



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY  
FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION  
DEPARTMENT OF MANAGEMENT**

<b>QUALIFICATION: BACHELOR OF HUMAN RESOURCES MANAGEMENT HONOURS</b>	
<b>COURSE CODE: ADC812S</b>	<b>COURSE NAME: ADVANCED ORGANISATION DEVELOPMENT AND CHANGE</b>
<b>DATE: NOVEMBER 2022</b>	<b>PAPER: 1ST OPPORTUNITY QUESTION PAPER</b>
<b>DURATION: 3 HOURS</b>	<b>MARKS: 100</b>
<b>EXAMINER:</b>	<b>Ms. Enzy Kaura &amp; Mr O Sikopo</b>
<b>MODERATOR:</b>	<b>Dr S Amunkete</b>

**INSTRUCTIONS**

1. Answer ALL the questions.
2. Write clearly and neatly.
3. Number the answers clearly.
4. The paper consist of 4 pages including the cover page.



## SECTION A

### Question 1

The Sprint and Nextel Merger: The first two years

In August 2005, the telecom giants Sprint and Nextel announced plans to merge into a single company called Sprint Nextel Corp. The merger combined Sprint's brand awareness with Nextel's large federal market, giving the new company a vast portfolio of customers while opening up a host of new business opportunities. While the merger's financial/legal side was straightforward, the task of combining the two companies into one could not have been more difficult. The two telecoms differed on almost every dimension. Sprint's culture was traditional and bureaucratic; Nextel's was entrepreneurial and flexible. The firms had different networks, products, technologies, and processes; their human resources infrastructures and practices were completely different, as were their ages, business cycles, and customer bases.

From the start, executives at Sprint Nextel knew that the human element would be crucial to merger success. Employees at both firms were highly talented, experienced, and motivated, and it was imperative that they remain with the merged firm and become committed to its success. To make this happen, Sprint Nextel's HR group took the early lead in implementing the merger. It was charged with taking a systemic look at the legacy companies to identify their best practices and to develop what would be best for employees in the merged firm. Equally important, HR needed to ensure that employees received timely and accurate information about the merger, especially what changes to expect and how they would affect their work lives.

HR worked closely with corporate communications on the pre-merger announcement and initial communications program. It started with an inspiring webcast shown to all employees featuring the CEOs of both firms. This was followed quickly by scheduled road shows at which executives visited the opposite firm's facilities to meet employees, discuss the merger, and answer questions. This personal communication was supplemented with periodic newsletters, webcasts, and online information updating employees on the merger's progress. Sprint Nextel's intranet included a "rumor mill" icon where employees could get correct information on questions related to the merger. The goal of all of this communication was to present a consistent message about the merger that was up-to-date, accurate, and addressed employees' major concerns.

An initial worry, for example, concerned the location of the new firm's corporate headquarters. Nextel was headquartered in Reston, Virginia, and Sprint in Overland Park, Kansas. Executives and staff at the two locations were concerned about where the new head office would be located and whether they would need to endure the hardship of having to move to a new locality. To quell rumors and reduce disruptions to employees' lives, Sprint Nextel quickly announced that it would retain both company headquarters, with executive headquarters being located in Reston and operational headquarters in Overland Park. Only 78 employees wound up having to relocate. Another concern had to do with the inevitable workforce reductions that follow major mergers. Because Sprint and Nextel operated in the same industry, duplications and redundancies in jobs were common when the two firms merged, especially when their legacy systems and procedures were integrated during implementation. With HR's lead, reductions were handled with a good deal of personal care and respect to those



leaving the firm, roughly 5,000 out of about 65,000 employees in the merger's first two years. Separation packages and severance benefits were fair and generous, resulting in many people voluntarily taking them. Those who chose to leave, for instance, received severance pay based on criteria existing either just before the merger date or at the time of termination, whichever resulted in the highest pay out. To assess the merger's progress, HR periodically surveyed employees and fed that information back to executives so they could take corrective actions. During the merger's first two years, data showed high ratings for management quality and employee engagement in work. Scores for employee commitment to the new firm and intent to stay were lower, however, suggesting the need to address and resolve those issues. In commenting on the how well the new firm was developing its own cultural identity, Sandra Price, the head of HR, suggested an informal indicator of merger development: how often she heard the word "legacy" connected to the employees of the former firms. Price reported that "sometime between the 12th and 15th months, I began hearing that word less," and now at the two year mark, "I seldom hear it anymore [as applied to employees]."

### Questions

- 1.1 Why did this companies merge? (5)
- 1.2 What were the real problems that both companies had to attend to? (5)
- 1.3 In your opinion, was this merger a success? Please motivate (5x2=10)
- 1.4 Discuss the importance of effective communication in mergers and acquisitions. (10)

## SECTION B

### Question 2

- 2.1 There are various departments and sub-units that work together to achieve organisation effectiveness and success. Rapid changes in the business world are forcing organisations to restructure these departments and sub-units in order to become more flexible in adapting to these changes. There are different types of structural designs that organisations can adopt for specific environmental situations. With that in mind, differentiate between a network and process-based structures. (5x2=10)
- 2.2 Organisations are challenged with employees who are not working together effectively as team members. As an OD consultant, identify the intervention that you will recommend to improve relationships between these groups. (16)
- 2.3 Transformational change is an emerging part of organization development, and there is some confusion about their meaning and definitions. Distinguish between the two. (5x2=10)

① 18/07/2022

- 2.4 "I am stressed out", this is a common phrase used by most people. Every other person you meet is either stressed out or has been in the past. As an OD consultant, how will ensure that stress is alleviated in an organisation? (10x2=10)
- 2.5 Research suggests that employees' progress through at least four distinct career stages as they mature and gain experience. Discuss the stages in detail. (12)
- 2.6 Explain the process of conducting performance appraisals. (12)

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