

Lesson:-03

TUTORIAL LESSON

We have now understood the nature, scope and process of management and its evolution and different thoughts.

In order to make our understanding clearer let us discuss a case study today. The case we shall look at presents us with lot of scope for creativity. So let us form a group of five and discuss the case for 20 minutes. Then each group will present its views one after the other. Here is your case.

CASE STUDY

Deepak Mathur, the founder and chairperson of **Airway Express**, has been hailed in his attempt to build a more humane organisation. But his leadership style was changing as the organisation grew. Managers at Airway Express had a distinct managerial style: hard-working, but giving employees a great deal of freedom. All employees are expected to carry out a great variety of tasks. Thus, pilots help out in handling the baggage. Even top executives rotate from job to job to learn the major aspects of the business. Fulltime employees must buy stock in the company, although they receive a large discount.

After the company expanded and experienced its first losses, its emphasis on participative management changed. With the acquisition of **First Airlines Pvt Ltd**, Airway Express became the fifth largest airline in the country – only 5 years after its formation in 1990. With its growth, however, the firm changed its character from a family-style organisation to a more traditional one. Critics maintain that within the company it is even risky to ask unpopular questions. One of the original managing directors, **Priyanka Tandon**, who was one of the architects of lifetime employment at Airway Express, was unexpectedly fired. She thinks now that asking Mathur challenging questions was risky and probably was a mistake. Another director, **Amit Saxena**, who did not like being told that he had to be at work from 7.00 am to 8.00 pm regardless of work load, quit and formed his own airline (**Janata Airways Pvt Ltd**) applying many of Airways Express's managerial practices.

1. What do you think of Mathur's way of firing an officer, although the company has an implied policy of great job security?
2. Should a company be managed the same way regardless of its size or its profitability?

