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KIBABII UNIVERSITY



**UNIVERSITY EXAMINATIONS
SPECIAL/SUPPLEMENTARY EXAMINATION
2020/2021 ACADEMIC YEAR**

THIRD YEAR FIRST SEMESTER

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCB 360 E

COURSE TITLE: MANAGING ORGANIZATIONAL CHANGE

DATE: 30/09/2021

TIME: 11.00AM – 1.00PM

INSTRUCTIONS TO CANDIDATES

- 1) Answer Question **ONE**(Compulsory) and **ANY OTHER TWO** Questions
 - 2) Candidates must hand in their answer booklets to the invigilator while in the examination room
 - 3) Credit is given for legibility, clarity and use of relevant examples
 - 4) Question **ONE** is **30 marks** while Questions **2-5** carry **20 marks** each
 - 5) Clearly write your **Registration Number** on each answer sheet used
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TIME: 2 Hours

KIBU observes ZERO tolerance to examination cheating

SECTION A: Compulsory (30marks)

QUESTION ONE

Read the passage below and use the information to attempt question one.

Following a benchmark exercise, the CEO of B company, a food manufacturer, decided that several changes were required in order to maintain competitiveness. These included;

- A change in structure in order to improve the focus on particular products and customers
- Tighter control of costs
- The introduction of a more entrepreneurial culture

Having decided that these changes were necessary, the CEO e-mailed all heads of departments indicating that the following few months, the company would move from functional structure to a divisional structure.

Existing functional heads would be interviewed for senior posts in the newly – created divisions in open competition with other applicants. The job specifications for the new divisional heads included requirements that the new heads would drive the changes, including a rapid transition to a more entrepreneurial culture and the implementation of new control mechanisms to contain costs.

The CEO delegated the change program implementation into the hands of the head of human resources and went off on a two-week overseas business trip asking that he be kept informed of progress. The CEO returned from the business trip to find that no progress had been towards the change requested.

The head of human resources informed the CEO that heads of departments were reluctant to discuss the intended changes and that some had even talked about resignation from the company.

REQUIRED

- Describe the key mistakes made by the CEO in the way he went about introducing the proposed changes in B Company (7 Marks)
- Given the situation on the CEO's return, advise him what he should do in order to ensure the changes can be successfully implemented (9 Marks)
- Describe a change management plan and discuss the steps involved in developing such a plan. (9 marks)
- The five common sources of uncertainty within organizations are? (5 marks)

'SECTION B'

QUESTION TWO

- Individuals have different issues with change in organizations. Based on your familiarity with an organization registered and doing business, what usually make management to frustrate change initiatives in organizations? (15 marks)
- Explain the steps that can be used when an organization faces a risk. (5 marks)

QUESTION THREE

A change manager needs distinct capabilities to steer change. Provide a check list to the human resource manager of a manufacturing company you are familiar with describing some of these competencies. (14 marks)

b) Resistance to change is good for an organization. Discuss. (6 marks)

QUESTION FOUR

A representative of the DB Company has approached a firm of management consultant for advice on these problems and they have recommended the services of a specialist in organizational development (OD). The CEO of the DB Company has never heard of organizational development and has asked for your advice.

a) Explain the nature of organizational development and describe how it might be use to assist the DB company with the problems indicated in the scenario. (10 marks)

b) Describe the knowledge, skills and attitudes that the OD specialists would require, to take on the task of helping the DB Company with its problems. (10 marks)

QUESTION FIVE

a) Explain John Kotter's eight steps to successful change implementation in organizations (12 marks)

(b) Describe the various factors which force organizations to change. (8 marks)