

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OF MASTER OF SCIENCE IN
PROCUREMENT**

MBAD 847: MANAGEMENT OF CHANGE

STREAMS: MBAD Y2S1

TIME: 3 HOURS

DAY/DATE: FRIDAY 06/12/2019

2.30 P.M. – 5.30 P.M.

INSTRUCTIONS:

- **Answer ALL questions. Don't write anything on this question paper.**

QUESTION ONE

TRAVEL AND TOUR COMPANY LTD

You are the recently appointed General Manager of Travel and Tour Company Ltd (T&TC), which is located in a large town. The company specializes in travel and tour operations and is made up of various operating units. These operating units are Finance Division, Marketing Division, Operations Division and Recreation Division. All these divisions are headed by general managers who are served by several officers under them.

The organization has been quite successful in the past, given that for a period of about three years it has earned profits amounting to Ksh. 2.5 billion. However, with the changing times, it has been realized that the company sales has been going down and last year, this greatly affected the earnings per share.

The Board of Directors has ordered a probe into the affairs of the company to find out the causes of decline in performance. One of the revelations after the probe was that the decline was due to poor quality of goods and services. It also revealed that the country's state of economy had reduced the purchasing power of the people. Further it was also noted that the production cost for the company was very high; this was due to use of old machines, which needed constant repairs and expensive labor force that has been retrained.

The probe committee was also informed that since the company started talking of rationalization and streamlining of activities, many workers' morale had been affected and this was evident in

various ways. There have been a bigger number of people attending the Health Clinic than before, while a number of workers have been reported absent for various reasons. Many workers have also been arriving at work late while others are resigning despite the efforts made to replace them. In general the working morale has been very low.

As chief executive officer of the company you realize that there are a number of things that need to be changes if the company will survive in this difficult economy.

Required:

- (a) Conduct SWOT analysis for T&TC. (10 marks)
- (b) Elucidate the possible sources of change at T&TC. (10 marks)
- (c) With illustrations from the case study, discuss the major challenges facing T&TC and possible solutions thereof. (10 marks)
- (d) Describe how you could apply John Kotter’s leadership model to lead organizational change and management successfully at T&TC. (10 marks)

QUESTION TWO

- (a) Explain the meaning and nature of the concept organizational development. (5 marks)
- (b) Discuss the main organizational development techniques and interventions you can make to a company seeking to improve its effectiveness and employee wellbeing. (15 marks)

QUESTION THREE

Stress refers to a state of tension experienced by an individual facing extraordinary demands, constraints and opportunities. Discuss the organizational sources of stress and set out the organizational approaches for managing stress among employees. (20 marks)

QUESTION FOUR

- (a) Madibabu level-five referral hospital in your county intends to introduce changes in its policies and operations. Discuss the reasons why employees might resist the intended changes. (10 marks)
 - (b) Elucidate the possible reasons why the Hospital Director of this hospital may request an outside consultant to help her in the reorganization plan. (10 marks)
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