



(University of Choice)

**MASINDE MULIRO UNIVERSITY OF SCIENCE AND
TECHNOLOGY
(MMUST)**

MAIN CAMPUS

UNIVERSITY MAIN EXAMINATIONS

2021/2022 ACADEMIC YEAR

SECOND YEAR FIRST SEMESTER EXAMINATION

**FOR THE DEGREE
OF
MASTER OF BUSINESS ADMINISTRATION**

COURSE CODE: MBA 881

COURSE TITLE: STRATEGIC MANAGEMENT OF CHANGE

DATE: TUESDAY, 26TH JULY 2022

TIME: 2:00 – 5:00PM

INSTRUCTIONS TO CANDIDATES

Answer question **ONE** and any other **THREE** questions

TIME: 3 HOURS

MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 3 Printed Pages. Please Turn Over.

QUESTION ONE: Read the following case and answer the questions that follow

COCA-COLA

Perhaps no organisation has been through change management challenges quite like the Coca-Cola Company. One example is from the 1980s when bitter rivals Pepsi started to aggressively target Coca-Cola.

In response, the latter released New Coke - a sweeter version of its classic drink. New Coke wasn't a success and didn't appeal to the public. Coca-Cola wasted no time in replacing it with the older formula. Here, the brand was able to respond quickly to consumer preferences so that the product's appeal was maintained.

It even stretches as far back as World War II. By offering free drinks to soldiers, Coca-Cola quickly marketed itself as a symbol of the US war effort. At the same time, it boosted brand recognition in destination countries that allied forces were occupying. During this process, Coca-Cola cemented its presence through 64 extra manufacturing sites across the world.

This accelerated the company's post-war global expansion strategy. These are just some of the change management examples which show how Coca-Cola manages to stay ahead of the curve. To respond to greater health consciousness, Coca-Cola released Enviga, Diet Coke and Coca-Cola Zero to appeal to this target market. Then during the Asian financial crisis, the organisation pursued an acquisition strategy to better deal with consumer preferences.

By reacting quickly and acting proactively in anticipation of changing trends, it's clear how change management is a vital component in Coca-Cola's overall strategic vision.

- a) To be able to compete favourably, organizations may be forced to carry out a number of changes. Advise the competitors on some of the changes that they may use to challenge the dominance of COCACOLA as explained in the text. (10 marks)
- b) Critically examine the anticipated benefits of the company's chosen strategy. (10 marks)
- c) It has become common for employees and customers in organizations to be unwilling to adopt new corporate strategies. Discuss possible causes of such, explaining how this can be contained. (10 marks)
- d) For COCACOLA or its competitors to maintain a competitive advantage, there's need for strategic positioning so as to ensure organizational continuity. What are the factors that should be focused on so as to achieve this? 10 marks

QUESTION TWO

- a) Corporate culture has identified as a major driver and facilitator of change. Discuss. (10 marks)
- b) “There is no need to seek consultants from outside the organization when we have competent graduate staffs here?” retorted Mr. Simiti, a member of the Board of Directors at Fanaka Ltd. during a meeting called to discuss how to turn around the company. Argue against this assertion. (10 marks)

QUESTION THREE

- a) Strategic control and evaluation is a very vital aspect of change management. Discuss how a manager may do so efficiently and effectively in an organization, highlighting on the tools that he has at his disposal. (10 marks)
- b) Some organizations overlook the contribution of the boards of directors in change management. Critically examine their role giving specific and suitable examples. (10 marks)

QUESTION FOUR

- a) As a manager, you should be cognizant of forces behind organizational change. Analyze some of the external and internal forces behind organizational change. 10 marks
- b) Kurt Lewin’s change model is a common model for initiating organizational change. Highlight its importance in guiding strategic change management using relevant examples. (10 marks)

QUESTION FIVE

- a) Diversity at the workplace is vital in change execution and management. With suitable examples, explain why it cannot be overlooked and the consequences of ignoring it. 10 marks
- b) You have been invited by an organization to guide on the various tools that a manager has at his disposal to guide strategy implementation. Provide an outline of these and how they can be used. 10 marks

