



FACULTY OF BUSINESS MANAGEMENT
END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: BHRM

YEAR/SEM: YEAR 2/SEMESTER 2

COURSE CODE: HRM 2204

NAME: LEADERSHIP AND CHANGE MANAGEMENT

DATE: 2025-04-22

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 This section carries 40 marks and independent. Please answer all questions in it.

Question 1:

Case Study 2

Organizational Change at XYZ Corporation Organizational change is a critical process that involves adjusting the structure, processes, technologies, culture, or practices of an organization to enhance its performance, adapt to market dynamics, or respond to both internal and external pressures. The need for change in organizations is inevitable, driven by various factors like technological advancements, market shifts, changes in consumer preferences, or internal inefficiencies. In this case study, we will explore the organizational change process at XYZ Corporation, a mid-sized manufacturing company that faced several challenges related to outdated technology, changing market conditions, and internal inefficiencies. Through a strategic approach to organizational change, XYZ Corporation successfully navigated these challenges and emerged as a more effective, competitive, and resilient organization.

Background XYZ Corporation, founded in 1980, had been a major player in the manufacturing industry, producing high-quality industrial equipment. However, in the early 2000s, the company began facing significant challenges. New technologies were emerging in the market, and the company's reliance on traditional manufacturing methods was becoming a hindrance. Furthermore, the company's internal processes had become inefficient, and employee morale was low due to a lack of innovation and the absence of a clear strategic direction. These challenges prompted the leadership at XYZ Corporation to realize the need for a comprehensive organizational change.

The Need for Organizational Change XYZ Corporation identified several key issues that required immediate attention. First, the organization's operational processes were outdated and no longer efficient. The company's reliance on manual processes, coupled with inefficient communication across departments, was leading to delays in production and quality control issues. Second, the company's technology infrastructure was outdated, limiting its ability to scale production or compete effectively in an increasingly tech-driven market. Third, the organizational structure was hierarchical, leading to slow decision-making processes and poor collaboration between departments. Lastly, there was a noticeable shift in the company's culture, with employees feeling disconnected from the company's mission and vision. Faced with these challenges, XYZ Corporation's leadership understood that in order to stay competitive and relevant in the market, a comprehensive approach to organizational change was needed. This change would involve adjustments in several key areas, including structure, strategy, technology, culture, and processes.

The Organizational Change Process To initiate the organizational change process, XYZ Corporation's leadership adopted a structured approach, focusing on six main areas: structural changes, strategic changes, technological changes, cultural changes, process changes, and changes in practices.

- 1. Structural Changes** The first step in the transformation process was to restructure the organization. The leadership team recognized that the hierarchical structure was slowing down decision-making and hindering effective communication. In response, the company adopted a flatter organizational structure. This new structure eliminated several layers of management and created cross-functional teams that encouraged collaboration between departments. This change enabled faster decision-making, better communication, and improved overall efficiency. Additionally, new leadership roles were created to manage the change process. A Chief Change Officer (CCO) was appointed to oversee the transformation, ensuring that each department aligned with the new organizational goals. This structural change allowed XYZ Corporation to improve coordination and adapt more quickly to changing market conditions.
- 2. Strategic Changes** With the new organizational structure in place, XYZ Corporation shifted its strategic direction to remain competitive in the industry. The company had been heavily reliant on traditional manufacturing techniques, but it recognized that a shift towards automation and digital manufacturing technologies was crucial to future success. The leadership team formulated a new strategic vision to incorporate these changes, aiming to enter new markets and develop innovative products that met emerging customer needs. The strategic change included entering international markets and diversifying the company's product portfolio. XYZ Corporation also formed strategic

partnerships with tech firms to enhance its product offerings and integrate smart technologies into its equipment. These changes helped the company stay relevant in a rapidly evolving industry.

3. Technological Changes One of the most significant areas of change at XYZ Corporation was the adoption of new technologies. The leadership realized that in order to remain competitive, the company needed to embrace automation and digital technologies. The company invested in state-of-the-art manufacturing equipment and implemented a robust Enterprise Resource Planning (ERP) system to streamline operations, improve inventory management, and enhance production scheduling. The introduction of automation not only reduced production time but also improved product quality and consistency. Employees were trained on how to use the new technology, and a support system was established to assist with the transition. These technological changes enabled XYZ Corporation to increase production capacity and enhance operational efficiency, positioning the company as a leader in the industry.

4. Cultural Changes Changing the organizational culture was another crucial aspect of the transformation process. For many years, XYZ Corporation's culture had been marked by a top-down management style, limited innovation, and low employee engagement. To address this, the leadership team worked to foster a culture of collaboration, innovation, and empowerment. Employees were encouraged to contribute ideas for process improvements and product development. Regular town hall meetings were held to communicate the company's vision and values, and feedback mechanisms were established to ensure employees had a voice in decision-making. This cultural shift helped to improve employee morale, reduce turnover, and increase overall engagement.

5. Process Changes To address inefficiencies, XYZ Corporation reengineered its internal processes. The company adopted lean manufacturing principles, focusing on eliminating waste, reducing production time, and improving product quality. Cross-functional teams were created to review and optimize each step of the production process, and continuous improvement became a core value of the organization. The company also implemented new project management tools to improve workflow management and ensure that projects were completed on time and within budget. These process changes helped the company reduce costs and enhance its ability to meet customer demands more efficiently.

6. Changes in Practices Finally, XYZ Corporation focused on changing its business practices. The company adopted a customer-centric approach, ensuring that all departments, from sales to production, were aligned with customer needs. Sales teams were trained to offer personalized solutions to customers, and marketing efforts were redefined to better communicate the company's new offerings. The company also embraced more sustainable business practices, incorporating environmentally friendly technologies and materials into the manufacturing process. These changes helped XYZ Corporation build a positive brand image and appeal to environmentally conscious consumers.

Results of the Organizational Change The organizational changes at XYZ Corporation were transformative. The company's new structure and strategic focus allowed it to expand into new markets and develop innovative products. The adoption of automation and digital technologies significantly improved operational efficiency, leading to cost savings and higher-quality products. Employee morale and engagement improved as a result of the cultural changes, and the company's customer-centric approach helped it build stronger relationships with clients. Financially, the company saw a significant increase in revenue and profitability. Operational costs were reduced, and production capacity was expanded. In the long term, XYZ Corporation became a leader in its industry, admired for its ability to adapt to change and stay ahead of competitors.

1. What were the main challenges faced by XYZ Corporation before initiating organizational change?
2. What structural change did XYZ Corporation implement to improve efficiency and decision-making?
3. What technological changes did XYZ Corporation make to improve its operations?
4. What were the key results of the organizational changes at XYZ Corporation?

Section B This section is comprised of 6 numbers, choose any of three question of your choice

Question 1:

Explain the stages employees experience during organizational change

Question 2:

- a) Describe the following leadership styles and highlight their advantages and disadvantages (12marks)
- i. Autocratic
 - ii. Democratic
 - Laissez Faire

Question 3:

Discuss the argument that power is the source of leadership

Question 4:

How can leaders introduce change without stress in an organization

Question 5:

Examine the differences in leadership styles of men and women

Question 6:

Examine the factors that influence acceptance to change in an organisation