

Paristithi

"Phone kept ringing in their pockets but they didn't pick."
Case Theme: Managing communication and conflicts in hierarchies

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ABSTRACT

Roto Goods Ltd (Name changed) a well-established brand in the FMCG sector was launching its new refinery project in Himachal Pradesh. Many of its top executives from its Mumbai corporate office and Dehradun plant were involved in the establishment of the project and were working day and night to complete the project on time. Suraj (Manager Commercial from Dehradun plant) and four other executives from Dehradun plant were few of the executives who had not changed even their inners for the past one week. Almost half dead with tiredness, they were coming back for a break. In a few days' time Diwali was lined up. But an incident happened which spoiled the festival time for many members.

Key Words: Communication, Principles of Management, Grapevine, Hierarchy, Project Management, Human Resources, Conflict, Stress.

Paristithi¹

Payments are a routine process in a project and play an important role in timely completion of the project. Once work starts and work gets over, payment gets settled. Suraj was leading this function in the project. After weeks of continuous work, Suraj and other managers planned to visit back to their Dehradun factory to take a break. But, the picture became stressful again as an important task of settling a payment of Rs 5 crore to a party came into picture in the evening. By this time nothing could have been done as the Dehradun bank account started reflecting zero-balance.² Suraj started planning a way out, so that his next day home visit is not canceled as well as the payment get settled. He called his direct reportee Avinash (Executive, Commercial at Dehradun Plant) for this purpose. He ordered him to go early in the morning to the bank, get a Demand Draft (DD) for the amount to be issued and hand it over to Samdutt (Project head of the new refinery plant) by hand.

Bad Day (Avinash at Bank and Suraj returning Back to Home)

Early morning on the next day, at 08:00 am Avinash and his direct reportee Akash (Officer, Commercial) went to the bank for the demand draft. They came to know about the zero balance in the bank account because of which

they had to wait until the amount from parent branch was remitted to the account. The lapse of time during this process made them a bit restless. Meanwhile, Avinash came to know from the bank officials that the DD can also be transferred electronically (by printing in that location). Avinash told Suraj about this, but Suraj did not want to follow this procedure and forced Avinash for the manual issue of DD.

Avinash tried to convince him but it didn't work. Seeing this argumentative and non-responsive behavior from Avinash, Suraj called Akash on the phone, and ordered him to come over, which by hierarchy Akash was not able to refuse on the phone. But as Akash was reporting to Avinash, he was following the instructions from Avinash rather than Suraj. And for few minutes, the phone kept ringing in their pockets but they didn't pick, which added salt to the wounds of Suraj, making him furious.

Back at Bank

Avinash told Akash- "Ahi! It happened! Thank God! For a moment it looked as if the transaction got stuck." They fell on the nearby chair and relaxed.

Back in Taxi

After few hours Suraj got a call from Praveen Sahi (Head of Head of Commercial and boss of Suraj)- "Suraj thanks!

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¹ Paristithi: an Indian word meaning Situation.

² On daily basis the balance at the end of the day at child branch (here Dehradun account) returns back to the parent branch account (head office)

Somdutt got the DD.”

Evening Time When Suraj Reached Dehradun Plant

Around 17:05 pm, Suraj entered his cabin in a furious mood. He immediately called for Avinash and Akash in his cabin. The moment Akash heard it; he knew something bad was about to happen..

Suraj-“Akash³ when I told you to come. Why didn't you turn up? It means you don't want to obey my orders.”

Akash- “Suraj if this had been the case, why would I have told you yes!”

Avinash-“Suraj it was my fault, it was not that of Akash.”

Suraj-“It means you also don't want to follow my orders. Correct, Avinash!”

Avinash-“it's nothing like that”. Avinash was standing silent for a few seconds.

Avinash-“Suraj look, what I did was in the company's interest, I saved around Rs 5,000 and the time. The Bank transaction took only 45 min, whereas if the person had moved from here (Dehradun) to Himachal, it would have taken at least 05 hrs.”

Suraj-“It didn't take 45 minutes Avinash! For more than two hours, Ravi (one of the project team members of Suraj in Himachal) was standing in the bank, not only this, you made Mr. Somdatt also wait for no reason. Was it justified, a person at Works-Head level waiting in the bank like a clerk?. Do you know the repercussions it can have on my image if some one get to know about this?”

Avinash-“But Suraj I was not knowing that Somdatt was also there.”

Suraj- “Is it necessary to tell you everything? If everything has to be told to you then what's the use? Where is the necessity for management personnel? I gave you an order to come which you did not follow, and then I told Akash to come. His answer was 'yes!', but you stopped him from coming over. You spoil an opportunity for Akash to show his mettle to other bosses.”

Avinash- “Suraj, there is no fault of Akash in this matter, he just followed my order.”

Suraj-“And you Akash, if you had come, during that time (around 05 hours) Somdatt could have read the necessary document of the project which I wanted him to, but because of you, he left the place without doing it. He simply took the Demand Draft.”

Avinash- “But Suraj I was not aware about this too. Moreover, it was already getting too late.

Suraj-“ Putting all this aside, by chance if the transaction had not been processed, who would be answerable for this stupid step? You were playing around with my job without my consent.”

Avinash- “Suraj, as regards completion of the transaction, I got it confirmed many times with the bank officials. I even talked to Praveen Sahi on this aspect, and he was ready for the electronic transaction, and he even appreciated it.”

Suraj- “Why did you call Praveen Sahi when only you and I were involved?”

Avinash- “Suraj if you want a dumb buffalo next to you obeying your every order, sorry! I am not that. What I did was in the company's interest, and if you don't like it, you can fire me!”

Suraj-“I was not expecting this answer from you”. Akash you go out I have to talk to Avinash”. And the door got closed.

Six months later Avinash left the company, the reason was not known, but the organization grapevine tells the story as it was visible to them, and in another six months Akash also left the company.

Teaching Notes

Abbreviated abstract

The case Paristithi is on discussing the visible and the invisible factors which act as enablers of conflict in hierarchies. Breaking of chain of command, poor communication, stress, aspirations, mistakes, are the elements of conflict which can be easily seen through this case. The business environment becomes more challenging, when the facility is located at a distant location or while working in a project phase. Communication and conflicts are inversely related; as poor communication will always lead you in to a situation which will challenge the peace of the business environment. If communication, and personal aspirations are not managed well, it can lead conflict situations. Managing the conflicts between various levels of hierarchies is the core of this case.

Keywords:

Principles of Management, Communication, Grapevine, Hierarchy, Project Management, Human Resources, Conflict, Stress.

³ Representing every employee by name is one of the practices in the organization.

Case usage (level and course)

The case is a good material for fresh executives, besides MBA and BBA students. The audience has to be alive to the reality of the business world.

Learning objectives (usually one or two)

The case satisfies two prime objectives:

1. Active participation by all the students in the class: If the teacher can use active questioning method it can light up the class, including even the weak students.
2. The case is general and can be used as an opening case for the subjects such as :Principles of Management, Business Communication and Organization Behaviour. I used it as an opening case for my business communication class on the topic 'Directions of communication in business organization.'

Discussion questions (usually no more than three)

1. Who is who and who reports to whom? (identification of characters and their places of operation, to generate active participation especially from weak students)
2. Who was right and who was wrong among Suraj, Avinash, Akash and Praveen Sahi? (sensitizing students on aspirations, difficulties, mistakes surrounding different characters). Who was under maximum stress? (Importance of stress and its role in conflict)
3. If you were Suraj, Avinash, and Akash, how would you have dealt with the situation (Giving students a chance to improve the situation using role play)?

Answers to Discussion Questions

For Q1.

- Akash (Officer Commercial) reports to Avinash
- Avinash (Manager Commercial) reports to Suraj
- Suraj (Head of Commercial) reports to Praveen Sahi.
- Praveen Sahi (Head of Head of Commercial) posted in Mumbai.
- Somedutt (Works Head) Project Incharge of Himachal plant.

Q2 and Q3 are discussion oriented.

Teaching Tips/Activities

The case 'Paristithi' is an excellent case for class discussion among management students as it serves the two main purposes: One, active participation by all students in the class. It can light up the class and can make even the weakest students participate, if the teacher uses the stage well and can move on to every corner of the class. For this start with question no. 1 to few good students, and then move to the weak students (Seeing a weak student raising their hands and participating is a pleasure). Then continue further with question no. 2 and counter-argument to the answers produced by students e.g. when you ask "Did Suraj handle the situation correctly?" and if students say "yes" then make your counter-argument in favour of Avinash, move swiftly to other students by asking as many students as you can cover for the time. The objective is to make the participation to peak in the class. It will also sensitize students to both the positive and negative side of the situations (aspirations, difficulties, mistakes surrounding different characters). Other than opinions and discussion, we can have role playing exercise using Q.No.3.

I discussed the case with BBA II students, MBA I and II students. However, I felt MBA students took most from 'Paristithi' in comparison to their juniors as they visualized the aspirations, difficulties, mistakes waiting for them in their upcoming corporate life. I also gave it to the HR manager of listed manufacturing for a trial. He used it in the orientation class for fresh executives where it was super hit.

Second, subject learning through the case. The subjects Principles of Management and Business Communication are the core courses for discussing the case. I used this case as an opening case in my business communication class before the start of the topics: directions of communications, formal and informal communication (importance of grapevine), conflicts due to improper communication, and then finally teaching them the principles of effective communications. However, I feel that this case can also be used in the class of Organization Behaviour (under impact of stress, attitude and perception on results), and in Project Management (under human resource issues or how project differentiates from normal operating system) class too.