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B.B.A. (CBCS) DEGREE EXAMINATION, APRIL 2012.

Fifth Semester

Business Administration – Main

CASE ANALYSIS — II

Time : Three hours

Maximum : 75 marks

Read the following case and answer the questions given below.

1. SONA AND RUPA COMPANY

The Sona and Rupa Company manufactured wooden toys of various kinds; wooden animals, pull toys, and the like. One part of the manufacturing process involved spraying paint on the partially assembled toys. This operation was staffed entirely by women. The toys were cut, sanded and partially assembled in the wood room. Then they were dipped into shellac, following which they were painted. The toys were predominantly two coloured; a few were made in

more than two colours. Each colour required an additional trip through the paint room.

For a number of years, production of these toys had been entirely and work. However, to meet the tremendously increase in demand, the painting operation had recently been re-engineered so that the eight operators (all women) who did the painting sat in a line by an endless chain of hooks. Those hooks were in continuous motion, past the line of operators and into a long horizontal oven. Each woman sat at her own painting booth so designed as to carry away fumes and to backstop excess paint. The operator would take a toy from the tray beside her, position it in a jig inside the painting cubicle, spray on the colour according to a pattern, then release the toy and hand it to the hook passing by. The rate at which the hooks moved has been calculated by the engineers so that each hook before it passed beyond her reach.

The operator working in the paint room were on a group bonus plan. Since the operation was new to them, they were receiving a learning bonus, which decreased by regular amounts each month. The learning bonus was scheduled to vanish in six months, by which time it was expected that they would be on their own, that is, able to meet the standard and to earn a group bonus when they exceeded it.

By the second month of the training period. Trouble had developed. The employees learned

more slowly than had been anticipated, and it began to look as though their production would stabilize far below what was planned for. Many of the hooks were going by empty. The women complained that they were going by too fast, and that the time study man had set the rates wrong. A few women quit and had to be replaced with new operators, which further aggravated the learning problem. The team spirit that the management had expected to develop automatically through the group bonus was not in evidence except as an expression of what the engineers called "resistance". One woman whom the group regarded as its - leader (and the management regarded as the ring - leader) was outspoken by voicing the various complaints of the group before the foreman; the job was messy one, the hooks moved too fast, the incentive pay was not being correctly calculated, and it was too hot working so close to the drying oven.

A consultant who was brought into this picture. Worked entirely with and through the foreman. After many conversations with him, the foreman felt that the first step should be to get the employees together for a general discussion of the working conditions. He took this step with some hesitation, but he took on his own volition.

The first meeting, held immediately after the shift was over at four o'clock in the afternoon, was attended by all the eight operators. They voiced

the same complaints again: the hooks went by too fast, the job was too dirty, the room was hot and poorly ventilated. For some reason, it was this last item that they complained of most. The foreman promised to discuss the problem of ventilation and temperature with the engineers, and he scheduled a second meeting to report back to the employees. In the next few days the foreman had several talks with the engineers. They and the superintendent felt that this was really a trumped-up complaint, and that expense of any effective corrective measure would be prohibitively high.

The foreman came to the second meeting with some apprehensions. The operators, however, did not seem to be much put out, perhaps because they had a proposal of their own to make. They felt that if several large fans were set up so as to circulate the air around their feet, they would be much more comfortable. After some discussion, the foreman agreed that the idea might be tried out. The foreman and the consultant discussed the question of the fans with the superintendent, and three large propeller type fans were purchased.

The fans were brought in. The women were jubilant. For several days the fans were moved about in various positions until they were placed to the satisfaction of the group. The operators seemed completely satisfied with the results, and

the relations between them and the foreman improved visibly.

The foreman, after this encouraging episode; decided that further meetings might also be profitable. He asked the operators if they would like to meet and discuss other aspects of the work situation. They were eager to do this. The meeting was held, and the discussion quickly centered on the speed of the hooks.

The operators maintained that the time study man had them at an unreasonably fast speed and that they would never be able to reach the goal of filling enough of them to make a bonus. The turning point of the discussion came when the group's leader frankly explained that the point wasn't that they couldn't work fast enough to keep up with the hooks, but they couldn't work at that pace all the day long.

The foreman explored the point. The employees were unanimous in their opinion that they could keep up with the belt for short periods if they wanted to. But they didn't want because if they showed they could do this for short periods they would be expected to do it all day long. The meeting ended with an unprecedented request: "Let us adjust the speed of the belt faster or slower depending on how we feel". The foreman agreed to discuss this with the superintendent and the engineers.

The reaction of the engineers to the suggestion was negative. However, after several meetings it was granted that there was some latitude within which variations in the speed of the hooks would not affect the finished product. After considerable argument with the engineers, it was agreed to try out the operators' idea.

With misgivings, the foreman had a control with a dial marked 'low, medium, fast' installed at the booth of the group leader; she could now.

Adjust the speed of the belt anywhere between the lower and upper limits that the engineers had set.

The operators were delighted and spent many lunch hours deciding how the speed of the belt should be varied from hour to hour throughout the day. Within a week the pattern had settle down to one which the first half-hour of the shift was run on what the operators called a 'medium' speed (a dial setting slightly above the point marked 'medium'). The next two-and-a-half hours were run at 'high' speed the half-hour before lunch and half hour after lunch were run at 'low' speed. The rest of the afternoon was run at 'high' speed' with the exception of the last 45 minutes of the shift, which was run at 'medium'.

In view of the operators' reports of satisfaction and ease in work, it is interesting to note that the constant speed at which the engineers has originally set the belt was slightly below medium on the dial of the control that had been given to

the women. The average speed at which they were running the belt was on the high side of the dial. Few, if any empty hooks entered the oven, and inspection showed no increase of rejects from the paint room.

Production increased, and within 2 weeks (some 2 months before the scheduled ending of the learning bonus) the operators were operating at 30 to 50 per cent above the level that had been expected under the original arrangement. Naturally their earnings were correspondingly higher than anticipated. They were collecting their base pay, a considerable piece – rate bonus, and the learning bonus which, it will be remembered, had been set to decrease with time and not as a function of current productivity. The operators were earning more than many skilled workers in other parts of the plant.

QUESTIONS

- (a) From the angle of Job Enrichment, which core job dimension or job characteristic was most influenced by new system of group regulated speed? Evaluate the reported success of the case against the principles of Job Enrichment.
- (b) Comment on the method of payment to the operators. How good do you think such a system is?

- (c) Would you consider the initial discontent of the operators as a 'grievance'? Why or why not?
 - (d) How would you characterize the involvement of the operators after the introduction of group – regulated speed?
 - (e) Review your understanding of the characteristics of effective workers, participation against the backdrop of the case.
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