

The  
Management  
University  
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**DIPLOMA UNIVERSITY EXAMINATIONS**

**SCHOOL OF MANAGEMENT AND LEADERSHIP**

**DIPLOMA IN ENTREPRENEURSHIP MANAGEMENT**

**DES 101 : MANAGING CHANGES AND COMPETITION IN MSMES**

**DATE: 3<sup>RD</sup> DECEMBER 2024**

**DURATION: 2 HOURS**

**MAXIMUM MARKS: 70**

**INSTRUCTIONS:**

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **FOUR** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **10 MARKS** each.
7. Write all your answers in the Examination answer booklet provided.

**QUESTION ONE**

Read the Case Study below carefully and answer the questions that follow:

**Deca Textile: "Change or status quo"?**

The management of Duca Textiles Limited realized that the trading environment has changed and they need to transform themselves in order to survive. However Long-term studies conducted on organizational evolution underscore the revolutionary nature of the transformational change. They suggest that organizations typically move through relatively long periods of smooth growth and operations. These periods of convergence or evolution are characterized by incremental changes. At times, however, most organizations experience severe external or internal disruptions that render existing organizational arrangements ineffective.

In their study of successful firms, the management of Deca realized that such firms respond to environmental threats by transforming themselves to fit the new conditions. These periods of total system and quantum changes represent abrupt shifts in the organization's structure, culture, and processes. If successful, the shifts enable the organization to experience another long period of smooth functioning until the next disruption signals the need for drastic change. These studies of organization evolution and revolution pointed to the benefit of implementing transformational change as rapidly as possible. The faster the organization can respond to disruptions, the quicker it can attain the benefit of operating in a new way. Rapid change enables the organization to reach a period of smooth growth and functioning sooner, thus providing it with a competitive advantage over those firms that change more slowly

**Required:**

- a) Evaluate how the studies done by Deca Textile management demonstrate the true characteristics of change. **(8 Marks)**
  
- b) During the study Deca Textile Company identified an urgent need for change. Explain to the management the required steps they must take for successful change to take place in the organization. **(12 Marks)**

- c) Deca Textile managers realized that they must use a change agent to facilitate a quick change in the organization. Discuss the various levels of change leadership skills the agent needs in order to succeed. (5 Marks)
- d) Examine the various internal factors which will influence the organizational climate in Deca Textile Ltd during the change period. (5 Marks)

### QUESTION TWO

- a) The process of empowerment is one of a 'planned change' in an organization. It has to be ushered in very carefully during change management. Discuss the three phases in which empowerment can be implemented. (6 Marks)
- b) Discuss the four levels of organization learning during change management (4 Marks)

### QUESTION THREE

In order to manage change in the ever-changing environment there is need to embrace the culture of innovation. Evaluate the main obstacles to corporate innovation. (10 Marks)

### QUESTION FOUR

- a) Conflict between groups may affect change management in an organization. Examine the causes of inter-group conflict arising as a result of departmental interdependence. (5 Marks)
- b) Evaluate any five changes that may occur within a group as a result of inter-group conflicts. (5 Marks)

### QUESTION FIVE

- a) Discuss how the stages of group development can be applied in managing change in an organization. (4 Marks)
- b) Discuss the role of corporate values in organization change. (6 Marks)

### QUESTION SIX

- a) Evaluate any three significant influences of gender in the workplace which affects change management. (3 Marks)
- b) Evaluate how Interpersonal sources of power are used to facilitate change. (7 Marks)

