PAN AFRICA CHRISTIAN UNIVERSITY

DOCTOR OF PHILOSOPHY IN ORGANIZATIONAL LEADERSHIP

END OF SEMESTER EXAMINATION

DEPARTMENT

LEADERSHIP

COURSE CODE

POLD 702

COURSE TITLE

ORGANIZATIONAL THEORY AND DESIGN (POLD702)

EXAM DATE

AUGUST 2025

TIME

Duration: 3 hours

INSTRUCTIONS

- Read all questions carefully before attempting.
- Answer Question One (Compulsory) and any other two questions

Question One (Compulsory)

The Nile Harvest Group, a name synonymous with quality and tradition in Uganda, stands at a pivotal moment. For over 70 years, since its founding by the visionary patriarch, Mzee Kamau, the business focused primarily on coffee farming and export. This grew steadily, establishing a strong foundation built on trust and stability. Under Mzee Kamau and later his sons David and Peter, Nile Harvest operated with a highly centralized, patriarchal structure. Decisions often flowed from the top, and information spread through informal networks, often during family gatherings. Loyalty was paramount, and employees, many of whom were extended family, enjoyed a strong sense of belonging and job security. Performance was implicitly understood, based more on trust and long-term relationships than explicit metrics, fostering a deep-seated resistance to formal processes and rapid change.

About five years ago, sensing shifts in global coffee markets and driven by ambition, David and Peter embarked on an aggressive diversification strategy. They ventured into food processing, retail, and hospitality. This pivot was not just an expansion; it fundamentally transformed Nile Harvest's business model. Each new venture demanded distinct market knowledge, specialized skills, and different operational tempos, immediately straining the existing organizational fabric.

As diversification unfolded, the traditional structure's cracks became evident. David and Peter struggled to truly delegate authority to the professional, non-family managers hired for the new ventures. Having grown up with centralized family control, they found it difficult to relinquish decision-making, even for routine operational matters in the new sectors, leading to missed opportunities and frustrated managers. The traditional informal communication channels, once efficient for the close-knit coffee business, became severe bottlenecks. Information often bypassed designated business unit heads, causing confusion, duplicated efforts, and undermining the authority of new hires.

Furthermore, the existing performance management systems were weak, relying heavily on personal trust rather than clear, objective metrics. While manageable in the coffee business, this lack of KPIs in retail or hospitality made accountability impossible and hindered improvement. This weakness also fueled the family's reluctance to delegate, as they lacked objective ways to monitor non-family managers. Most significantly, a cultural conflict emerged. The long-serving family loyalists from coffee, viewed the changes with suspicion, valuing seniority and traditional ways. They felt their experience was undervalued. Conversely, the new professional managers hired for new sectors, valued meritocracy, data-driven decisions, and professional autonomy. They found informal communication frustrating and slow decision-making crippling, feeling their expertise was ignored and career progression hindered by family ties, leading to increasing turnover among these crucial hires. Nile Harvest is now caught between its cherished past and ambitious future, with its current structure and culture impeding growth and efficiency.

Required

a) Critically evaluate the case for structural adaptation at Nile Harvest Group, citing relevant organizational design theories to justify the transition from its traditional family-managed structure to one suitable for a diversified conglomerate. (5 marks)

b) Propose a strategic framework for cultivating a more inclusive culture at Nile Harvest Group that thoughtfully integrates traditional family values with the meritocratic tenets of professional expertise (5 marks)

Section B - Answer any two questions from this section

Question Two

A healthy amount of workplace conflict can be valuable to the growth of an organization. Critically evaluate this statement. (5 marks)

Question Three

Those organizations having internal structures that match demands from the surrounding have the best chance to survive. Discuss. (5 marks)

Question Four

A critical requirement for every entrepreneur is knowing when to cede control of the organization. By use of appropriate examples, examine this statement in relation to the design of a start-up organization (5 marks)