



(University of Choice)

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

MAIN CAMPUS

UNIVERSITY EXAMINATIONS

2022/2023 ACADEMIC YEAR

THIRD YEAR FIRST SEMESTER MAIN EXAMINATIONS

FOR THE DEGREE

OF BACHELOR OF COMMERCE

COURSE CODE: BCB 363

COURSE TITLE: MANAGING ORGANIZATIONAL CHANGE

DATE: THURSDAY, 15TH / 12/2022

TIME: 3:00-5:00PM

INSTRUCTIONS TO CANDIDATES

- 1. ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS**
- 2. DO NOT WRITE ANYTHING ON THE QUESTION PAPER**

TIME: 2 HOURS

MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 2 Printed Pages. Please Turn Over.

QUESTION ONE

Yvelt Company limited is a Mombasa based company owned by the Smith's family that has in the past decade offered jobs and livelihoods to hundreds of locals in the area. The company engaged in several businesses including mining, real estate, exporting flowers and fruits, retails business amongst many others. However due to economic deterioration experienced in the country the company has suffered huge losses. Further other challenges facing the company included production inefficiencies and innovative break through by competitors, falling demand, emergence of more attractive substitutes and changing customer needs and preferences. Smith was the main shareholder in the company and used to nurture employees like family thus turning the organization into an informal type. Smith suffered from illness and took a step back letting his sons to manage the company. Smith succumbed to the illness and now his sons have inherited the business as they were named as heirs in the will. Smith's sons have been discussing on how to turn the organization into a formal type and also intend to introduce several changes so as to improve overall performance of the business. Some of the employees have gotten information about the changes about to be introduced and they are not happy.

Smith's sons have hired consultants in change management to aid in re-organisation of the company.

- a. Being the consultants, explain how the sons being the leaders Can ensure commitment to their plans of fast growth and profit maximization? (10 marks)
- b. Explain some of the individual sources of resistance. (10 marks)
- c. What are some of the drawbacks of hiring consultants? (4 marks)
- d. Describe in detail what strategic change entails. (6 marks)

QUESTION TWO

a. Elucidate on the principles of Total Quality Management as an approach embraced by organizations in the 21st century to ensure effective change management. (10 marks)

b. "Everybody has accepted by now that change is unavoidable. But that still implies that change is like death and taxes—it should be postponed as long as possible and no change would be vastly preferable. But in a period of upheaval, such as the one we are living in, change is the norm." *Peter Ducker, Management Challenges for the 21st Century.*

Change has become inevitable in organizations. Discuss. (10 marks)

QUESTION THREE

- a. Change agents may either be the initiators of change or serve as catalysts for such change. Explain the benefits of engaging internal change agents in an organization (4 marks)
- b. Being a change agent in your organization, what factors would you consider in selecting an appropriate type of change? (6 marks)
- c. Organizational changes can create new opportunities, though they are often met with criticism from resistant individuals within the group. Elaborate on ways in which managers overcome the resistance. (10 marks)

QUESTION FOUR

- a. Organizations constantly create and modify their cultures in order to enhance change management especially if the prevalent culture is not serving the interests of the organization. Describe the attributes of an effective and efficient corporate culture. (10 marks)
- b. Kurt Lewin suggests that planned change is a three stage process. Describe these stages. (6 marks)
- c. Highlight ways that may be used by management to communicate change. (4 marks)

QUESTION FIVE

- a. Every organization goes through periods of transformation that can cause stress and uncertainty and as such organizations should embrace many changes. Describe the external forces of change (10 marks)
- b. According to McKinsey's seven S model there are seven aspects of an organization that need to be harmonized so as to point in the same direction for a successful implementation of change process. Identify and explain five constituent parts of the 7S model. (10 marks)

