



- b) Analyze Maslow's and Herzberg's motivation theories and their managerial implications. 13 K4 CO4
15. a) Evaluate the steps of the control process to improve organizational performance in a real-life business context. 13 K5 CO5

**OR**

- b) Assess the role of cost control and productivity management in improving organizational performance. 13 K5 CO5

**PART - C (1× 15 = 15 Marks)**

**(Compulsory)**

16. **Case Study: Nova Healthcare Services**

Nova Healthcare Services is a leading provider of medical equipment and supplies to hospitals and clinics. The company operates three divisions: Equipment Manufacturing, Supply Distribution, and Medical Services. Nova's management has noticed a significant decline in productivity, increased costs, and decreased customer satisfaction.

The Equipment Manufacturing division has experienced frequent machine breakdowns, resulting in production delays and increased maintenance costs. The Supply Distribution division has struggled with inventory management, leading to stock outs and overstocking. The Medical Services division has received complaints about the quality of medical equipment and supplies.

An internal review revealed that Nova's control systems were inadequate, leading to inefficiencies and errors. The company lacked a comprehensive budgetary control system, relying on informal financial management practices. Non-budgetary control techniques, such as performance metrics and benchmarking, were not effectively utilized.

Nova's management has introduced several initiatives to address these challenges. A new budgetary control system has been implemented to monitor and control costs. A total quality management (TQM) program has been established to improve product quality. A maintenance control program has been introduced to reduce equipment downtime.

Nova's management expects these initiatives to yield significant improvements, including Increased productivity by 15%, Reduced costs by 10% and improved customer satisfaction ratings by 20%. Despite these initiatives, Nova faces several challenges. The company's organizational structure is complex, with multiple divisions and departments. Coordination between divisions is crucial to ensure seamless operations. Effective communication and collaboration are essential to achieving management's expectations.

**Questions**

1. Analyze the control techniques implemented by Nova Healthcare Services. Evaluate their effectiveness in addressing the company's challenges and achieving management's expectations.
2. Design a comprehensive control system for Nova Healthcare Services, integrating budgetary and non-budgetary control techniques.