



# **MAASAI MARA UNIVERSITY**

**REGULAR UNIVERSITY EXAMINATIONS**

**2023/2024 ACADEMIC YEAR**

**FOURTH YEAR FIRST SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS  
ENTREPRENEURSHIP**

**COURSE CODE: BSE 4105-1**

**COURSE TITLE: STRATEGIC CHANGE  
MANAGEMENT IN SMALL ENTERPRISES**

**DATE: 15/12/2023**

**TIME: 1430-1630 HRS**

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**INSTRUCTIONS TO CANDIDATES**

Answer Question **ONE** and any other **TWO** questions

## QUESTION ONE (20 MARKS)

Read the case below and use it to answer the following questions;

### Change Management Cases: Success and Failure Stories

*Success Stories (Pearson):* In 2012, John Fallon the new CEO of the organization announced a new game plan “Global Education Strategy” for realizing the bigger objectives of business. Apart from this, he championed organizational restructuring leading to the formation of 6 different units of workforce. The company went big by not only changing the strategies but also by implementing organizational restructuring to support the entire plan. The communication was established in a top down manner-Intranet was considered as the medium for communicating the objectives of change and also the expectations involved in it. For realizing the strategic intent of change management, the new CEO relied heavily on new technology (intranet) for aggressive internal marketing of change initiatives and the benefits associated with it.

*Failure Stories (Walmart):* The giant retail player followed the strategy of Low Pricing few years ago and enjoyed a prominence in the market due to its low pricing strategy for across various categories of products. Few years later, they introduced a change in the strategy for attracting niche customer segments who could afford higher priced products and up-scaled their items. Due to a change in the strategy, Walmart lost its business profitability since it could neither attract the higher end customers through its products and the regular customers started looking for better bargains from the competitors. Using the study cases, answer the following questions:

- a) In relation to the above case studies, explain four roles of senior managers as barriers to change **(4 MARKS)**
- b) Analyzing the causes of change is a good starting point in change management. Describe three leadership competencies for successful change management in Pearson Company **(6 MARKS)**
- c) Successful change management involves consideration of several factors. What could have Walmart Retailers done for successful change **(5 MARKS)**
- d) As an entrepreneur, outline five reasons for the need of a change management strategy based on the cases of Walmart and Pearson above.

**(5 MARKS)**

**QUESTION TWO (15 MARKS)**

- a) An organization as a system, depend on many interdependent factors which influence it's day to day functioning, strategic decisions and future action plans. These factors can be both internal and external. Discuss five internal forces pressuring for organizational change **(10 MARKS)**
- b) Highlight five benefits of proactive monitoring of change in an organisation **(5 MARKS)**

**QUESTION THREE (15 MARKS)**

- a) Explain the benefits of the Bottom Up approach for organizational growth **(10 marks)**
- b) Describe five characteristics of change agents in SMEs **(5 MARKS)**

**QUESTION FOUR (15 MARKS)**

- a) Different styles of managing change are likely to be necessary according to different contexts and in relation to the involvement and interest of different groups. Discuss five styles of managing change. **(10 MARKS)**
- b) Highlight the key benefits of innovation and change in an organisation **(5 MARKS)**

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