

**September 2013**

Master of Business Administration (MBA) Examination  
IV Semester

**Organisational Development**

Time : 3 Hours ]

[ Max. Marks : 80

**Note :** Attempt any four questions from Section A. Each question carry equal marks. Section B is compulsory and it carries 20 marks.

**Section A**

1. Organization development is Behavioural Science Interventions for Organization Improvement. Discuss with supportive reasons.
2. Mention the objectives of OD programme and its implications from organisations view point.
3. Write short notes on : (any two)
  - (a) Kurt Leivin's Three Stage Model.
  - (b) Stages in the OD Programme.
  - (c) Impact of OD in Organisation Culture.
4. Explain the role of power and politics in bringing planned change in organization.
5. Explain the Fundamental Strengths of OD required for managing change in Times of Turbulence with a suitable example.
6. Discuss the emerging trends in OD with special emphasis on future organizations.

**Section B****MAKING FRIENDS AT TEXCO**

Samir Sethi, the managing director of Texco, a Mumbai-based textile manufacturer, was quite pleased with himself. It was Friday afternoon and his flight from Tokyo was just about to land at Mumbai. He had just returned from Japan where, along with his sales director Aman Kalra, he had managed no successfully complete negotiations on a 25-million (INR) order from a Japanese golfing accessories manufacturer, Kokuna. The order was for the manufacture of a new range of golf sweaters and accessories and was the biggest single order that the company had received in the last 5 years. They had come up against stiff competition from other sportswear manufacturers in India and Japan.

To secure the order, Texco had to promise delivery of the first batch of newly designed golf wear within 6 weeks and bulk order shipments of 10,000 pullovers every 2 months. This created a problem. At maximum production, Texco could only manufacture and meet these order re-

quirements by dropping 80% of its existing business. It also meant that three new computerized manufacturing machines and a new computer-aided design system would be put to work in order to come up with the new style and design to manufacture the sweaters. These machines had been recently purchased at great expense. The problem was who would operate the machinery and design systems to meet the order requirements, and what to do with Texco's current workload.

Still, it had been a good trip and Samir had the weekend to plan the company's future course of action.

Sunanda Rakhija, production director at Texco, was called for a board meeting on Monday morning. "It's like this, Sunanda," said Samir. "We need the new designs in a matter of weeks and they have to be computer generated to fit straight into our new machinery. Our people haven't been trained on them yet, so we will have to subcontract this to some freelance designers who specialize in this field. They will do the design for us and we should be able to meet the 6-week deadline with some ease."

Sunanda paused. "So who is going to actually make all these lovely new golf sweaters then, and who will tell Tinna and Co. that we can't provide them with 'any knitwear for the next 9 months? You can't just tell the design shop that they are surplus to requirements for the next couple of weeks, and then tell Tinna that we are sorry but they will have to wait. That's not how we do business, isn't it?"

Samir's reply was succinct and to the point. "Sunanda, this is a new millennium. If this company is going to survive, it has to become an international concern. Sure, Tinna is a big contract for us but we will deal with that problem when it arises. As for the designers, I am going to have a meeting with all operating staff this afternoon and let them have the good news."

Work stopped at Texco at 4.30 p.m. that day. Samir Sethi, accompanied by Aman Kalra and Sunanda Rakhija, addressed the staff in the company's cafeteria. Samir started off in an ebullient mood. "Well, the situation facing us is one that I am sure other companies would like to be in. I am sure you are aware by now that we have managed to win the biggest order in this company's short history, with the Japanese golf company, Kokuna. This assures our futures and means that jobs are secure. However, it does put us under a bit of pressure. To this end I have made arrangements with an outside design and production team to join us temporarily to design and manufacture the Kokuna sweaters on our new equipment. This should allow the rest of you to carry on with your normal duties, allowing us to meet the tight deadlines Kokuna have set. The outside team will be independent and will gradu-

ally bring in our own staff on design and a production matters when they feel that the time to pass on the contract right. To me, it's the best of both the worlds, and with a little bit of a squeeze we can do the Kokuna work and still satisfy the need of our other customers. There are good times ahead, lots of hard work, but I am sure you will agree with me that it will be worth the struggle in the end."

Samir's comments were met initially with a stunned silence. However, it did not take long for murmuring to begin. The first comments came from one of the designers: "Are you saying that we aren't good enough to do the design for the new sweaters?" "Yeah, and we can't handle the new machinery so we will buy in some smart people from outside, is that it?" "The meeting soon deteriorated into verbal mud-slinging, with comments such as, "We're only good for the simple stuff, who are these outsiders anyway, and don't you trust us to be able to deliver this for you?"

As the meeting finally began to get out of hand, Samir turned to the assembled group and said, "Who do you people think you are? We bring in the biggest order we've ever had and all you can think about is yourselves. Obviously, we will have to get this situation resolved before we go anywhere. However, on his way out of the cafeteria he turned to Sunanda and said "These people need a good sorting out. Come and see me tomorrow morning first thing and we will get to the bottom of this."

#### **For Discussion :**

- (1) Write case summary.
- (2) Was Samir Sethi wrong? How should he have approached the situation?
- (3) What advice will you give to Sunanda before the Tuesday morning meeting?

