Ogganizational theories of Staucture Designs.

ws Oct Sacn- 10 12 Con. 5923–10.

## (FURTHER REVISED COURSE)

(3 Hours)

MR-5895

[Total Marks: 60

0/1/2-20/0.

N.B. Attempt any four from question nos.1 to 7 (10 marks each)

.Question no.8 is compulsory (20 marks)

- 1. Comment on evolution of Organization theory with specific reference to any two theories and give appropriate examples.
- 2. Define strategy and explain the three levels of strategy, with appropriate examples
- 3. Explain in detail mechanistic and Organic structure
- 4. What are the major sources of uncertainty in organization's environment?
- 5. Define and explain any one of the various forms of organizational excellence
- 6. What does the term technology mean? Describe in detail the main contribution to Organizational technology made by Joan Woodward or Charles Perrow( Any one)
- 7. Write short notes on any two of the following.
  - a) Sources of Conflict
  - b) Stages of Organization life cycle
  - c) Resource dependency theory
  - d) Organizational effectiveness
  - e) Impact of organization Size on Structure
- 8. Please analyze the enclosed case study." A TALE of TWO CULTURES" and answer the questions indicated below.

## A Tale of Two Cultures

In an attempt to give Southwest Airlines a competitive advantage based on low — cost, high quality service, CEO Herbert Kelleher had developed terminal and instrumental values that make southwest's culture the envy of its competitors. Southwest managers and employees alike are committed to the success of the organization and do all they can to help one another and to provide customers with excellent service (a terminal value). Four times a year, southwest managers work as baggage handlers, ticket agents, and flight attendants so that they get a feel for the problems facing other employees. An informal norm makes it possible for employees to gather with Kelleher every Friday at noon in the company's Dallas parking lot for a company cookout.

Kelleher keeps the organization as flat and informal as possible, and managers encourage employees to be creative and to develop rules and norms to solve their own problems. To please customers, for example employees dress up on special days like Halloween and Valentine's Day and wear "fun uniforms" every Friday. In addition, they try to develop innovative ways to improve customer service and satisfaction. All employees participate, in a bonus system that bases rewards on company performance, and employees own over 18 percent of the airline's stock. The entrance hall at company headquarters at Love Filed in Dallas in full of plaques earned by employees for their outstanding performance. Everybody in the organization cooperates to achieve Southwest's goal of providing low-cost, high quality service. The culture of excellence that southwest has created seems to be working to its advantage. Southwest increased its operating routes and profits every year in the 1990s and is one of the most profitable airlines flying today.

Contrast Southwest's CEO and culture with that of Value Line, Inc. Jean Buttner, publisher of Value Line Investment Survey, has fashioned a culture that the company's employees apparently hate and that no one envies. In her attempt to reduce costs and improve efficiency, she had created instrumental values of frugality and economy that are poisoning employees' attitudes toward the organization. Employees must sign in by 9:00 am everyday and sign out when

leaving. If they fake their arrival or departure time, they face dismissal. Because at Value Line messy desks are considered sings of unproductivity. Buttner requires department managers to file a "clean surface report" every day, certifying that employees have tidied their desks. She keeps salary increases as small as possible and has kept the company's bonus plan and health plan under tight rein.

How have these values paid off? Many highly trained, professional workers have left Value Line because of the hostile atmosphere produces by these "economical" values and by work rules that devalue employees. This turnover has generated discontent among the company's customers. So bad have feelings between employees and Buttner become that employees reportedly put up a notice on their bulletin board criticizing Buttner's management style and suggesting that the company could use some new leadership. Buttner's response to this message from a significant stakeholder group was to remove the bulletin board. Clearly, at Value Line there is no culture of cooperation between managers and employees.

## **Discussion Questions**

- 1. List the reasons why Southwest's and Value Line cultures differ so sharply.
- 2. Could Value Line's next CEO copy southwest's culture?