



IV Semester M.B.A. Degree Examination, June 2009

(2007 Scheme)

MANAGEMENT

Paper : H-5 : Knowledge Management and Learning Organization

Time: 3 Hours

Max. Marks: 75

SECTION – A

Answer **any six** questions. **Each** question carries **two** marks. (6×2=12)

1. a) What is organizational learning ?
- b) What is creativity ?
- c) What is left hand, right hand column ?
- d) What is self mastery ?
- e) What is Dialogue (Senge) ?
- f) What is Generative learning ?
- g) What is Adaptry learning ?
- h) What is KM ?
- i) What is container ? (According to Senge)

SECTION – B

Answer **any three** questions. **Each** question carries **eight** marks. (3×8=24)

2. Explain seven perspectives of learning organisations.
3. Explain basic infrastructure for knowledge management.
4. What are the characteristics of a learning enterprises ?
5. What role does IT play in knowledge management ?
6. Explain the process of evolving knowledge creating company.

P.T.O.



SECTION – C

Answer **any two** questions. **Each** question carries **12** marks. (2×12=24)

7. Explain Engalbart's concepts of capability and improvement infrastructure.
8. Explain in detail the important IT tools for KMS.
9. Explain the knowledge management practices of learning companies like
 - a) Honda
 - b) US West
 - c) 3M
 - d) Whirlpool
 - e) Micro Soft
 - f) General motors.

SECTION – D

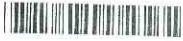
Case study – Compulsory. (1×15=15)

Analyse the case and answer the questions.

Case study : Chaparral Steel

Chaparral Steel is a minimill in midlothian, Texas, founded in 1975. It functions as a learning laboratory. Every employee participates in experimentation, the garnering of new ideas and the improvement of factory processes, tools, parts and products. Research is done throughout the entire organisation instead of in a separate R & D laboratory. The company enjoys the reputation of being the world's most efficient producer of steel. By 1990, its productivity was 1.5 worker-hours per rolled ton of steel, whereas the Japanese average was 5.6 and the German average 5.7. The company has also been recognized for quality in terms of prestigious awards from Japanese and American certifying institutions.

The company set out to produce large structural I beams for about half the cost of big steel mills. This required casting steel into a shape resembling the final stage and a quantum reduction in energy costs. Other steel mills could cast steel into large I beams only through a very expensive process.



The company experimented constant to increase the efficiency and precision of its production processes. The workers participated in the experimentation remedying the problems continuously. The experiments were often performed on the production line itself. The workers learned from the experiments, solved problems, and generated large number of useful ideas. They innovatively experimented with wild ideas like building prototype splashboards for the molten metal out of plywood, and using copper molds, instead of more expensive heat-resistant alloy molds. Besides experimenting on the actual steel casting equipment, the workers also built a one sixth scale model that used water to approximate the flow of steel. Employees compared its operation with that of the actual caster, did many experiments with it quickly and inexpensively. Some of these experiments led to improvements in the actual caster. Many such experiments were done by a shopfloor employee without the need for any approval from higher management level. They were able to make many innovations in the steel making process. Every employee is viewed as being in R and D. Operator see everything that goes wrong, and try to prevent it.

Chaparral's experiments to achieve near - net shape casting were risky, and may not have succeeded. The company however accepts risks and failure in experimentation and R and D, as part of its learning laboratory orientation. Even expensive failures are regarded as part of the cost of learning through research. The company believes that to do nothing, is a greater risk, and if it does not push the frontiers of steel making its competition will; and the company may lose its market leadership.

The company emphasizes multi skilling and multi functioning of employees. Everyone is regarded as a sales person, and has a business card to use with customers. Security guards do data entry on their night duty. Operators do their own routine maintenance work. Janitors can enter customer orders. Employees are cross-trained to be able to perform each other's functions. Multifunctioning and multiskilling imparts flexibility to the organisation. They also facilitate the flow and sharing of information. Work is so structured as to help the dissemination of knowledge. A team which has developed a new process, for example is subsequently dispersed among the rest of the crew to diffuse the newly generated knowledge.

The company invests heavily in training of all kinds. Particulars emphasis is however, placed on its three and a half year apprentice programme which comprises both formal schooling, and on-the-job training. The company's credo states,



“It is the intent of Chapparral Steel to provide the broadest possible growth experience for every person employed by the company. We believe that the company grows in excellence in direct proportion to the growth of its people” (Dixon, 1994).

90 percent of the employees participate in some form of training. Employees learn on the job, through cross-training, and classroom instruction. Frontline supervisors are given sabbatical leave to work on special projects, visit other steel plants, spend time with customers, enroll in academic studies or examine new equipment, or programmes under consideration.

Employees monitor the development of relevant technical expertise across the world. They benchmark against best in class companies from steel, and other different industries. The company has developed an extensive network to gain access to new ideas quickly. It maintains long-term relationships with suppliers. The company invests heavily in employee travel for benchmarking, and to investigate a new technology. People who collect the information are the same people who will use it.

The company’s pay structure rewards performance and growth of individuals and their learning of greater skills. Unlike other steel companies in USA, Chapparral pays salaries, not hourly wages. There are no time clocks. All workers are paid like professionals in laboratory. 93 percent of the employees are stock holders. Workers interact with senior managers and discuss ideas. Everybody eats in the same cafeteria. There is no exclusive executive dining room. All employees can make their views known to top management. In order to maintain such an interchange, the company has deliberately held its size to less than a thousand employees. The organisation structure is flat with only two hierarchic levels between the bottom and the top. The plant layout also facilitates the constant interaction among employees, and between employees and management in pursuit of excellence, and constant innovation.

Questions :

Identify and discuss the basic concepts and ideas (of learning organisations) adopted in Chapparral Steel Industry.
