

Reorganization at the National Experimental Research Institute, Bizzareland: A Case Study

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ABSTRACT

The article is structured as a case study of an organization and the problems faced in changing some policies and processes. The body of case is presented in the form of exhibits from several inter office memos. Management activities are often discussed and analyzed in oversimplified terms thereby failing to accurately communicate the difficulties of operating in an environment where decisions have to address several factors simultaneously and have unexpected consequences. The focus is on real world complex organizational and business systems wherein various aspects of management are interrelated and dependent on each other; and with particular reference to Indian work conditions.

Keywords: Management Systems, Centralization/Decentralization, Reorganization.

1. Introduction

The following situation arose at the National Experimental Research Institute (NERI), the premier scientific institute in Bizarreland¹, which was conventionally organized into a number of departments primarily on the basis of academic fields/sub fields.

Exhibit I: Extract from Inter Office Memo dated 1/8/xxx1

From: Chief Administrative Officer

To: All Department Heads

A clear lack of organization is observed across the departments. Often minor items cannot be located when needed, so a new item (replica/duplicate) is purchased.

Such purchases tend to be on an ad hoc basis and often at higher prices. The misplaced items are almost inevitably found later on so multiple units of the same items are unnecessarily accumulated. In the process, budgets are used up incrementally and when large purchases are required questions are raised because the budget is insufficient. For example, in the molecular biology lab a new large freezer is a desperate requirement. The current freezer is so full that things are getting knocked off the shelves almost every time the doors are opened. Last week someone threw out another researcher's important intermediate reaction products because apparently they had not been properly colour coded. There is no control on costs and we are not sure that some of the important reactants and chemicals are not being stolen, as there is no systematic record of purchases and issues. Therefore, after discussions with

all department heads it has been suggested that our Institute be reorganized so as to improve functioning. One major change is that starting on 7/8/xxx1 all equipment and chemicals will be issued from a central materials department with stores manned by techno-commercial personnel who will be able to understand our scientific requirements. They will also be responsible for ensuring that entire procurement process is streamlined and carried out economically. Details of the new system will be circulated shortly. Other changes include tighter security and administration.

Exhibit II: Extract from Inter Office Memo dated 31/10/xxx1

From: Head, Cellular Biology Department

To: Chief Administrative Officer

Cc: Other Department Heads

The stated reason for centralizing the materials function was to improve efficiency, cut costs and reduce losses due to (suspected) pilferage. It now appears that the administrative staff are paranoid about thieves. Everywhere there are locked doors. Things are put away safely so safely that they are never found again! Last week there was a huge commotion because the lock of the laboratory door could not be found before the shift closing time! Almost everyone in the lab stopped what ever they were doing and got involved searching for it till it was located about 15 minutes later.

The deep freeze is also kept locked. Last week some

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temperature controlled supplies arrived when the administrative staff were out and by the time the key was obtained the dry ice had almost totally evaporated. A few more minutes and the expensive and difficult to obtain biological materials would have been rendered unusable. The previous month some items had got scattered inside the freezer and taking them out took some time. By the time the scientist could remove some of the items, transfer them to the experimental table and return for the rest of the items, the freezer had been locked up again!

Exhibit III: Extract from Inter Office Memo dated 17/11/xxx1

From: Head, Renewable Energy Department
To: Chief Administrative Officer
Cc: Other Department Heads

Previously any researcher who wanted to get a copy of the any report or other publication authored by any department in the institute simply had to contact the publications unit and buy the same. Some publications were even issued free of cost to employees. Now, apparently the rules have been changed. One of my colleagues 'Z' wanted to refer to a monograph on experimental design and went over to the publications section. The person over there redirected him to a new office. When Z went there he was informed that the publications section did not directly sell publications any longer. However, employees could be issued a complimentary copy but that required the signature of the Department Head of the author's department. Z went to the appropriate HoD explained his requirement got the HoD's signature and submitted the form in the office. He was then informed that the concerned person was not sure whether to issue the item or not, since the applicant (i.e. Z) was not from the concerned department and was asked to meet the Manager (Sales) (MS) who in turn again asked him why he wanted the monograph. Once again he explained why he had asked for it. Then the MS said that it was not possible to just issue free copies to anyone who asked. I quote his words as reported to me, "If every body asks what will I do?" Z replied that he was willing to buy a copy. The MS responded (rather like a smug debater getting free bonus points) that buying (i.e. paying) was different from requesting a free copy. Z patiently pointed out that yes, he knew that there was a difference; that he had wanted to buy a copy but was told there was no longer any mechanism for direct sale, by the publication unit, even to an employee; and that he had been unaware of the option of the complimentary copy, until it had been suggested by the MS's own office staff. The MS agreed and said that he would see what could be done. The matter ended there. The MS didn't offer any solution and Z didn't revert. Next week on his trip to town he simply bought from the bookstore for the munificent sum of Rs. 95².

Exhibit IV: Extract from Inter Office Memo dated 01/01/xxx2

From: Head, Material Sciences (Inorganic) Department
To: Chief Administrative Officer
Cc: Other Department Heads

The new purchase system is creating havoc. I have made requests for the purchase of certain apparatus and other materials several weeks ago, but there appears to have been little progress in procurement till date. Informally I have been informed that it is expected that tax rates will be reduced in the budget and so the purchase people are deferring purchases in order to take advantage of the lower prices they expect to get. To the best of my knowledge the prices of these products have never been reduced in the past. Moreover, there is no guarantee that the taxes will in fact be reduced, so ultimately we may actually end up paying more! Furthermore, apparently our "commercial" staff don't realize that in the mean time our work will come to a total halt for want of materials and equipment.

Exhibit V: Extract from Inter Office Memo dated 21/1/xxx2

From: Head, Medicinal Chemistry Department
To: Chief Administrative Officer
Cc: Other Department Heads

The internet connectivity in the department is completely unreliable. Sometimes it works and sometimes it does not. Every time I take up this issue with our computer maintenance section their stock reply is that our computers are virus infected. Each time the antivirus software has been updated and the machines scanned. Nothing has been found. Several outside experts were consulted informally. No one has any idea about this type of virus. Furthermore when the same computer is used in another location the connection works just fine (A connection specific computer virus? Truly remarkable. I doubt if even nature could achieve such specificity, much less us in our labs). Even after filling out the necessary form in triplicate, maintenance is unsure when they will be able to carry out a physical check. Last time, I was told that perhaps it was due to power fluctuations. Which brings me to the next point: the electricity supply has become completely unstable. To take one example: our NMR process requires many hours of preparation. If there are fluctuations or power cuts in-between, the whole process has to be restarted. The few minutes gap between the power supply stopping and the generator coming on is sufficient to disrupt the process. Over the last six months, I have raised this problem repeatedly but my requests for purchase of a large capacity UPS have been repeatedly turned down, (even though the proposed expenditure has been within our budgetary limits), on the grounds that it is an unjustifiable expenditure since the Institute has a generator.

We claim to be an internationally reputed institute but our infrastructure, facilities and processes appear to be not even third class. I urge immediate reconsideration of measures introduced if we are to accomplish our main purpose of achieving original and meaningful research results.

Notes:

1. Many writers refer to the division/divergence of India and Bharat. In some parallel universe, the Indian sub-continent (of our universe) was instead divided into Bizarreland and Bazaarland. This case is set in those two lands.
2. All currency transactions have been converted to Rupee terms for convenience.