# PGDM 2015-17 Organization Development and Leadership DM-321

Trimester – III, End-Term Examination: March 2016

Time allowed: 2 hrs 30 min	Max Marks: 50	
	Roll No:	

**Instructions:** Students are required to write Roll No. on every page of the question paper; writing anything except the Roll No. will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Marks
Α	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
В	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
С	Compulsory Case Study	15 Marks	15
	Total Marks	50	

#### SECTION A

- A1. Why do we emphasize that the major focus of OD is on the total system and its interdependent parts?
- A2. Explain why OD is primarily driven by Action Research model.
- A3. Why is OD considered as one of the pathways of Change Management?
- A4. Explain any five important criteria for determining the content of diagnostic feedback.
- A5. Once organizational changes are under way, explicit attention must be directed to sustaining energy and commitment for implementing them. Explain any three activities that can help to sustain momentum for carrying change through to completion.

## **SECTION B**

- B1. Suppose as an OD expert you refer to Downsizing as an intervention for organization restructuring, what are the successful application stages you will take into consideration and why?
- B2. What are parallel structures? What are the steps in its implementation?
- B3. From diagnosis to program management, what are the various issues that need to be addressed to carry out an effective OD program? Illustrate with an example from the industry.

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#### Section C

Read the following case and answer the questions that follow. All questions are compulsory and carry five marks each.

It was in 1992-93 that World Bank funded a project – "A Healthy Romania", to augment healthcare facilities in Romania. Earlier, The Social Health Insurance Bill in 1994 and Public Health Law in 1998 contributed to the financing and functioning mechanisms of hospitals. Between 1992 and 2006, major reforms were introduced in the health system, which provided for autonomy of hospitals and encouraged independent family practitioner offices.

Aim of Diagnosis

Despite the changes and reforms, it was found that the internal structure and internal management of the hospitals did not show significant improvements. This called for an assessment of both management and quality of services offered by hospitals. In this light, Organizational Diagnosis was employed for Satu Mare County Hospital as part of restructuring the healthcare facility and making it more flexible and responsive to the needs of the citizens.

### Procedure

A five phase conceptual model was used for this:

- 1. Symptoms: spotting deficiencies
- 2. Fact finding: identification of facts
- 3. Causation: knowing the causal factors
- 4. Evaluation: appraising alternative solutions
- 5. Optimization: choosing the right solution.

The diagnostic areas chosen were the five major organizational components: Organizational structure, Inputs, Processes/Management, Organizational Culture, and Output (quality of services, relation with clients, relation with other organizations, types of services provided).

Phase 1: Symptoms

The existence of serious problems (symptoms) was brought to the attention of the change management team by the employees in the casual discussions.

- Employees from the administrative department were vexed with the ways of the head of the department and were planning to leave the organization.
- Purchase process was slow due to many tedious procedures.
- Number of beds was not in accordance with the real needs.
- Though there were funds, there was a lack of necessary medical products.

Phase 2: Fact finding

In this phase the hospital employees were informed about the purpose and process of diagnosis. Three primary assessment techniques: survey instruments, document analysis and structured interviews were used.

- A 100 item survey, structured in the 5 major categories mentioned above, was administered on around 350 out of the total 1320 employees. The surveys helped identify the trends in the organizational procedures and practices.
- Twenty interviews were organized with the head chiefs of each department. The interviews helped gain insights into the operational areas and detect certain types of problems.

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 Documents that provided information on the organization's mission, goals, objectives, strategy, rules, procedure codes, budget plans and activity reports were consulted.
 Document analysis gave an idea about the organization's recent behaviours.

# Phase 3: Problems and Causal Factors

The information gathered revealed major problems with regard to all five aspects analyzed.

- There exist two codes of rules and procedures causing an overlap of tasks and avoidance of responsibility.
- 2. The allocation of space was inappropriate, leading to overcrowding at some sections of the hospital and vacant spaces in other sections with very few beds occupied.
- 3. There were no records about all hospital property and this had led to mismanagement.
- Resources were inadequate and inappropriate. The medical staff complained about lack of technological resources necessary for quality services. The IT network was ineffective, being fragmented and less operative.
- The management adopted a fire fighting approach. The hospital had no statement of mission, vision and medium and long-term objectives. Things were dealt with on a daily basis.
- 6. Most of the problems were sorted out through the informal network. The relation between management and lower levels of the organization were poor.
- 7. Finally, the organizational culture was very weak. It was characterized by domination, rigidity, appeal to rules and procedures, and avoidance of responsibility.
- Due to lack of professionalism and low motivation, the public acquisition procedure
  was not set right and the required pharmaceutical products and equipment were also
  not made available.
- 9. The outcomes were inefficiency and poor quality services. Some services were not available due to poor processes, outdated technology and non-availability of certain pharmaceutical products.
- C1. Do you think the diagnosis process is effective in obtaining the required information? What else could have been done to improve this?
- C2. As part of Phase 4, list out the available options for improving the hospital.
- C3. In the final phase of Optimization, give your recommendations for improving the hospital, justifying the option selected by you.

