Q.P. Code: 11457

[ Marks:60]

[Time: Three Hours]

Please check whether you have got the right question paper.

N.B: 1. Q.1 is compulsory and carry 20 Marks

2. Attempt Any Four out of the Remaining Six Questions and each carries 10 marks.

3. Attempt any two out of three sub - questions.

Q.1 Kindly read Case Study carefully and solve the following questions.

In his message in the inaugural issue of the in-house magazine, Chairman and Managing Director of the century-old Godrej & Boyce Mfg. Co. Ltd, India, Mr. Jamshyd Godrej, spelt out the challenge of change for

the organization.

Since its inception, Godrej has been proactive in bringing change in the organization. At the outset, the company had initiated change in their business focus. From its initial presence in law, it changed to surgical instruments, locks and safes, and even extended its business focus to vegetable oil, soaps, agricultural farming, and to many other areas, to truly transform themselves as an industrial conglomerate. All these made Godrej a true change platform as it believe that change is in its blood and embedded in its value

systems.

Globalization of production and financial needs has today promoted the need for closer integration with the economies of the world, making nations highly interdependent. Nations are becoming economically multi-polar and politically uni-polar. Century-old organizations, such as Godrej, need to keep pace with

such changes not only to survive but even to overtake competition.

In post-independence India, Godrej, like other Indian entrepreneurs had to subdue its change requirements at the organizational level due to the obvious reluctance of the nation as a whole to change. The regulated economic regime literally overlooked the need to change. Customers, were taken for a ride, as they had to accept shoddy products and services companies offered. Such inertia to change at the national level also adversely cascaded to the need for change at the individual or personal level. Attitudinally, Indians began to believe in a status quo and less commitment, and at the same time,

organizations also failed to promote the work culture necessary to bring change in the desired areas.

Notwithstanding all these, from its inception, Godrej encouraged change. Some of the change tools used

by them are summarized here.

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Godrej made extensive use of the *Kaizen* systems and this led to significant increase in employee involvement and morale. With significant cost savings, Godrej became more flexible and could increase its capability to adapt to the changing needs of the environment. In terms of quantitative achievement, the company reduced more than 70 per cent of its changeover time on the shop floor, increased availability to pace its manufacturing in tune with the needs of the market, and yet enjoyed the privilege of economies of scale. It was able to reduce its finished products' inventory holding by over 40 per cent by developing a quick market response. With the introduction of total productive maintenance, the company reduced breakdown and the cost of spares and repairs to about 50 percent from the pre-introduction phase. What is more startling is that the company was able to make one of its high-pressure boilers in the Vikhroli factory redundant in order to achieve efficiency in their energy consumption. Similarly, value analysis exercises reduced the cost of materials, while enhancing the quality of output. As in manufacturing, the company could bring positive change in other functional areas, such as finance, marketing, HR, promoting a culture of improvement. Today, employees look out for opportunities to make improvements and savings.

TQM movement at Godrej further renewed the change process, as among others, it brought a renewed and conscious thrust on HRM practices in the company. All the key components of TOM, namely consumer satisfaction, managing processes changing from detecting to preventing errors, continuous improvement in the belief that there is always room for improvement, working together as a team, encouraging personal initiative, etc., were adopted. Even more dramatic were the changes in Godrej & Boyce Mfg. Co. Ltd and then at Godrej Soaps Ltd, subsequently renamed Godrej Industries Ltd. Along with the objective side of TQM-technology, product, and process improvement-embarked upon from the worker level upwards, there was the subjective aspect of TQM implying nurturing of the quality of mind on a person-to-person basis.

Greater emphasis on Indian psycho-philosophy with Indian ethos and values for all cross sections of employees further reinforced the other management initiatives, such as *Kaizen* and TQM. Sensitizing managers to achieve the goal of a 'pure mind' helped the company to bring changes in the life of people, as employees were increasingly influenced by the idea of duties and obligations rather than rights and claims. These transformational experiences reflected on their behaviour towards customers (understanding their needs better), on performance and productivity, teamwork, etc.

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Subsequently, as consultants, Anaar facilitated the scientific application of values, such as customers being the focus of everything, continuous improvement as essential to success, total employee involvement, dealers and suppliers to be considered as partners, and never compromising integrity-values which over the time have become a part of the Godrej philosophy.

Customers no longer expect quality, they demand it. In this context, change will involve the adoption of a whole range of 'best practices'-streamlining industrial /organizational structures to promote quicker decision-making and more effective implementation at all levels, managing industrial relations so as to effect improvements in productivity, establishing constructive government-industry coordination to enable effective and speedier response to change, identifying those capable of making the change management programme a success, selecting certain key activities to be taken up for change management listing and distributing the criteria for a professional change team member, developing the most effective method of making known the success stories in the change management programme and above all, believing in change as a way to grow, develop, explore, and expand.

Change management in Godrej today has empowered all cross sections of employees, who now perceive the reward from organizational change as self-renewal and reinvigoration.

#### **Questions:**

Q.1 (a) Critically review Godrej's quality management programme. [10 Mraks]

Q.1 (b) Comment on what else it can do to bring change in the organization. [10 Mraks]

Q.2 Attempt Any Two (5x2=10 Marks)

- a) Do strong, cohesive cultures hinder the innovation? Why?
- b) Discuss the key roles involved in managing change. How are the interactions within the organization facilitated?
- c) What are the biggest mistakes an organization makes while managing change?

Q.3 Attempt Any Two (5x2=10 Marks)

- a) Explain various types of motivation at the workplace.
- b) Differentiate between explicit and implicit knowledge.
- c) Discuss the determinants of personality.

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### Q.4 Attempt Any Two

(5x2=10 Marks)

- a) Discuss the challenges for the leader in implementing creativity and innovation in the organization.
- b) Explain behavioural theory of leadership. Any one.
- c) How a leader can promote new ideas at the workplace?

# Q.5 Attempt Any Two

(5x2=10 Marks)

- a) Discuss the concept of 'Group Think'.
- b) Discuss 'Nominal Group Technique' with advantages and disadvantages.
- c) How to make teams more effective?

## Q.6 Attempt Any Two

(5x2=10 Marks)

- a) Discuss corporate strategies in details.
- b) 'Large organization cannot compete with small ones when it comes to innovation'. Do you agree? Elaborate.
- c) Explain the structural dimensions of an organization.

### Q.7 Write a Short Note: Any Two

(5x2=10 Marks)

- a) Trait Approach to Leadership
- b) Organisational Effectiveness
- c) Principles of Creativity and Innovation
- d) Overcoming the Barriers of Change