



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF LAW, BUSINESS INTELLIGENCE AND ECONOMICS

DEPARTMENT OF ECONOMICS, MARKETING AND ENTREPRENEURSHIP

EXAMINATION PAPER

COURSE CODE : MBA523

COURSE TITLE : CHANGE MANAGEMENT

SPECIAL REQUIREMENTS :

DURATION : 3 Hours

LEVEL : 5.2

DATE : April 2024

11 JUN 2024

INSTRUCTIONS TO CANDIDATES:

1. No cell phones are allowed in the examination venue.
2. Answer question number **one (1)** in Section A (Compulsory) and any other **three (3)** questions in Section B.
3. Begin each question on a new page.
4. The number of marks for each question or part question is shown in brackets []

SECTION A (This question is compulsory)

Question 1

Read the case study below and answer the following questions

Kodak – a failure to embrace disruptive change

The first digital camera and the first-megapixel camera were both created by Kodak in 1975 and 1986 respectively.

Why then did Kodak declare bankruptcy in 2012?

When this new technology first came out in 1975, it was expensive and had poor quality of images. Kodak anticipated that it would be at least additional ten years until digital technology started to pose a threat to their long-standing business of camera, film, chemical, and photo-printing paper industries.

Although that prediction came true, Kodak chose to increase the film's quality through ongoing advances rather than embracing change and working on digital technology.

Kodak continued with old business model and captured market by 90% of the film and 85% of the cameras sold in America in 1976. With \$16 billion in annual sales at its peak, Kodak's profits in 1999 was around \$2.5 billion. The brand's confidence was boosted by this success but there was complete complacency in terms of embracing new technology.

Kodak started experiencing losses in 2011 as revenues dropped to \$6.2 billion.

Fuji, a competitor of Kodak, identified the same threat and decided to transition to digital while making the most money possible from film and creating new commercial ventures, such as cosmetics based on chemicals used in film processing.

Even though both businesses had the same information, they made different judgments, and Kodak was reluctant to respond. And when it started to switch towards digital technology, mobile phones with in-built digital camera had arrived to disrupt digital cameras.

Although Kodak developed the technology, they were unaware of how revolutionary digitalization would prove to be, rendering their long-standing industry obsolete.

Questions

1. Why Kodak failed? (6 marks)
2. What should they do in order to save Kodak? (10 marks)
3. What were the opportunities they lost that they should have to capitalise on? (12 marks)
4. What makes Kodak a victim of their own success? (12 marks)

SECTION B Answer any 3 questions. Each question carries 20 marks

QUESTION 2

Evaluate the following statement: 'At the organisation level, change can either be structure orientated or culture-orientated but it cannot be both at the same time.' (20 marks)

QUESTION 3

In spite of all the hype on change management and turnaround efforts, few change programmes ever succeed. Discuss. [20 marks]

QUESTION 4

Assess the relevance of the following schools of thought as fundamental theories underpinning Change Management:

Question 5

"Change is inevitable in organisations". Discuss

6/3 AM