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Roll No. :

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M. B. A. (Third Semester) Examination,

Nov.-Dec. 2021

(New Scheme)

(Management Branch)

(Specialization : General)

ORGANIZATIONAL DEVELOPMENT

Time Allowed : Three hours

Maximum Marks : 80

Minimum Pass Marks : 32

Note : Internal choices are given in Section- 'A'.

Section- 'B' is compulsory.

Section- 'A'

1. What do you understand by organizational effectiveness?
How can effectiveness of any organization be measured
and valued?

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Or

Define organization structure. Elaborate different types of structure along with factors influencing organizational design.

2. Write short notes on : (any two) 16

- (i) Survey Feedback
- (ii) Team Building
- (iii) Process Consultation

Or

Organization change is about reviewing and modifying management structures and business processes. Elaborate also explain types of change that occurs in an organization along with its process.

3. Conflict is necessary for the growth of an organization. Explain. Also identify the structural and personal factors that contribute to conflict and what measures can be taken to resolve organizational conflict? 16

Or

Write short notes on : (any two)

- (i) Managerial Grid
- (ii) Transactional Analysis
- (iii) Sensitivity Training

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4. Define employee empowerment. Elaborate the empowerment process and its implications in the organization. 16

Or

Write short notes on : (any two) 2 × 8 = 16

- (i) Cross Cultural Dynamics
- (ii) Power and Politics in Organization
- (iii) Management of gender issues

Section-'B'

Case Study 16

Read the case and give a suitable title to the case. Also answer the questions mentioned at the end of the case :

United Technologies Corporation (UTC) is \$21 billion conglomerate composed of six different businesses : Pratt & Whitney (aircraft engines), Otis (elevators), Carrier (air-conditioners), Hamilton Standard aviation systems), Sikorsky (helicopters) and UT (automotive systems). When George David took over as CEO, he found himself in charge of a collection of companies, some of which, like Otis, were performing well, some of which, like Pratt & Whitney, were performing poorly. Indeed, in the early-1990s,

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Pratt & Whitney was losing over \$500 million a year. As David started to analyse why some units were performing well and some poorly, he began to realise that at least part of the answer lays in the way the different divisions operated.

Pratt & Whitney was the company's oldest business and had the most prestige in the organisation. In the jet aircraft business, it takes many years to develop a new engine, and research and development costs are enormous, often running into the billions. Possessing this long-term research orientation, Pratt & Whitney had gradually developed into a very tall, inflexible organisational structure that was co-ordinated from the top. The master plan for the new engine development was decided by the top-management team, which then allocated to various teams of design engineers the responsibility for developing specific parts for the new engine. Top managers co-ordinate the whole project, and over the years this top down, centralised approach had slowed project development. Moreover middle managers had become internally focused in their part of the project and not externally on the needs of the company's customers the airlines that provided passenger service. The result was that the company had missed

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opportunities to the develop aircraft engines that suited the needs of airlines in the new deregulated airlines industry, which valued fuel efficiency and engines that suit engines that were easy and cheap to maintain.

David compared this stodgy, conservative operating culture with the way Otis, the division that he had previously been in charge of, operated. At Otis, manager's mindset was very different and they had entrepreneurial, quick-moving and customer-driven values. At Otis, managers had to work closely with their customers to understand their specific needs. Every elevator project is different and each elevator must be custom-built for the building in which it is to be placed. Consequently, top managers had decentralised decision making to lower-level managers, empowering the people on the spot to find the best way to respond to each customer's unique needs. This decentralized approach also speeded up decision making and project completion. The division's entrepreneurial values also encouraged managers to experiment with new elevator designs and to search for new kinds of customers, particularly international customers, with the result that Otis had become the largest and most profitable elevator company in the world.

David decided that to increase the profitability of the whole UTC empire he needed to transfer Otis's culture to the other divisions—in particular, to Pratt & Whitney, the loss-making division. In a series of radical moves, David replaced many of Pratt & Whitney top managers with Otis executive, including Karl J. Krapek, who became president. He then slashed Pratt & Whitney workforce by 40 per cent, laying off many middle managers. David then began to empower middle managers and created product development process. These teams were also given the responsibility to liaise with important customers to ensure that the new engines that Pratt & Whitney developed suited the needs of airlines in the 1990s and beyond. David and Krapek's goal is to replace the long-term engineering mindset of Pratt & Whitney's managers with a new customer-driven focus.

Questions :

- (i) Why were the cultures of Pratt & Whitney and the Otis divisions different?
- (ii) How has David tried to change Pratt & Whitney's culture and what more can he and Krapek do?