

Subject Code: MB948/R09

M B A - IV Semester Regular/Supply Examinations, Nov - 2014

MANAGEMENT OF CHANGE AND DEVELOPMENT

Time: 3 hours

Max Marks: 60

Answer any FIVE of the following

All questions carry equal marks. Q.No.8 is compulsory

1. What are the various levels of change? What is value – based change?
2. Explain the concept and contribution of influence charts and multiple cause diagrams in mapping of change.
3. Write in detail about the intervention strategy model and Total Project Management Model.
4. Explain the dynamics of planned change? What are the various challenges faced by OD practioners?
5. What are the changes in the labor – management relations in the post – liberalized India? What are the various changes in the legal framework of collective bargaining?
6. Write about the nature and importance of teams. Discuss in detail the team building life cycle.
7. What are the various challenges in managing cross – cultural diversity in teams?
8. **case study:**

Perrier may well be the iconic brand in the world of mineral waters. The origins of the Perrier company can be traced to 1898 when a local doctor, Louis – Eugene Perrier, bought the mineral water source near Vergeze, France. The company grew steadily but demand really escalated in the late 1980s when it became highly fashionable. At its peak (1989) Perrier sold 1.2 billion bottles, almost half to consumers in United States.

The boom years were good for the Perrier workers. In 1990, the finding of a minute trace of benzene in a bottle led to the collapse of US sales. By 1992, annual output was halved and the company was close to bankruptcy. At this point it was bought for \$2.7 billion by Nestle, the world's largest food company. In 2003 its pretax profit on \$300 million sales was only 0.6% compared with 10.4% for the Nestle Waters division overall. In 2004 it again recorded a loss.

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The perrier factory is on a 234 – acre site on the Mediterranean coastal plain near Nimes. Perrier employees work a 15 – hour week and earn an average annual salary of \$32,000 which is good for this part of France and relatively high for this industry. However, the average Perrier worker produces only 600,000 bottles a year compared with 1.1 million bottles at Nestle’s two other international brands(Vittel and Contrex).

Relations between management and workers was not good. Almost all of Perrier’s 1,650 workers belong to the CGT, a union that is viewed by the management as consistently resisting Nestle attempts to improve Perrier’s financial performance. Jean – Paul Franc, head of CGT at Perrier sees the company’s plan to cut 15 percent of its workforce he protests, “Nestle can’t do whatever it likes”.

When in 2004, Danone launched a new product that was designed to directly compete with Perrier’s new super – bubbly brand. The Danone put its bottles in the factory cafeteria of Perrier to emphasize the point to perrier employees that they were involved in a head – to – head battle. The act was not well received.

Questions.

- a). Identify the key elements of the resistance to change described in the situation.
- b). Construct a change management strategy for dealing with the situation. In so doing, identify what approach(es) to managing resistance you recommend and provide a clear justification for your choice.
