A case study on dabba wala

Business

In these years air India had experienced a golden era which helps to the overall development of the revenue. It was the year of 2009 that a huge empire started its fall into the hell deeps because of the crisis in the international market. From the first beginning era Air India has been experiencing the problem in the owner ship responsibility as it is a public limited company. But it had not been identified as the major problem due to the favorable market conditions.

Iris causes the company crisis as the top level management fails to take the action plans for the crisis.

The decision to merge the Indian airlines into the Air India became the night mare to the company as this added the burden. This decision aging strategy of the board made the Air India board made the company down fall much easier to the rivals. From that instant until four consecutive years it has been experiencing the losses. The flashing strikes of worker unions acted as the additional step for the crisis.

The crisis management company set up by the ministry of air transportation suggested for prevarication the air India.

Organizational managerial reasons for the downfall Decision making of the central board Air India lacks the effective management that is good at decision making in order to eradicate the crisis and to make a good come back for the company. Although some of the officials in the top level management tried to fix the problem and urged the central board to react on this situation it became late because of the interfusing of airline ministry.

This late and ineffective decision making made the up level management loose the motivation to run a central based public limited company.

During the economic crisis in 2009 all international air liners cut down their costs and follow the cost reduction policy but the management of Air India failed to Implement the preventive measures to dissolve the crisis. Entire airliner follows the iced supplier policy as it reduces the repair cost and can expect cost negotiations but Air India keep on changing the suppliers from Airbus toBoeingdue to political pressures employed on the company. The merger of the Indian Airlines added the company downfall as the merger doesn’t discuss about the central issues like management and employee transfer.

These are some of examples for ineffective decision making of the management board. As the company is a public limited company the inflow and out flow of the funds are not managed by the local managers. This made them to lose their primary interest in decision making and am spirit.

Every company strives hard ultimately for its survival. This can be achieved by the strong innovations and the strategies to attack the rivals but Air India lacks innovation since its leadership board fails to make the innovative strategies. He changing to directorial board truculently made the unclear leadership that causes the major part of the problem. Generally a top level management board feels responsible for the decision making in any organization. The major problem concerned with this is the board holds no responsibility for the decision they made u to loss of responsibility towards the current situation.

Misuse of funds by the higher authority brought allegations on the company board which made its reputation down in the international market.

Declined motivation among work force As the management board decisions failed to bring back the company from the crisis, revenue generation became a great problem which laid the foundation for economic crisis. This crisis affected the wages of the employees which decreased their faith in the company. Gradually the crises increased and low level work force lost their team spirit and motivation. This made the worker unions go for the strike in order to fulfill their requirements.

The local managers have no power in Implementing their own decisions and managing strategies.

This is because the power in the organization is centrally located but not equally distributed. This plays the main role in decline of motivation towards the company. This situation made the employees to lose their hope on the company comeback. Company fails to follow the perfect corporate structure which constitutes of monopolizing, applying, motivation and performance teams separately. During the internal survey many managers expressed heir problem of implementing their decisions effectively.