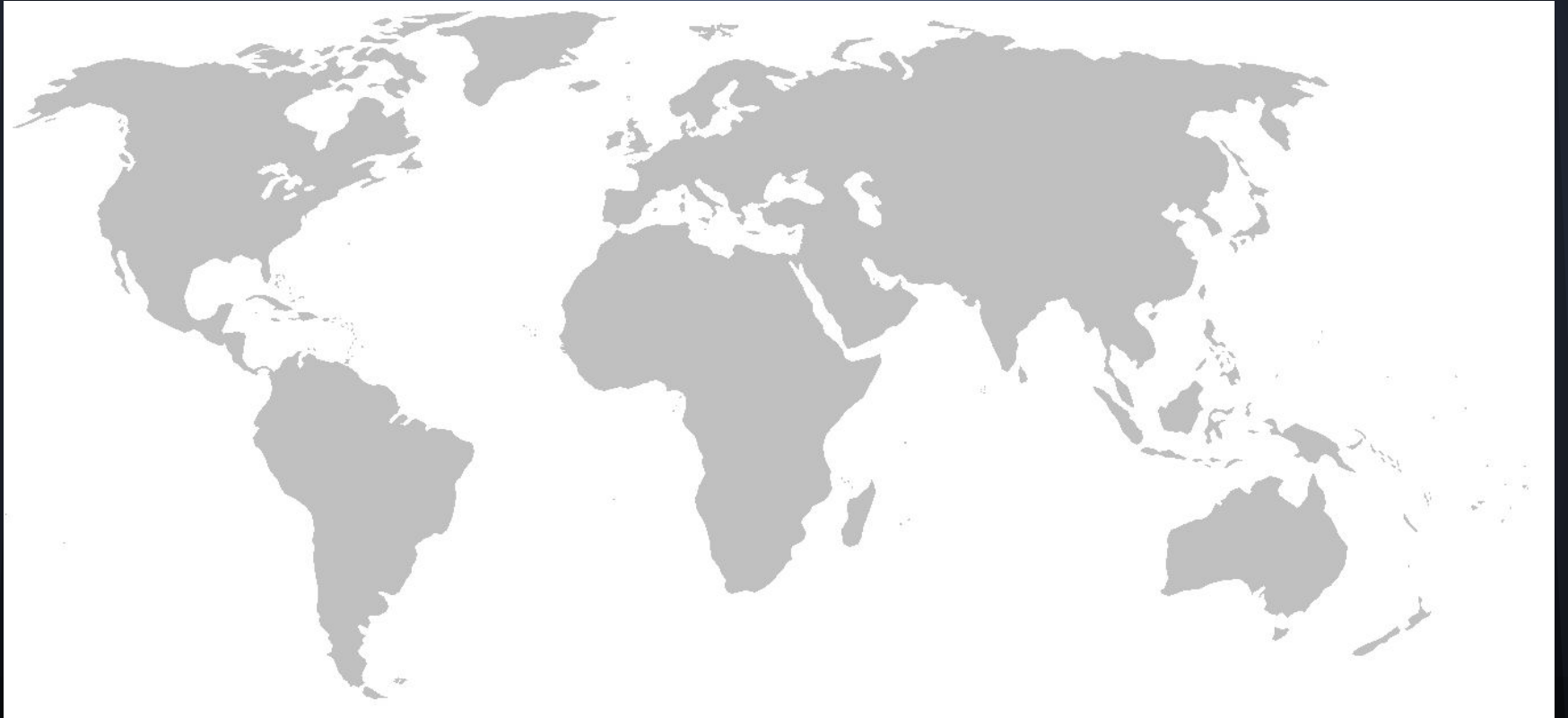
Detailed recommendations

Rationale for recommendations

Conclusion



Introduction: NPIL



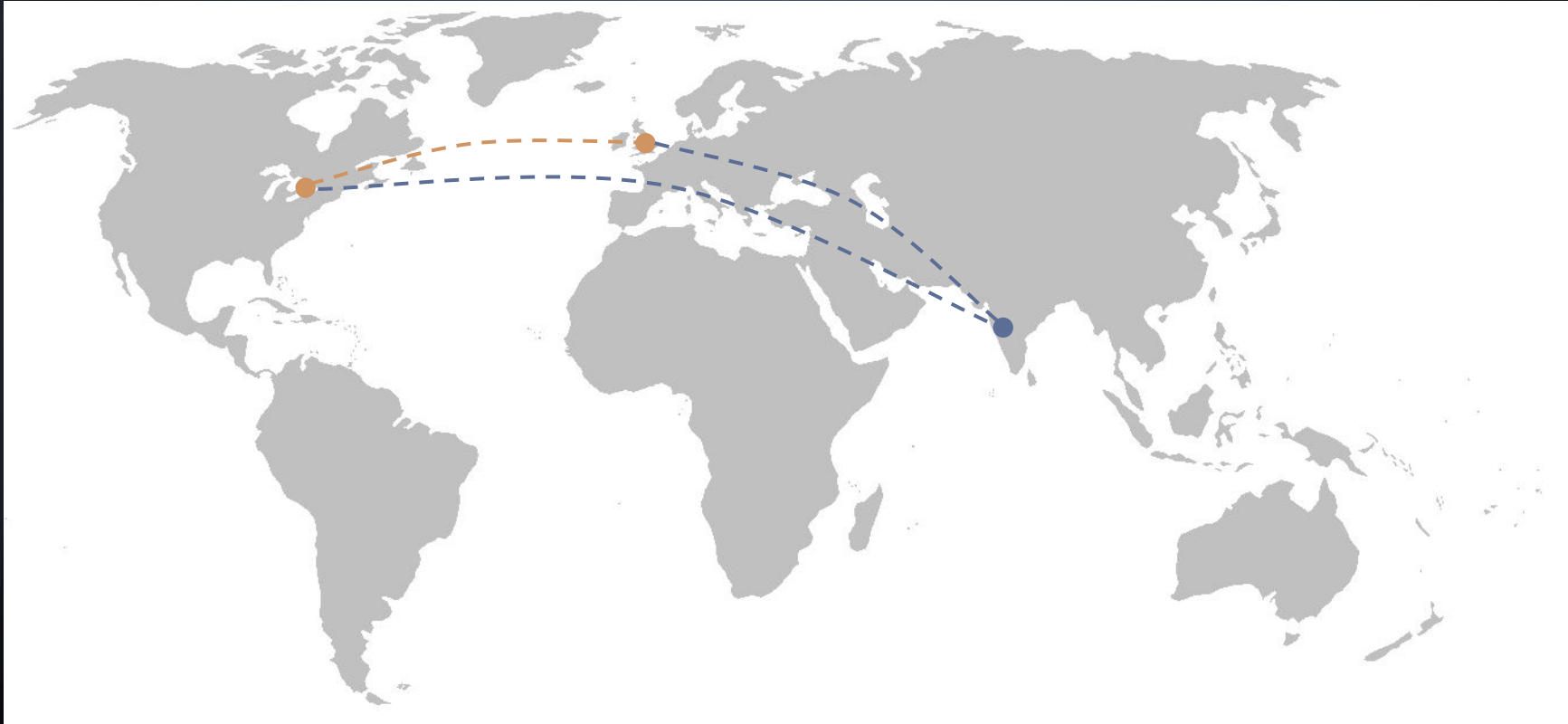
Introduction: NPIL



Introduction: NPIL



Introduction: NPIL



Introduction: Michael Fernandes



Previous McKinsey consultant

Now Executive Director at NPIL

Helped create “cradle to grave” business strategy

Currently faced with several OB-related issues

Introduction: R Ananthanarayanan



15 years technical and business experience in industry

Director of Global Business at NPIL

Worked with Fernandes to create “cradle to grave” plan

Feels that business is sometimes conducted behind his back

Introduction: Ian Grundy

Formerly in charge of Avecia's Business Development
Reported to Avecia CEO while leading New Strategic Initiatives
Now Head of European Business Development at NPIL

Feels ignored when pointing out cross-cultural conflicts



Introduction: Sherrer-Pangka

Previously President of Torcan

Director of Pharmaceutical Development Services (PDS) at NPIL

Enjoys and values maintaining strong ties with clients

Concerned about preserving ties with clients



Introduction: Main Problems

Cultural misconceptions



Ineffective communication

Ineffective employee transition strategy

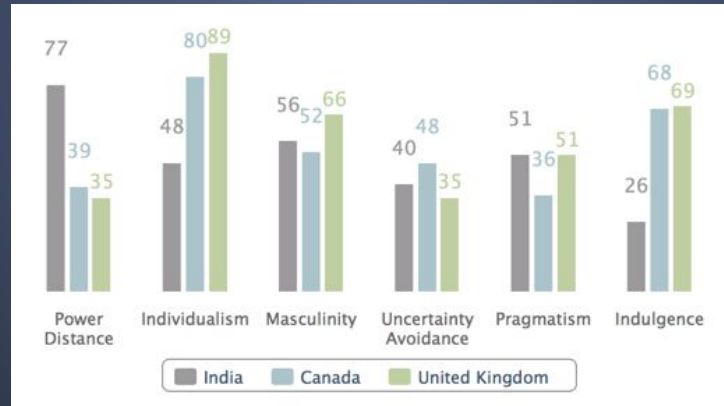


Problem 1: Cultural Misconceptions

Ananth failing to recognize cultural differences between NPIL clients

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Veronica concerned that manufacturers are withholding information



(The Hofstede Centre)

Problem 1: Cultural Misconceptions

Ananth failing to recognize cultural differences between NPIL clients
Veronica concerned that manufacturers are withholding information
Grundy understands cultural differences, but feels he is ignored

These factors combined alienate business unit members from NPIL's business goals while also creating unnecessary conflict



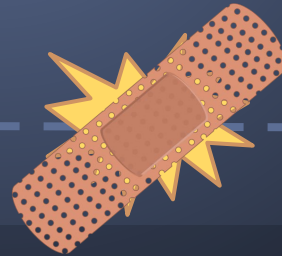
Problem 1: Recommendation 1

Promote Grundy to a role that places him between India & the West

Allows him to use knowledge of cultures to reduce conflicts within NPIL

His experience also allows him to advise on both large and small scale contract closures

Increases his perceived organizational support



Problem 1: Recommendation 2

Have Grundy develop a company-wide diversity training program

Such a program allows Grundy to “run his own ship” and leave his mark on NPIL

Diversity programs also increase perceived organizational support of employees



Problem 2: Ineffective Communication

Fernandes failed to establish communication channels with the new business unit members

Little clarification of each individuals roles within the company & business strategy

Little communication between the members

Unit lacked knowledge about the overall business development plan

No one attempted to break the silence between the members



Problem 2: Recommendation 1

Fernandes should bring in a third party counselor to encourage/mediate constructive discussion between each member about their concerns of one another

This will allow each member to understand the concerns/feelings of the group

This will also allow for negotiations and collaborative conflict resolution to begin



Problem 2: Recommendation 2

Fernandes should also hold weekly meetings with all the members to manage interactions to deal with any interpersonal conflicts

This will allow Fernandes to redirect focus from interpersonal conflicts to the overall business issues that are causing conflicts

This can also give each member insights into the other divisions and can give them a better understanding of how their division fits into the overall business strategy



Problem 2: Recommendation 3

He also needs to establish a communication channel between the Indian manufacturers and both the PDS and PMS divisions

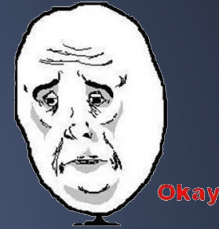
This will allow each division to focus more heavily on their roles within the company.

By having ambassadors on the manufacturing floor this can also increase manufacturer productivity (Hawthorne Experiment)



Problem 3: Ineffective Transition Strategy

Grundy felt he was demoted after the merger



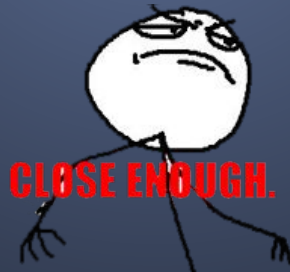
Top level manager felt subordinates were taking unauthorized actions

Team members at the same organizational level reported to one another causing tension

Problem 3: Recommendation 1

Grundy will be promoted to have control over European business deals

This would improve Grundy's perceived organizational support, boosting his job satisfaction and increasing his productivity. Grundy's experience working with large western companies will be an added benefit



Problem 3: Recommendation 2

Ananth will be promoted to Executive Director of Global Business Development (Same level as Fernandes)

Ananth's perceived organizational support will be increased, boosting his job satisfaction and increasing his productivity.

Fernandes would be able to focus on analysing market data and utilizing his consulting skills to help develop NPIL's overall business strategy.



Problem 3: Recommendation 3

Ensure that each team member is aware of their position in the new organizational hierarchy, and hold team building exercises

Having a clear organizational hierarchy will eliminate the possibility that members feel other members are going behind their back. The team building exercises would help to alleviate tensions and promote synergy.



Conclusion

Fernandes: Will focus on developing new business strategies

Ananth: Will oversee execution of NPIL's business strategy

Grundy: Will oversee interdepartmental customer relations

Scherrer-Pangka: Will continue to direct NPIL's PDS unit

NPIL's Organizational Chart

