

Case Study: 01

Tom (who works for Blocks Ltd.), and Deirdre, (who works for Fones Ltd.), are employed as production managers. Last night, both of them attended a staff development meeting organised by a Production Management Institute (a professional body), of which they are members. During the tea-break, Tom and Deirdre discussed the various leadership styles that they were following in their respective organisations. Tom told Deirdre that he had a friendly personality and was optimistic that he will get on well with the workers in the factory. He went on to say that a total of fifty workers are employed, with 40 of them having been employed with the business for over 20 years. The others, mostly unskilled, tend to be younger workers who stay for a year or so and then move on, since Tom thinks that they are harder to motivate. Tom is aware that new Health & Safety regulations are due to be implemented and this will require discipline in the workforce. He is thinking of adopting a more autocratic leadership style. Deirdre told Tom that she was newly appointed to the role, and was relatively inexperienced. She pointed out that she manages a team of forty workers, grouped into project teams with highly skilled and experienced staff in each team. Deirdre mentioned that her predecessor was unpopular with the workforce since he adopted an autocratic style of leadership. At one stage, the Labour Relations Agency were asked to mediate in a dispute regarding management/employee relations. In view of this, she had been thinking of adopting a democratic leadership style.

Questions:

- a) Explain the key functions of management within organisations such as Blocks Limited and Fones Limited.
- b) Discuss whether or not Tom and Deirdre should adopt their proposed new leadership styles within their respective organisations.
- c) With reference to each organisation (Blocks Limited and Fones Limited), discuss the role of management in motivation.

Case Study : 02

At a planning meeting held by the directors of Multi-Products Company Ltd. Each director presented his approach to profit and budget planning within their division. Two of the directors, Mr. Bhusan of the textile division and Mr. Ramesh of the chemical division, spent about 20 minutes each describing how their budget and profit projections were determined. Below are excerpts from their presentations : Mr. Bhusan : 'As divisional manager, I believe I have the best picture of the capabilities of the whole division. So I set the target profit and sales goals for my managers. These goals present my expectations and simply call in each of managers and give them the sales and profit goals for their departments. Their performance is then measured against the goals I have set If manager has a question about the target, I explain my reasons for setting the goal at a particular level. Mr. Ramesh : I feel my manager should determine the goals for their departments. I ask each manager to submit to me his projections for sales and profit. Once I receive these targets I increase them by fifteen percent to force creativity from my managers in order to achieve these modified goals. In this way I can identify my truly creative managers.'

Questions

1. Compare the approaches to planning adopted by Mr. Bhusan and Mr. Ramesh.
2. Whose style do you consider more appropriate?
3. If you were a divisional manager which approach would you choose?

Case Study : 03

Decision Making: How to make the correct Decision?

As a Manager, you are given business targets to achieve. These targets could be sales targets, profits/revenue targets, production targets, quality or service targets. To achieve these targets, you need to interact with a number of people - customers, vendors, superior(s) and subordinates. You need to plan on how to deal with the expectations and demands of all these stakeholders. These expectations often are incompatible and demanding. Using your business skills and interpersonal skills you have to make right decision.

If you are interested in the dynamics of decision making as a skill read the case study below.

Let us examine the problem faced by Mr. Nataraj, Regional Manager of Alpha Pvt. Ltd. Alpha makes and distributes products from more than 10 international pharmaceutical and health care companies. Mr. Nataraj is responsible for managing existing clients and also to get new clients. He manages a number of sales representatives. Important customers have a dedicated sales representatives, while other sales representatives try to get new clients. One day an important customer (Good Health Hospital) called Mr. Nataraj and complained that Mr. Bhavan (the sales representative) was ineffective and insisted he be removed, or else they would not give any business.

Here are Mr. Nataraj's thoughts:

- In an internal enquiry, Mr. Nataraj found that the real reason was personal differences between Mr. Bhavan and the hospital superintendent.
- The track record of Mr. Bhavan was good and he was liked within the company. Dismissing him or even transferring him to a new region will affect the morale of the work force.
- Good Health Hospital is a major customer and gives good business. Loosing the hospital is not an option. Therefore the demands of the hospital have to be met.

Here are some sample options:

1. Good Health Hospital is a major customer and cannot be displeased. I will remove or transfer Mr. Bhavan.
2. Mr. Bhavan is a loyal and hard working. I need to keep people like him even if it means loosing customers.
3. I will stop answering calls, act ignorant of the whole episode. 'Time will solve the problem'.
4. I will try to get Mr. Bhavan and the Hospital Superintendent together for discussion and try to compromise over the differences.
5. I will move Mr. Bhavan to a new and more important project - develop new business in the newly formed sub-region. Good Health Hospital will have no problem with the new sales representative.

6. YOUR OPTION