KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2016/2017

SECOND SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

BBA 829: MANAGEMENT OF STRATEGIC CHANGE

DATE: Monday, 8th May 2017 **TIME: 5.30 p.m. - 8.30 p.m.**

INSTRUCTIONS:

ANSWER QUESTION ONE AND ANY OTHER THREE QUESTIONS

QUESTION ONE

COCACOLA

When Asa Griggs Landler founded the Coca-Cola Company in the late 1800s, there was no way he knew his company would one day be valued at upwards of $180 billion. That's a lot of money for a business that sells soft drinks. But Coca cola didn't become the powerful force it is today by sheer chance.

In the 1980s, Loke's biggest rival, Pepsi, was aggressively targeting it. This caused Cocacola to re-evaluate its offerings. Eventually, the company decided to concoct a new, sweeter soda. They called it simple New Coke.

Unfortunately, the public did not take too kindly to the new beverage. But Coke's executives did not let the mishap derail their success. Quickly, management decided to pull New Coke and replace it with the older established formula. Lo and behold, Cocacola classic was born, and Coke maintained its market dominance.

Just as quickly as Coke changed to accommodate its customers 'sweeter palates, it changed direction again when it realized it made wrong move. But that's not the only instance where cocacola listened to its customers and enacted change. Again, how is a company primarily known for selling sugarly drinks valued at $ 180 billion in 2016?

Coke doesn't only sell sweeted carbonated beverages. In fact, the beverage king sells more than 500 brands to customers in over 200 countries. Today, many of its offerings - like Dasani, Vitamin water, and Evian are considered healthy drinks. In other words, Cocacola has consistently strived to diversify its product portfolio and expand into new markets. By and large, coke has succeeded in these efforts.

From the case study above, answer the questions below:

a) Discuss the strategic change practices adopted by cocacola that have enhanced its success. (10 Marks)

b) Discuss the role played by the management team of cocacola company that have facilitated positive change of the firm. (4 Marks)

c) Discuss Kotter's eight stage model of implementing planned change in an organization of your own choice. (16 Marks)

2. a) The concept of change is underpinned in three theoretical foundations which include individual perspective, group dynamics and open system school of thought. Discuss these theoretical perspectives clearly showing the implications of each of these theoretical foundations in implementing change in Kenyatta University. (15 Marks)

b) Using examples, discuss any five factors that cause conflicts in organizations. (5 Marks)

3. a) Some experts believe resistance to change is a natural human tendency based primarily on the fear of the unknown. Do you agree? What are other possible explanations for this phenomenon. (15 Marks)

b) Briefly describe how the new constitution has triggered changes in Kenyan organizations. Give examples. (5 Marks)

4. a) Explain the conditions that lead to a successful implementation of organizational development programmes in organizations today. (10 Marks)

b) Using examples, discuss any five mistakes people make during the negotiation process when implementing strategic change. (10 Marks)

5. a) Using examples, discuss how Force Field analysis can be used in managing strategic change in organizations. (10 Marks)

b) Briefly describe the structural, technological and people approaches to change process giving examples of an organization of your own choice. (10 Marks)