

ZIMBABWE EZEKIEL GUTI UNIVERSITY



DEPARTMENT OF ECONOMICS AND BUSINESS SCIENCES

COURSE: CHANGE MANAGEMENT

COURSE CODE: CMA405

DURATION: 3 HOURS

3 June 2019

INSTRUCTIONS TO CANDIDATES

1. No cell phones are allowed in the examination venue.
2. Answer ALL questions in Section A and any THREE questions in Section B
3. Begin each question on a new page.
4. The number of marks allocated to each question or part question is shown in brackets
5. All questions carry twenty five marks

SECTION A

Answer all questions from this section

QUESTION 1

Case study

Marks & Spencer

Marks & Spencer was founded by Michael Marks as a penny bazaar in Leeds and grew to become a multinational retailer with over 700 stores in the UK and 360 stores spread across 40 other countries worldwide. Up until 1998, the company had enjoyed a long period of uninterrupted growth and financial success. Its core business centered on providing customers with good quality, classic (rather than highly fashionable) and affordable clothing.

At the end of 1998, this pattern of success was dramatically interrupted by a 23 per cent fall in half-year profits. A number of factors contributed to this change in fortunes but the main problem was that the company lost touch with what customers wanted. As the company expanded into overseas markets, it based its operations on the tried-and-tested formula that had worked well in the UK, without paying sufficient attention to local customer requirements.

In the UK, the company was slow to recognize and respond to market changes. At the top end, new competitors such as Gap, Next and Oasis began to poach customers by offering them up-to-date fashions at prices that were not too dissimilar for those charged by M&S for their less inspiring classical ranges. At the bottom end, discount stores such as Matalan and supermarkets such as Tesco and Asda (with its highly successful 'George' range) began to make inroads into M&S's market share by offering customers a well-designed range of value-for-money clothing. The *Financial Times* (16 January 1999) reported that M&S had been too complacent and ignored changes in its domestic market, and on 1 November 2000, BBC Two's *The Money Programme* reported a fall in customer satisfaction from 71 per cent in 1995 to 45 per cent in 1999.

QUESTIONS

- a) 'Marks and Spencer is under the control of change leaders not status quo managers.'
Discuss this claim in light of the case above. (10 marks)
- b) If you were the marketing executive of Marks & Spencer Company, demonstrate how you could have spearheaded the recovery of your organization. (15 marks)

(Total 25 marks)

SECTION B

Answer any three questions from this section

QUESTION 2

- a) As a marketing manager of a Zimbabwean retail outlet, you want to introduce a new transaction processing system. Demonstrate how you can guide your subordinates through the change transitional process. (10 marks)
 - b) Evaluate the relevance of the McKinsey's 7Ss Framework in examining the impact of change. (15 marks)
- (Total 25 marks)**

QUESTION 3

Motivation is the only antecedent of change management success. Discuss this proposition in light of Zimbabwean business examples. (25 marks)

(Total 25 marks)

QUESTION 4

As a change management consultancy, you are approached by a certain service marketing company for guidance in change management processes. From your discussion with the client you realize that the company lacks an appreciation of the Lewin's 3 stages change model. Kindly assist the client to understand this model including its benefits and shortcomings. (25 marks)

(Total 25 marks)

QUESTION 5

'The Zimbabwean business environment is very unpredictable and volatile, consequently, it is not necessary for Zimbabwean organizations to develop a learning culture'. Evaluate this proposition in light of examples. (25 marks)

(Total 25 marks)

*****END OF PAPER*****