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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2020/2021 ACADEMIC YEAR
FOURTH YEAR, SECOND SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
(BUSINESS ADMINISTRATION)**

Date: 18th December, 2020

Time: 2.30pm – 4.30pm

KGM 305 – ORGANIZATIONAL BEHAVIOUR

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

CASE STUDY: FANCY FOOTWEAR

Bel Nyale was continuously on top of things. In school, she had always been at the top of her class. When she went to work for her uncle's shoe business, Fancy Footwear, she had been singled out as the most productive employee and the one with the best attendance. The company was so impressed with her that it sent her to get a Master of Business Administration(MBA) degree in order to groom her for a top management position. When Bel graduated at the top of her class, she returned to Fancy Footwear. To no one's surprise, when the head of the company's largest division took advantage of the firm's early retirement plan, Bel was given his position.

Bel knew the pitfalls of being suddenly catapulted to a leadership position, and she was determined to avoid them. In business school, she had read cases about family businesses that fell apart when a young family member took over with an iron fist, barking out orders, cutting personnel, and destroying morale. Bel knew a lot about participative management, and she was not going to be labeled an arrogant know-it-all. Bel's predecessor, Max Worthy, had run the division from an office at the top of the building, far above the factory floor. Two or three times a day, Worthy would summon a messenger or a secretary from the offices on the second floor and send a memo out to one or another group of workers. But as Bel saw it, Worthy was mostly an absentee autocrat, making all the decisions from above and spending most of his time at extended lunches with his friends from the Elks Club.

Bel's first move was to change all that. She set up her office on the second floor. From her always-open doorway she could see down onto the factory floor, and as she sat behind her desk she could spot anyone walking by in the hall. She never ate lunch herself but spent the time from 11 to 2 down on the floor, walking around, talking, and organizing groups. The workers, many of whom had twenty years of seniority at the plant, seemed surprised by this new policy and reluctant to volunteer for any groups. But in fairly short order, Bel established a worker productivity group, a "Suggestion of the Week" committee, an environmental group, a worker award group, and a management relations group. Each group held two meetings a week, one without and one with Bel. She encouraged each group to set up goals in its particular focus area and develop plans for reaching those goals. She promised any support that was within her power to give.

The group work was agonizingly slow at first. But Bel had been well trained as a facilitator, and she soon took on that role in their meetings, writing down ideas on a big board, organizing them, and later communicating them in notices to other employees. She got everyone to call her "Betty" and set herself the task of learning all their names. By the end of the first month, Fancy Footwear was stirred up. But as it turned out, that was the last thing most employees wanted. The truth finally hit Bel when the entire management relations committee resigned at the start of their fourth meeting citing stress from the pressure to supervise. "I'm sorry, Ms. Bel," one of them said. "We're good at making shoes, but not at this management stuff. A lot of us are heading toward retirement. We don't want to be supervisors." Astonished, Bel went to talk to the workers with whom she believed she had built good relations. Yes, they reluctantly told her, all these changes did make them uneasy. They liked her, and they didn't want to complain. But given the choice, they would rather go back to the way Mr. Worthy had run things. They never saw Mr. Worthy much, but he never got in their hair. He did his work, whatever that was, and they did theirs. "After you've been in a place doing one thing for so long," one worker concluded, "the last thing you want to do is learn a new way of doing it."

- a) Identify the leadership style adopted by Ms. Bel supporting your answer with a description of the characteristics of that leadership style. (10 Marks)
- b) The employees cited stress emanating from the pressure to supervise as the reason for their resignation. Explain some of the symptoms of stress that the employees might have exhibited (10 Marks)
- c) The kind of power that Ms. Bel enjoyed does not always result in effective organizations. Identify the type of power that Ms. Bel was exercising and explain the limitations of that type of power. (10 Marks)

QUESTION TWO (20 MARKS)

- a) Rational decision making entails systematically selecting among possible choices based on reason and fact. Explain the factors to consider in evaluating alternatives in decision making. (8 Marks)
- b) Organisation culture can be described in terms of various components. With relevant examples, describe the four main components of culture. (12 Marks)

QUESTION THREE (20 MARKS)

- a) Leadership is situational. Elucidate this statement focusing on the characteristics of such kind of leadership. (10 Marks)
- b) Communication is sharing of understanding. Discuss the significance of communication on organization performance. (10 Marks)

QUESTION FOUR (20 MARKS)

- a) Examine the significance of motivation on individual behavior in organizations. (10 Marks)
- b) An understanding of how organisations function and how people behave is important to HR Professionals. Analyse this statement. (10 Marks)

QUESTION FIVE (20 MARKS)

- a) Analyse the influence of group dynamics on the working of organisations. (10 Marks)
- b) Explain the role of HR in knowledge management in organisations. (10 Marks)