

**FACULTY OF MANAGEMENT STUDIES  
UNIVERSITY OF DELHI**

**Semester Examination 2021**

**Name of the Examination:** MBAFT I Year (November 2021)

**Paper Name:** Organization Behaviour

**Paper No.:** 6101

**Time Allowed:** 3 Hours

**Max Marks:** 70

**Instructions:** **There are two sections, Section A & Section B in this Paper. Attempt all questions from both the sections**

S.No.		Marks
	<b><u>Section A</u></b>	
1.	<p><b>Read the case ‘What should Dr. Reddy do?’ and answer the questions that follow:</b></p> <p style="text-align: center;"><b>What should Dr. Reddy do?</b></p> <p>Lifeline equipment Pvt. Ltd was founded in 1994 by a young enthusiastic entrepreneur, Dr. Range Reddy, to manufacture medical equipment. Prior to this, Dr Reddy was working at Apollo Hospitals, so when he started the company, he invited four of his former colleagues, Dr. Subhash Gupta, Dr. Ravi Ghai, Dr. Kamal Ojha and Dr. Amit Nanda, to join on the board of Lifeline Equipment. Lifeline grew by leaps and bounds till 2000 under the leadership of Dr. Reddy and his high-profile team. Another reason for company’s growth was that there were no competitors and it enjoyed a good reputation among hospitals and doctors. Lifeline started with merely 20 employees, but by 2000, its manpower had grown to 320 employees on rolls and 80-90 contractual workers. Around 2010, there was mushroom growth of hospitals and nursing homes and along with that increased medical equipment and manufacturing companies. As a result of increased competition, rising cost of materials, and high salaries, the company’s profit dropped to all-time low by the end of 2016.</p> <p>Dr. Reddy called a board meeting to discuss this unfortunate situation. Dr. Subhash suggested that it would be better to first look internally, before looking outside. Dr. Amit supported him and said, “Let’s start with our top team as I have sensed some dynamics which I guess is flowing down in the organization.” Dr. Reddy was shocked with this information as he had selected his top team with utmost care and was apprehensive to take them under scrutiny and could not understand how to do that. Dr. Ravi came to his rescue and suggested, “Let’s call a meeting of the top team for vision building and to discuss and suggest strategies to deal with the current situation. But, there is one condition. All five of us will not participate at all and would be just observers while they have this meeting”. It seemed a little strange to the group, and thought how the top team would react to this. Won’t the top team become conscious</p>	25 Marks

and react differently from what they generally do? Dr. Kamal suggested to video record their meeting and to view it later. This way, the top team would not suspect anything as all their meetings were usually recorded. Everybody agreed to this and concluded the meeting.

As per the decision taken in the last meeting, Dr. Reddy summoned the CEO Ram Rai to his office and told him to hold the meeting with the top team to discuss strategies to retain the market leadership and decide on a few alternative solutions and plans of action, and communicate the team's decision at the earliest to the Chairman and the board, so that it could be implemented as soon as possible. Ram Rai called a meeting of the top team on 5<sup>th</sup> January 2016, which included the VP-Marketing, Simran Khanna; VP- Finance, Shyam Ahuja; VP-Production, Karan Kapoor; VP-R&D, John Smith, VP-Quality Control, Charan Singh and VP – HR, Raghu Sahai. Ram Rai opened the meeting by sharing the current position of the company and the concerns of the management. He further added, "the seven of us have been given the responsibility of looking at alternative strategies to revive Lifeline".

Karan Kapoor took the initiative and suggested that the company should modify its existing products and also add new ones, since other companies have launched more advanced products in the market. Shyam Ahuja immediately opposed him and said, "The company is already running into losses. We are not in a position to spend any more funds on anything right now. At least, I won't pass any more bills in the in the current situation and moreover, at this time we should be thinking of cutting down our expenses. In my opinion, we should downsize the organization because we don't need too many personnel, especially in the marketing department." Hearing this, Simran Khanna got furious and confronted Shyam Ahuja, "What do finance people know about market needs? It is us who bring revenue to the organization and I know how much workforce is needed to run around and bring business. Anyways, finance people are known for creating hurdles in the smooth running of the organization." At this point, Ram Rai intervened and reminded the team to remain focused on the agenda and to think of solving the problem rather than fighting with each other.

Then, Karan Kapoor recommended searching for new clients in the international market. After Kapoor, Charan Singh spoke, "To go globally, we need to produce quality products, which in my opinion, the production department is not able to do. Our products are not being accepted in the local markets, and moreover, every time my team keeps rejecting so many equipment on the basis of quality." Karan Kapoor felt very insulted and counterattacked Charan Singh by saying that the quality control department intentionally does so to harass production people. Then John Smith intervened and tried to ease the tension by saying, "Friends, we are all working for one goal. So rather than finding faults in each other, let's work collaboratively and proceed with our agenda. Raghu Rai has not spoken so far, so let's hear his views on the matter." Raghu Rai, who was silent till then, said, "I have been observing the happening of the meeting and in my opinion, so far we have not come up with the single solution to the problem. I suggest that let's generate lot of ideas without criticizing or evaluating, and regardless of their worthiness or practicality. Later on, we can analyze and choose the

	<p>best.” Ram Rai liked the idea and asked for the group’s opinion on it. Shyam Ahuja said’ “I don’t agree with this. That is the problem with HR people: they just want to waste time. We can’t sit around here whole day, generating stupid ideas. I have hundreds of things to attend top. In fact, HR people should not be invited to strategic thinking meetings. Sometimes I think HR department is more of a liability rather than an asset to the organization.” The whole group was shocked at such an outburst and everybody started talking at the same time. Ram Rai intervened and told Shyam Ahuja to behave in a more dignified manner in the meeting, which is worthy of his position. Raghu Rai, who sat shocked and white faced, got up abruptly and left the board room. Ram Rai dismissed the meeting with a request to all the heads of the department to maintain complete confidentiality of the happenings, else it would create a negative image of the top team in the organization. He also requested all to send their ideas/opinions/suggestions by evening so that he could present it to the chairman. Later on, when Dr. Reddy saw the video recording of the meeting with his board members, he was shocked and said, “Now I know what all of you were trying to tell me, and in this great dilemma, what should I do?”</p> <ul style="list-style-type: none"> <li>a) Select any two members from the top team and comment on their personality type.</li> <li>b) Pick up any three transactions from the case and depict them diagrammatically in terms of ego states.</li> <li>c) Identify and discuss different group processes in the case.</li> <li>d) Which decision-making technique should the group have used for solving the problem? Explain the process of technique.</li> <li>e) What should Dr. Reddy do?</li> </ul>	
2.	<p>Two recent management graduates joined the same consumer care company as Assistant managers. Both of them work long hours and have tight deadlines to complete their tasks. They are under constant pressure to scout for clients and do the needful. One of the managers is increasingly fatigued and despondent, and has taken several days of sick leave. The other is getting the work done and enjoys the challenges. Use your knowledge of stress to explain why these two managers are reacting differently to their job? How can these be handled?</p> <p style="text-align: center;"><b><u>Part B</u></b></p>	10 Marks
3.	<p><b>In the given scenario, how can you help Manav to improve employees’ motivation level?</b></p> <p>Manav returned to Rudrapur from New Delhi with frustration and disappointment. He could not sleep for some days due to the terrible memories of the meeting he had with the top management. His plant had performed worst in terms of production and efficiency in two consecutive quarters. The top management has given the final warning to Manav for performance improvement.</p>	10 Marks

	<p>Microtel Inc. is one of the leading cellphone manufacturers of the country. Microtel has five manufacturing plants in India. Two plants are in Himachal Pradesh and one plant each in Noida, Haryana, and Uttarakhand. The smallest factory is situated at Rudrapur (Uttarakhand), which has a production share of 10%.</p> <p>The production process of the mobile phone has more than 20 steps from assembly to the final testing. It includes motherboard assembling, installation of camera and audio devices, battery placement, software testing, etc. The production process is very simple, straightforward, and each worker completes one or two steps. Workers are provided with separate workstations. They spent their entire day at the designated place.</p> <p>Manav is the head of the Rudrapur plant. He joined Rudrapur plant a year back. After taking charge, Manav emphasized the recruitment of skilled workers. He made sure that workers are given adequate training for efficient production. Manav's strategy showed impressive results in the first two quarters. However, the contentment of Manav was short-lived. The performance of workers started declining from the third quarter. Unfortunately, the production dropped to the lowest point in the last quarter, making the top management very unhappy. They called Manav for a meeting, and it was clearly stated that Manav has to ensure the performance of the plant; otherwise, top management will be compelled to consider other options.</p> <p>Manav is convinced of the skills and abilities of the workers. Because the same workers performed well in the first two quarters, he believes that the motivation of the employees has reduced significantly due to the nature of the work.</p> <p><b>4. Read the following situation and answer the questions that follow</b></p> <p>A few hours before the close of the day on a Friday evening, an email was sent to all the employees of Field Technical Centre, asking them to assemble in the cafeteria for an "All Employee Meeting" at 4:00 p.m. The news on the grapevine was that a few people would be promoted to the manager's position from the current group of project leads and some of the team members would be promoted as project leads.</p> <p>Field Technical Centre in India was a subsidiary of Field Corporation, headquartered in USA. The parent company's business was manufacturing of automotive parts, and it was one of the leading players in this line of business. Field Technical Centre in India did all the software development and testing of the software while the manufacturing was done in the USA and other places in Asia Pacific region. Fields Corporation had not yet made its presence felt in the booming Indian Automotive market, as the top management had failed to realize the need for this. The parent company in USA had not been doing well due to high wages paid to the workers and the failure of its talks with the union on that issue. The company had recently filed for Chapter 11 for bankruptcy in the USA. This was in no way going to affect the operations outside the USA, but the news doing the rounds on the company grapevine was that as a part of the reorganization, the business would be divided into core and non-core segments and the non-core segments would be sold or shut down.</p>	
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	<p>(i) Critically discuss your assessment of Raghu's leadership style?</p> <p>(ii) If you were in Raghu's position, how will you deal with the current situation of massive talent loss? Do you think he should change his style? If so, what changes should he bring? Give your suggestions.</p>	

5.	<p><b>Read the following situation and answer the questions</b></p> <p>Kanishk is the founder and CEO of a Management Consultancy firm – ‘Solution Box’ based in Noida. One of his latest clients is Shalini, an entrepreneur. She started her apparel business four years ago with just 25 employees from its office in Karol Bagh, Delhi. The firm manufactures and supplies casual wear dresses for both men and women to retail shops in Delhi-NCR, Haryana and Punjab region. They have a manufacturing unit in Kundli, Sonipat which employees contracted laborers and a couple of full-time supervisors. Shalini easily managed the entire business operations single handedly. All employees could walk up to her for approvals, advice and directions. In the last four years Shalini’s business has expanded and the workforce has increased to 135 full time employees, making it difficult for Shalini to look into each and every aspect of the business operation. Shalini has hired a designer who looks after the designing of clothes and there are 15 full time employees working in this domain. Shalini’s husband looks after sales and marketing of the products. Whereas Shalini looks into manufacturing, accounts, purchases, employee administration and other remaining functions of the apparel business. She is finding it difficult to maintain necessary control over the day-to-day operations of her apparel business. Company’s profits have been on a decline for the last two quarters. There is a clear lack of control and direction throughout the organization.</p> <p>As a consultant, how can Kanishk bring about an improvement to ensure effective management of Shalini’s apparel business? Will structuring the organization lead to profitability of this business? Suggest which structure will be most suitable for the given scenario and why? Draw an organizational chart to explain the same.</p>	10 Marks
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