



**FACULTY OF BUSINESS MANAGEMENT**  
**END OF SEMESTER EXAMINATIONS - APRIL 2025**

**PROGRAMME: MBA**

**YEAR/SEM: YEAR 2/SEMESTER 1**

**COURSE CODE: MBA 831**

**NAME: LEADERSHIP AND ORGANIZATIONAL CHANGE MANAGEMENT**

**DATE: 2025-04-15**

**TIME: 2:00-5:00PM**

**INSTRUCTIONS TO CANDIDATES:**

1. Read the instructions very carefully
2. The time allowed for this examination is STRICTLY three hours
3. Read each question carefully before you attempt and allocate your time equally between all the Sections
4. Write clearly and legibly. Illegible handwriting cannot be marked
5. Number the questions you have attempted
6. Use of appropriate workplace examples to illustrate your answers will earn you bonus marks
7. Any examination malpractice detected will lead to automatic disqualification.

**DO NOT WRITE ANYTHING ON THE QUESTION PAPER**

## **Section A SECTION A is COMPULSORY AND CARRIES 40marks**

### **Question 1:**

George A Hormel and company has many meat packing plants around the country and one of these plants is located at Austin, Minnesota. During the mid-1980 the company was faced with a decreasing demand for its products. It became necessary to cut the costs of operation in order to remain in the business and be competitive. To keep its costs down, the management of the company cut the base wages of its union employees. This was done arbitrary without consulting or negotiating with the union representatives. Even though the dispute between the union and the management had been simmering for a long time at the plant in Austin, it culminated into a strike led by the union in August of 1985.

An arbitrator was appointed to act as a mediator and due to his recommendation; some of the cuts in wages were restored. The management offered to restore the balance at the time when the previous labour would expire and a new contract would be signed. The new contract was signed by all the unions at all other Hormel plants, except the one in Austin, and hence the strike. Because of the worker's strike, the plant was shut down.

The strike lasted for nearly five months. The strike had not yet been settled when the management at the Austin plant decided to reopen the plant, and accordingly, some union packers returned to work. Many other workers refused to return to work and formed a picket line and the local union urged its members not to cross the picket line. The management started to hire new workers to replace those who were on strike. There was a conflict between the employees and the workers on strike, so much so that at one time there was a danger of physical violence and the local police had to be called in to restrain the workers who were on strike.

The local union sent some of its members to picket other Hormel plants and asked the union sent some of its members at these other plants to honour the picket lines and not report for work. About a week after the Austin plant was reopened the central management fired hundreds of their workers at plants in Texas, Iowa, and Nebraska for refusing to cross the picket lines and refusing to report to work. This step was significant because picket lines at these other plants were not set up by the local employees but by the striking employees at the plant in Austin.

The strike at the plant in Austin went into nine months Tempers flared and violence erupted and in May 1986 hundreds of strikers fought with police outside the Austin plant. The parent union, united food and commercial workers also disagreed with striking workers prompted by the local union, considering the economic slowdown and conditions in the industry. The president of the parent union decided to take over the operations of the local union and started proceedings to appoint a new union leadership at that plant. He believed that the conflict had gone too far and he hoped that with these changes, the strike would be over and the workers could go back to work.

**Required;**

- (a) Identify the type of change experienced by George A Hormel and company in the first place. Give reason to support your answer **(7 marks)**
- (b) Given the conditions of economic crash, do you think the workers were wrong in going on strike? Give reasons **(6 marks)**
- (c) Is the conflict between union and management inevitable? What preventive steps can be taken to avoid the possibility of worker strike? **(15 marks)**
- (d) Who were the winners and the losers in this conflict? Explain your view points **(5 marks)**
- (e) If you were hired as a mediator, after the union went on strike, what steps would you recommend in order to minimize the negative impact of this conflict? **(7 marks)**

**Section B Choose three questions. Each question carries 20 marks****Question 1:**

Franchesca limited is an online retail company that specializes in electronics. The company wants to improve its order processing system to enhance customer satisfaction and reduce processing time. The new system should:

- i. Automate payment verification using a secure payment gateway.
  - ii. Check inventory levels instantly upon order placement. If an item is out of stock, notify the customer immediately with options to cancel, backorder, or choose a similar product.
  - iii. Process orders for in-stock items by generating a packaging request automatically.
  - iv. Integrate with a courier service Application Programming Interface to schedule shipping and provide tracking details to customers via email or SMS.
  - v. Include exception handling for failed payments, incomplete information, or inventory mismatches.
  - vi. Send real-time updates to customers at each stage: order confirmation, payment verification, packaging, and shipping.
- a) Design a detailed flowchart that maps out the entire order processing system based on the requirements above **(12 marks)**
- b) Examine the relevance of using a flowchart in implementation of changes in organizations. **(8 marks)**

**Question 2:**

Conflicts are inevitable i.e. as long as two or more persons come together. This is particularly true of work groups because they are generally expediently (appropriately) assemble individuals with different backgrounds, perceptions, attitudes and values.

- a) Explain approach-avoidance conflict. Give a realistic organizational example of where it may occur. **(3 marks)**
- b) Intrapersonal conflict can arise because of differences in roles in an organization. Elucidate the above statement **(3 marks)**
- c) Explain the relevance of conflict resolution in organizational change. **(14 marks)**

### Question 3:

Organizational change is the movement of an organization away from its present state and toward some future state to increase its effectiveness;

- a) Discuss the reasons why organizations opt for change. **(10 marks)**
- b) Explain the challenges faced by organizations when trying to change. **(10 marks)**

### Question 4:

The culture at Edmark International Uganda is predominantly **hierarchical**, however, senior leadership has recognized that this culture is limiting innovation and slowing down responses to market changes. They want to shift towards an **adhocracy culture**. This has caused worry that a less structured environment might lead to confusion and make it harder to meet performance targets.

- a) Considering the current hierarchical culture in Edmark, what potential challenges might the company face when shifting towards an adhocracy culture? **(10 marks)**
- b) Discuss on the actions that can be adopted by Edmark to address the above concerns while encouraging a more innovative and flexible way of working. **(10 marks)**

### Question 5:

Shams Philippines is an organization aiming for digital transformation and sustainability, the utility. Despite of a clear vision, it continues has struggle to achieve buy-in at all levels, leading to delayed initiatives. The organization is seeking to overcome this resistance to change to stay competitive and meet regulatory demands. As an expert in change management.

- a) Discuss the roles you would play to encourage reluctant employees accept the new system. **(10 marks)**
- b) Explain the various styles that can be adopted by change agents in organizations. **(10 marks)**

### Question 6:

Orion Tech, a mid-sized software development company with 500 employees, has been a market leader in custom enterprise solutions for a decade. However, in recent years, the company has faced increased competition, declining market share, and stagnating revenues. To regain its competitive edge, the newly appointed CEO, Irene Mitchell, initiated a comprehensive change management strategy aimed at transforming the company's culture, processes, and product offerings.

- a) Assess Irene Mitchell's leadership style in managing change. What aspects of her approach were effective, and what could have been done differently? **(8 marks)**

**b)** Evaluate the key challenges faced during the implementation of the above changes. How well were these challenges addressed? **(12 marks)**