

TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF BUSINESS ADMINISTRATION

UNIVERSITY EXAMINATION FOR:

BACHELOR OF COMMERCE

BACHELOR OF BUSINESS SDMINISTRATION

BHR 4403: ORGANISATIONAL DEVELOPMENT

END OF SEMESTER EXAMINATION

SERIES:DECEMBER2016

TIME:2HOURS

DATE: Pick Date Dec 2016

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of **FIVE** questions. Attemptquestion ONE (Compulsory) and any other TWO questions.

Do not write on the question paper.

QUESTION ONE

You have been appointed the General Manager of an airline firm known as King Queen (KQ). The airline has been having employee issues that have resulted in mass retrenchments and restructuring of the organization to reduce costs. But this appears not to be yielding results.

- a) As the GM, showcase why you think these developmental initiatives have not worked (15marks)
- b) What organization structure would you propose befitting to develop the firm and why (15marks)

QUESTION TWO

- a) With the aid of a diagram, explicate why action research is a necessary tool allied to OD (12marks)
- b) Discuss the importance of Learning organizational Culture in Developing Organizations (8marks)

QUESTION THREE

- a) Enunciate the ingredients of an enabling culture in OD (10marks)
- b) "OD involves change agents". Discuss (10marks)

QUESTION FOUR

- a) OD has a human and a Social angle. Elucidate (10marks)
- b) Power and influence has a significant bearing on OD. Show how this is so. (10marks)

QUESTION FIVE

- a) Describe both downsizing and re-engineering as intervention methods of OD (10marks)
- b) Explicate the modes of work-life balance. (10marks)

Summary Marking Scheme – Main Exam

ORGANISATION DEVELOPMENT - Unit Code: BHR 4403

QUESTION ONE

You have been appointed the General Manager of an airline firm known as King Queen (KQ). The airline has been having employee issues that have resulted in mass retrenchments and restructuring of the organization to reduce costs. But this appears not to be yielding results.

a) As the GM, showcase why you think these developmental initiatives have not worked (15marks)

Answer

- Lack of consultation (5 marks)
- No compensation (5 marks)
- No justified reason(s) (5 marks)
 - b) What organization structure would you propose befitting to develop the firm and why (15marks)

Answer

- From Flat to Tall (5 marks)
- More hierarchy (5 marks)
- Less expenses (5 marks)

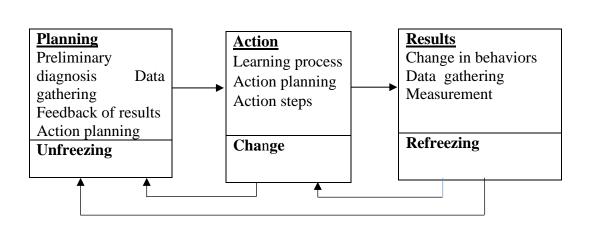
QUESTION TWO

a) With the aid of a diagram, explicate why action research is a necessary tool allied to OD (10marks)

OUTPUT

Answer

INPUT



TRANSFORMATION

- Diagram (2marks)
- Unfreezing (3 marks)
- Change (3 marks)
- Refreezing (4 marks)
 - b) Discuss the importance of Learning organizational Culture in Developing Organizations (8marks)

Answer

- i. Learning culture forms the basis for a learning organization, a form of organization that enables learning of its members in such a way that it creates positively valued outcomes such as innovations, efficiency, better alignment with the environment and competitive advantage.
- ii. A learning organizational culture is one in which managers do everything possible to maximize the ability of individuals and groups to think and behave creatively. Creativity is the ability of a decision maker to discover original and novel ideas that lead to feasible alternative courses of action. Creativity results when employees have an opportunity to experiment, to take risks, and to make mistakes and learn from them. And employees must not fear that they will be penalized for ideas that might at first seem outlandish, as it is sometimes the ideas that initially seem outlandish that yield truly innovative products and services.
- iii. A learning organization is one with the capacity to continuously adapt and change. It has an ingrained philosophy for anticipating change, its complexity and uncertainty, and reacting to it. To respond successfully to rapidly changing environments and markets, organizations need to learn, at least as quickly as the prevailing rate of change otherwise they are forever playing "catch-up". Given such trends, it is certain that individuals and organizations ultimate success depends on their ability to learn continuously.
- iv. A learning organization has the ability to learn faster than competitors. This may be the only sustainable competitive advantage. The basic rationale for such organizations is that in situations of rapid change only those that are flexible, adaptive and productive will excel. Organizations need to discover how to tap people's commitment and capacity to learn at all levels, for this to happen.

QUESTION THREE

a) Enunciate the ingredients of an enabling culture in OD (10marks)

Answer

Underlying Organizational Development are <u>humanistic</u> values which provide the ingredients for an enabling culture in OD.

- 1. Providing opportunities for people to function as human beings rather than as resources in the productive process.
- 2. Providing opportunities for each organization member, as well as for the organization itself, to develop to his full potential.
- 3. Seeking to increase the effectiveness of the organization in terms of all of its goals.
- 4. Attempting to create an environment in which it is possible to find exciting and challenging work
- 5. Providing opportunities for people in organizations to influence the way in which they relate to work, the organization, and the environment.
- 6. Treating each human being as a person with a complex set of needs, all of which are important in his work and in his life.
 - b) "OD involves change agents". Discuss (10marks)

Answer

Definition

The change agent is a behavioral scientist who knows how to get people in an organization involved in solving their own problems. A change agent's main strength is a comprehensive knowledge of human behavior, supported by a number of intervention techniques. The change agent can be either external or internal to the organization. An internal change agent is usually a staff person who has expertise in the behavioral sciences and in the intervention technology of OD. Line people have been trained in OD and have returned to their organizations to engage in successful change assignments. Qualified change agents can be found on some university faculties, or they may be private consultants. The change agent may be a staff or line member of the organization who is schooled in OD theory and technique. In such a case, the "contractual relationship" is an in-house agreement that should probably be explicit with respect to all of the conditions involved except the fee. (4marks)

Change Agent Roles

There are at least three distinct roles that change agents play: consulting, training, and research. A manager can and often does perform each of these functions. An outside change agent can perform these activities as well.

Consulting

As a consultant, the manager places employees in touch with data from outside the organization or helping organization members to generate data from within the organization. The overall purpose is to help employees find solutions to problems through analysis of valid data. (2marks)

Training

In addition to performing the role of consultant, the manager may function as a trainer. Here the manager helps organization members learn how to use data to effect change. The manager, or outside change agent if one is used, has a dual purpose as trainer: (1) to help organization members

derive implications for action from the present data and (2) to provide organization members with a new set of skills—the ability to retrieve, translate, and use new data to solve future problems. Several companies have hired outside consultants to instruct organization members on how to improve the overall operation of their firms. (2marks)

Research

Finally, and closely associated with the previous role, the manager may assume the role of researcher. As researcher, the manager may train organization members in the skills needed for valid evaluation of the effectiveness of action plans that have been implemented. Furthermore, as part of the overall intervention strategy, the manager will design an evaluation component that can be used in solving not only the current problem but also future problems. (2marks)

QUESTION FOUR

a) OD has a human and a Social angle. Elucidate (10marks)

Answer

Employee involvement makes OD efforts successful. It must be remembered that organizations are made up of human systems aimed at achieving individual and organizational goals, priority being given to the latter.

The Hawthorne studies were part of a refocus on managerial strategy incorporating the socio-psychological aspects of human behavior in organizations. The studies suggested that employees (i.e. human resources) have **social and psychological needs**—along with economic and financial needs—which must be met in order to be motivated to complete their assigned tasks.

The **human relations** model was hailed as a more enlightened management paradigm because it explicitly considered the importance of individual and how managers could increase productivity by increasing workers' job satisfaction. The end goal for management was increased employee productivity; the assumption was that satisfied workers would be more productive compared with workers who felt antagonized by the companies they worked for. Themes promoted by the model included: self-expression, individual agency, the release of human potential, the inherent need for human growth and so on.

The Hawthorne studies showed that people's work performance is dependent on **social issues** and **job satisfaction**, and that monetary incentives and good working conditions are generally less important in improving employee productivity than meeting individuals' need and desire to belong to a group and be included in decision making and work.

b) Power and influence has a significant bearing on OD. Show how this is so. (10marks)

Authority and control are two terms sometimes used synonymously in an activity or in management. Both these terms have serious impact on the managerial psychology and create certain amount of ego or authority. Authority means power or right to enforce obedience. This however is a wrong connotation to exhibit. It will create a superiority complex in a person and adversely affect is behavioral pattern in an abnormal way.

Alternatively, authority in a person can be understood and expressed positively, i.e. whose opinion or expertise is accepted by all which really represents interpersonal relationship qualities. A professional manger must express authority in a way that can be accepted by others in a team rather than creating fear and complex.

The word *control* means *the power to direct or coordinate activities* etc. Like authority, this terminology is also invariably misunderstood in management as a *power to dominate* leading to development of complex or ego.

In a professional manager, the *word* control is used for balancing, checking and monitoring with standards for improvement and ensuring situations do not of out of control. This is a productive and coordinating way of ensuring control rather than controlling with autocratic power. Bot authority and control if used as a power tool in management will eventually destroy professionalism

- Authority 3 marks
- Ego 3 marks
- Superiority complex 3 marks
- Domination 1 mark

QUESTION FIVE

a) Describe both downsizing and re-engineering, as intervention methods of OD (10marks)

Answer

Downsizing decreases the size of an organization through workforce reductions or organizational redesign. It is generally associated with layoffs where a certain number or class of organization member is terminated by the organization. Downsizing can contribute to organization development by focusing on the organization's strategy, addressing the needs of all organization members and following through with growth plans. When downsizing occurs without making fundamental changes to how work is performed, the same tasks are simply being performed by fewer people. Thus, expected cost savings may not be realized because lower productivity offsets lower salaries and fewer benefits. (5marks)

Re-engineering is the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in performance. This recent intervention radically redesigns the organization's core work processes to create tighter linkage and coordination among the different

tasks. This workflow integration results in faster, more responsive task performance. Reengineering is often accomplished with new information technology that permits employees to control and coordinate work processes more effectively. It seeks to transform how organizations traditionally produce and deliver goods and services. A typical reengineering project prepares the organization, rethinks the way work gets done and restructures the organization around the newly designed core processes. Reengineering often fails if it ignores basic principles and processes of OD. (5marks)

b) Explicate the modes of work-life balance. (10marks)

Answer

Work-life balance is a concept including proper prioritizing between "work" (career and ambition) and "lifestyle" (health, pleasure, leisure, family and spiritual development/meditation). This is related to the idea of lifestyle choice. (1mark)

Modes of work-life balance:

1. Division of time (3marks)

Employees working long hours: An important aspect of work-life balance is the amount of time a person spends at work. Evidence suggests that long work hours may impair personal health, jeopardise safety and increase stress.

Time devoted to leisure and personal care: Furthermore, the more people work, the less time they have to spend on other activities, such as personal care or leisure. The amount and quality of leisure time is important for people's overall well-being, and can bring additional physical and mental health benefits.

Finding a suitable balance between work and daily living is a challenge that all workers face. Families are particularly affected. The ability to successfully combine work, family commitments and personal life is important for the well-being of all members in a household. organizations can help to address the issue by encouraging supportive and flexible working practices, making it easier for parents to strike a better balance between work and home life.

2. Productivity and Managing Time

Controlling the demands of work and being productive requires that you manage your time well. This is easier said than done, but a few basics will help you find the model that works best for you.

Managing Time—for Employees

• *Create a schedule*. Follow a schedule as much as possible. If your work offers a shared calendar utility, use it—it's easier to schedule meetings and make effective use of everyone's time. If you can keep to a routine schedule and mark blocks of time for regular

tasks, you can better plan and execute your work. Once you get into a routine, you will see how long it actually takes to do something and become better at predicting your schedule.

- *Find a time-management strategy*. Many time management models can help you organize your schedule. David Allen proposed one popular approach, chiefly making and using lists. Allen's model offers ways to collect things that demand attention, process them, organize the results, review options, and do something about them. His theory is, do it now or do it later, and schedule it, delegate it, or forget it.⁷
- Plan some uninterrupted time. Reserve an hour of quiet time every day, and close your office door if you can. Use the uninterrupted time to catch up on e-mail, work on projects, or return calls. Marking that hour a day in your calendar will keep others in the department from scheduling you then. If taking that time during the day is not possible, try to schedule it at the end or beginning of the day. Know the flow of work around you, and adjust to it.

Managing Time—for Supervisors

- Respect others. Your calendar is important, yes, but remember to respect your staff's time as well. Hold meetings only when necessary, and keep them short. Check to see if staff are busy before initiating a meeting. Give advance warning on the time and topic. All meetings should have agendas and minutes.
- *Open door policy*. If you need time to concentrate on writing or making calls, put the time into your calendar and shut the door. As long as others know the signal, and you are available for consultation on a regular basis, holding aside occasional periods of solitude will not cause a problem.

3. Treatment and counselling to restore Work-Life Balance (3marks)

Achieving a healthy work-life balance will bring peace back into your life. Today therapists can assist by helping you:

- Learn to set limits and boundaries with others
- Know when to ask for help
- Purposefully schedule social and personal time
- Review and possible reset life and career goals
- Incorporate your partner's perspective on goals and boundaries
- Figure out the things that matter most to you and incorporating those things into your life



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QUESTION ONE

- a) Describe the objectives of organizational development (6 marks)
- b) Mr. Swaleh, the HR manager of Pwani Holdings has been asked to undertake organizational development to help the organization adapt effectively to the fast changing business environment. Describe the stage he will have to go through to achieve this. (10 marks)
- c) Organizational development (OD) interventions are the building blocks designed to improve organizational functioning. Describe Three types of human resource management interventions concerned with performance management (6 marks)
- d) The elements of organizational culture are a set of shared values and norms that control members' interactions with one another and with outside stakeholders such as customers and suppliers. Describe the four categories of organizational culture. (8marks)

QUESTION TWO

- a) Once managers and an organization commit to planned change, they need to create a logical step-by step approach in order to accomplish the objectives. Describe the planned change process. (16 marks)
- b) Mr. Ali, the HR manager of Pwani Enterprises has been asked in computerize the personnel record keeping system in the organization. Describe the factors that increase resistance to change. (4 marks)

QUESTION THREE

- a) Power is the potential ability to influence the behavior of others. Describe the sources of power in an organization (10 marks)
- b) Power represents the resources that a leader has to influence and effect change in the behavior of employees. Discuss the possible responses to the use of the different types of power.

 (6 marks)
- c) Describe the political tactics commonly practiced in organizations (4 marks)

QUESTION FOUR

a) Define Learning Organization (LO)

(2 marks)

- b) Describe the disciplines of a learning organization identified by P. Senge in 1990 (10 marks)
- c) Knowledge management is an important factor in organizational development. Explain the benefits of knowledge management in an organization. (8marks)

QUESTION FIVE

- a. Describe the reasons why modern employers provide work-life balance (8 marks)
- b. Describe the challenges faced in implementing work/life balance policies in an organization (6 marks)
- c. Individuals can contribute in bringing about their healthy work/life balance. Discuss (6marks)

Marking Scheme – Special/Supplementary Exam

Organization Development

Unit Code - BHR 4403

QUESTION ONE (Compulsory)

a. Describe the objectives of organizational development

(6 marks)

Ans. (any three -2 marks each)

- To build and enhance interpersonal trust, communication, cooperation and support among all individuals and groups throughout the organization at all levels.
- ii. To encourage an analytical approach to problem solving in a team spirit and openness, where the problems and differences are confronted and resolved instead of problem-avoiding or decision- postponing approach or "sweeping problems under the rug" as they say it.
- **iii.** To increase a sense of belonging to the organization so that the organizational goals become the goals of the members of the organization.
- iv. To assign decision-making and problem solving responsibilities to skilled and knowledgeable persons who are closer to the scene of operations and the sources of information rather than to a person with a particular role or at a particular hierarchical level.
- v. To increase personal responsibility for planning and implementing the plans and be aware and responsible for the consequences. This will build enthusiasm individually and group wise and will involve communications, feelings, open competition as well as compromise, conflict resolution etc. This will increase a sense of self- direction for all people within the organization.
- vi. To help managers to manage according to the relevant objectives rather than depending upon "past practices" The management should be goal- oriented rather than process- oriented. All efforts should be directed and channeled towards related objectives in the area of responsibility.
- b. Mr. Swaleh, the HR manager of Pwani Holdings has been asked to undertake organizational development to help the organization adapt effectively to the fast changing business environment. Describe the stage he will have to go through to achieve this.

 (10 marks)

Ans. (3 marks for each stage described and 1 mark for the figure)

Stage III: High Performance (Outstanding, sustainable results)

- Clear statement of mission that creates sense of esprit de corp.
- Well defined values which result in distinctive culture
- Respect for people that is a deeply ingrained part of culture
- Good communication and information sharing systems
- High involvement and empowerment of people
- Design (work flow, structure, systems) that supports mission and values

Stage II: Stability (Back to the Basics)

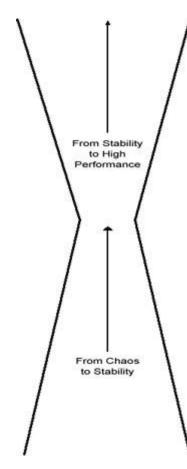
- Clarity of goals and direction
- Consistency in priorities
- Well-defined policies and procedures (technical and personnel)
- Agreement on roles and responsibilities
- Basic management processes rewarded and practiced (goal-setting, performance reviews, etc.)

Stage I: Chaos (Fire-Fighting Mentality)

- Crisis/short-term focus
- · Lack of clear direction and goals
- Shifting priorities
- Unclear policies and procedures
- "Us" vs. "them" attitude
- Blame and lack of ownership
- · Alienated work force

i. Stage I: Chaos

The chaotic organization operates on the fringes of being out of control. It is problemoriented. People are reactive and manage by attending to the pressure of the moment. Expectations, policies, standards, etc., are unclear, not agreed upon or poorly enforced. Good ideas and intentions abound, but there is not enough unity, commitment or follow-through to carry them out. Work is unpleasant for most individuals. People act out of self-protection by blaming and criticizing others, and hence, set up a climate that



perpetuates fear, suspicion, hostility, and frustration. The problems of the chaotic organization are the lack of routine, lack of clarity, and hence, anxiety about what to expect from moment to moment. Needed are more formalized structures, routines, accountability, and clarification of policies, expectations, and roles.

ii. Stage II: Stability

The stable organization is characterized by predictability and control. Structure, routine, policies, etc., have been established to remove uncertainty from the environment. Goals are clear and people understand who is responsible for what. The major focus of the organization is to ensure an efficient daily operation. People within this climate tend to be dutiful and expect fairness. Conformity is the watch word, and people are rewarded for compliance rather than risk-taking and innovation. The purpose of the organization is subservient to its efficiency. The limitation of an organization that fails to grow beyond stability is that efficiency is more important than innovation and development. Doing things by the book and following the procedures becomes more important than the purpose and mission of the organization. Such companies are eventually left behind as customers find more responsive competitors. Needed are a long-term vision, emphasis on growth and development and a culture in which people exercise greater autonomy in making decisions and solving problems.

iii. Stage III: High Performance

The essence of high performance is shared ownership. Employees feel like partners in the business and assume responsibility for its success. These organizations are highly participative. Their members have extensive decision-making and problem-solving responsibilities. The mission of the organization, rather than rules and policies, guides day-to-day decision-making. Such an organization is founded on a unique and strong culture derived from a clear set of values expressed and reinforced by its leaders. Those values provide focus on what is important while allowing flexibility and innovation. The processes, systems and structure of the organization are designed to be in alignment or harmony with the values of the organization. The high performance organization adopts a long-term point of view. The development of people is seen as a primary management task. Trust and cooperation exist among organization members. People don't blame or attack others because doing so is not in their own best interest.

c. Organizational development (OD) interventions are the building blocks designed to improve organizational functioning. Describe Three types of human resource management interventions concerned with performance management (6 marks)

Ans. (any three -2 marks each)

i. Goal setting - This change program involves setting clear and challenging goals. It attempts to improve organization effectiveness by establishing a better fit between personal and organizational objectives. Managers and subordinates periodically

meet to plan work, review accomplishments, and solve problems in achieving goals.

ii. Performance appraisal - This intervention is a systematic process of jointly assessing work-related achievements, strengths, and weaknesses. It is the primary human resources management intervention for providing performance feedback to individuals and work groups. Performance appraisal represents an important link between goal setting and reward systems.

Reward systems -This intervention involves the design of organizational rewards to improve employee satisfaction and performance. It includes innovative approaches to pay, promotions, and fringe benefits.

d. The elements of organizational culture are a set of shared values and norms that control members' interactions with one another and with outside stakeholders such as customers and suppliers. Describe the four categories of organizational culture. (8marks)

Ans. (2 marks each)

- i. Power-Oriented Culture
- ii. Role -Oriented Culture
- iii. Task Oriented Culture
- **iv.** People- oriented Culture:

QUESTION TWO

a. Once managers and an organization commit to planned change, they need to create a logical step-by step approach in order to accomplish the objectives. Describe the planned change process. (16 marks)

Ans. (8 steps each with 2 marks)

- i. **Recognize the need for change.** Recognition of the need for change may occur at the top management level or in peripheral parts of the organization. The change may be due to either internal or external forces.
- ii. **Develop the goals of the change.** Remember that before any action is taken, it is necessary to determine why the change is necessary. Both problems and opportunities must be evaluated. Then it is important to define the needed changes in terms of products, technology, structure, and culture.
- iii. **Select a change agent.** The change agent is the person who takes leadership responsibility to implement planned change. The change agent must be alert to things that need revamping, open to good ideas, and supportive of the implementation of those ideas into actual practice.

- iv. **Diagnose the current climate.** In this step, the change agent sets about gathering data about the climate of the organization in order to help employees prepare for change. Preparing people for change requires direct and forceful feedback about the negatives of the present situation, as compared to the desired future state, and sensitizing people to the forces of change that exist in their environment.
- v. **Select an implementation method.** This step requires a decision on the best way to bring about the change. Managers can make themselves more sensitive to pressures for change by using networks of people and organizations with different perspectives and views, visiting other organizations exposed to new ideas, and using external standards of performance, such as competitor's progress.
- vi. **Develop a plan.** This step involves actually putting together the plan, or the "what" information. This phase also determines the when, where, and how of the plan. The plan is like a road map. It notes specific events and activities that must be timed and integrated to produce the change. It also delegates responsibility for each of the goals and objectives.
- vii. **Implement the plan.** After all the questions have been answered, the plan is put into operation. Once a change has begun, initial excitement can dissipate in the face of everyday problems. Managers can maintain the momentum for change by providing resources, developing new competencies and skills, reinforcing new behaviors, and building a support system for those initiating the change.
- viii. **Follow the plan and evaluate it.** During this step, managers must compare the actual results to the goals established in Step 4. It is important to determine whether the goals were met; a complete follow-up and evaluation of the results aids this determination. Change should produce positive results and not be undertaken for its own sake.
- b. Mr.Ali, the HR manager of Pwani Enterprises has been asked in computerize the personnel record keeping system in the organization. Describe the factors that increase resistance to change.

(4 marks)

Ans. (any 2 - each 2 marks)

- i. *Uncertainty:* One of the major reasons for resistance to change is uncertainty about the impact of change. The change would be resisted, if it could mean loss of job security, or lessening of authority. Not knowing exactly what the change will bring about makes the employee anxious and apprehensive about change. Many people have lost their jobs when a plant becomes automated or an office becomes computerized.
- ii. *Lack of communication:* If the need for the change is not communicated to the workers in time and in an acceptable manner, then it can lead to resistance. A sense of participation in the change process by the employees reduces the extent of this resistance.
- iii. *Rapidity and extent of change:* If the changes are minor and involve routine operations then the resistance, if any, would be minimal. If the changes are major like reshuffling of staff or introduction of automation, then the resistance will be highly visible. Similarly, slow changes in the processes result in lower resistance than the sudden or rapid changes.

- iv. *The group resistance:* Sometimes, the individuals resist change because the group to which they belong, resist it. The individuals usually comply with the group norms and codes and support the group attitudes. The resistance is commonly seen in strikes where some individuals, even when they do not agree with the reasons for the strike go along with it, so as to fully support the group to which they belong.
- v. Past experiences: One of the major reasons for resistance centers on the emotional turmoil that change may cause, especially if the past experiences with changes have not been useful. This results in misunderstandings and lack of trust, and thus even if the change is well intended, its importance can be misinterpreted, leading to resistance. For example, rumors about mass layoffs due to a technological change can lead to a great deal of resistance against this change. Hence the emotional responses must be properly diagnosed and predicted and all efforts be made to alleviate any fears that the employees may have.

QUESTION THREE

a) Power is the potential ability to influence the behavior of others. Describe the sources of power in an organization (10 marks)

Ans. (5 each with 2 marks)

- i. Referent or personal power: The ability of leaders to develop followers from the strength of their own personalities. Referent powers come from people with attractive personalities and are i.e. able to influence others. Such people are charismatic/have charismatic power e.g. Nelson Mandela. Such qualities include honesty, kindness etc. These people bring out more of their positive attributes than others.
- ii. *Expert power*: The ability to control another's behavior because of the possession of knowledge, experience, or judgment that the other person does not have but needs. It is the person's ability, skills, competencies, experience, knowledge, attitude, others find valuable to them as they can tap something from such a leader.
- iii. Legitimate or position power: It stems from an authority's legitimate right to require and demand compliance. A manager's formal authority grants him/her power on the basis of legitimate power. It enables the office holder to use organizational resources to exert power e.g. managers, team leaders, etc. They set standards and apply them to other workers especially the subordinates who in turn recognize that the leader/manager has this power. Non compliance with standards leads to punishment, which workers are aware of. Leaders are expected to give ethical orders/instructions. The position describes this power.
- iv. *Reward power*: The extent to which a manager can use extrinsic and intrinsic rewards to control other people. It's the power to promise and grant rewards such as salary increase, praise, promotion etc. the manager exercises legitimate power

- here through use of rewards. Those who do not comply expect the opposite through non-recommendation etc.
- v. *Coercive power*: The extent to which a manager can deny desired rewards or administer punishment to control other people. Coercive power is also formal authority but mainly used to punish subordinates by withholding rewards, reduction of pay/wages, written warnings, suspensions, firing, oral scolding etc. This form of power instills fear among workers, leading to rebelliousness/hostility/antagonism. Coercive power works temporarily i.e. people work whenever the leader is around, but stop immediately he leaves.
- b) Power represents the resources that a leader has to influence and effect change in the behavior of employees. Discuss the possible responses to the use of the different types of power.
 (6 marks)

Ans. (3 steps each with 2 marks)

- i. **Resistance** resisting the request without apparent cause or in an arrogant manner. *This is most likely response to Coercive Power.*
- ii. **Compliance** complying with the request by meeting minimal expectations while withholding extra effort. *Legitimate and Reward Powers usually results in Compliance*.
- iii. **Commitment** enthusiastic release of energy and talent to satisfy the leader's request. *Referent and Expert Powers are most likely to produce commitment.*

c) Describe the political tactics commonly practiced in organizations marks) (4

Ans. (any 2 each with 2 marks)

- i. Coalitions refers to managers reaching out to others on agreements for cooperation on a specific issue e.g. financial, recruitment.
- ii. Social exchanges relies on the powerful norm of reciprocity in society, where two people in a continuing relationship feel a strong obligation to repay their social 'debts' to each other.
- iii. Alliances- two or more persons join in a longer team power group to get benefits that they usually desire. For instance managers my reach a general agreement with a person or group of persons to support one another in all issues.
- iv. Identification with higher authority gaining special privileges by becoming identified with a powerful figure in the organization.
- v. Selective service giving service selectively to gain support, often by bending the rules.
- vi. Power and status symbols acquiring power and status symbols that imply that you are an important person in the organization.

- vii. Power plays aggressive tactics involving grabbing of power from others.
- viii. Networking joining or forming interest groups that have a common objective. The group operates on the basis of friendship and personal contacts
- ix. Controlling relationships
- x. Image
- xi. The blame game.

QUESTION FOUR

a) Define Learning Organization (LO)

(2 marks)

Ans. (2 marks)

A learning organization is an organization that facilitates the learning of all its members and continually transforms itself. A learning organization is an organization where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to learn together (Senge, 1990). Ang and Joseph (1996) contrast organizational learning and learning organization in terms of process versus structure.

b) Describe the disciplines of a learning organization identified by P. Senge in 1990 (10 marks)

Ans. (5 disciplines 2 marks)

- i. Personal mastery
- ii. Mental Models
- iii. Team learning
- iv. Building Shared Vision
- v. Systems thinking
- c) Knowledge management is an important factor in organizational development. Explain the benefits of knowledge management in an organization. (8marks)

Ans. (4 benefits each 2 marks)

- i. Enables building of high performance teams.
- ii. Improves communications.
- iii. Improves employee satisfaction.

- iv. Assists in selecting and retaining key talent.
- v. Improve customer satisfaction.
- vi. Aligns to develop current and future leaders.
- vii. Enhance individual Knowledge, attitude.
- viii. Rewards innovation and creativity.

QUESTION FIVE

a. Describe the reasons why modern employers provide work-life balance (8 marks)

Ans. (2 marks each)

- i. **Growth and profit impact.** Accelerated on and off-the-job stresses and expectations are adversely affecting top and bottom-line growth, unnecessarily driving down productivity. A well-implemented work-life strategy greatly reduces both the real and perceived overwork and out-of-balance pressures that hamper productivity, producing a dramatic positive return on investment.
- ii. **Full Engagement and customer service.** A workforce that is out of balance, unnecessarily stressed, or disgruntled greatly reduces full engagement with external and internal customers. Conversely, commitment to the organization's objectives and clients' needs rises in direct proportion to the perception that the organization is committed to both the work *and* life success of each individual.
- iii. **Competitive advantage for talent.** Demanding younger workers--have increased their expectations of a positive work-life culture. Employees expect their employers to recognize that in addition to having a job, they have a life. This is reflected by the fact that work-life balance issues with the boss or the company are the number-one reason that individuals quit their jobs.
- iv. **Health-care cost solution.** The rising organizational cost of health care is driving senior management to become more proactive about employee health. Senior managers view engaging employees in improving their own lifestyle behaviors and creating a healthier workplace as key components to the solution.
- b. Describe the challenges faced in implementing work/life balance policies in an organization (6 marks)

Ans. (any three - each 2 marks)

- i. Perceived negative impact on career prospects can hinder employees from embracing the policy.
- ii. Incompatible organizational cultures, such as an entrenched long hours work culture.

- iii. Unsupportive attitudes and behaviors of senior managers, line managers and colleagues.
- iv. Heavy workloads can make it difficult to see how an alternative way of working would work.
- v. The infrastructure and technology may not be in place which would support the take-up of initiatives such as working from home.
- vi. The impact on earnings is also a key concern. Many flexible working practices result in a reduction in pay (for example, part-time work or career breaks) which low-paid employees in particular simply cannot afford.

c. Individuals can contribute in bringing about their healthy work/life balance. Discuss

Ans. (any three - each 2 marks)

- i. Make choices carefully about fit with organization when applying for a job. Choose work that you believe in and you enjoy.
- ii. Participates in development of organizational work-life balance strategy. The will make the individual supportive of colleagues' and manager's work-life balance needs.
- iii. Be deliberate in your attitude to work, particularly about keeping a sense of humor and not taking it too seriously.
- iv. Make time for exercise, whether it is walking to work, running at lunchtime or walking to and from appointments.
- v. Make time for other activities that relax and refresh you. This means knowing what you enjoy doing and deliberately making time for it.
- vi. Deliberately manage your diary. Value the blocks of time you have regularly marked out in your diary whether it is for exercise, meeting their partner or children for lunch, taking the children to school or quiet reflection. If on a hectic schedule, there might be value in engaging a good PA in helping to protect those times.
- vii. Schedule holidays and make sure you take them.
- viii. Protect the boundaries between work and the rest of life. The boundaries may be time specific such as never working on Saturdays. They may be to do with place, such as not bringing work home, or only doing work at home in the study, so the door can be shut behind you when you leave it. Or they may be situation specific, such as the phone not getting answered during family meal times. People talked of the need to quarantine their personal time and environment.
- ix. Develop transition patterns or rituals between work and home. These included preparing the 'to-do' list for the next day, organizing the desk, walking home or going for a walk immediately on getting home, changing from work clothes or sitting down with a cup of tea.
- x. Make technology work for you. For some, this is having a computer at home that is networked to the office. For others it means using a pager rather than a mobile phone as a contact point.
- xi. Monitor and respond to your own stress. Experience in senior roles can equip people to recognize their own stress levels, but it can also make them immune to

- early stress signals. There is need to deliberately monitor you stress levels, and the value of enlisting close family or friends to help.
- xii. Structure the job appropriately. Ensure that there are a manageable number of people directly reporting to you. Negotiate reasonable deadlines. Be realistic and honest about what is and what is not possible.



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UNIVERSITY EXAMINATION FOR:

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BACHELOR OF BUSINESS SDMINISTRATION

BHR 4402: HUMAN RESOURCE DEVELOPMENT

END OF SEMESTER EXAMINATION

SERIES:DECEMBER2016

TIME:2HOURS

DATE: Pick Date Dec 2016

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of **FIVE** questions. Attemptquestion ONE (Compulsory) and any other TWO questions.

Do not write on the question paper.

QUESTION ONE

You are the HRD Manager of a multi-cultured organization Zee Limited. Zee Limited is a private firm with human resource strength of 500. The personnel are not getting well together given this cultural diversity.

a) Show HRD modes you would use to reverse this trend

(9marks)

b) Human Resource Development (HRD) is wide and covers many facets. Discuss the core functions of HRD (9marks)

c) Stipulate the likely hurdles you might face as the HRD Manager and why (12marks)

QUESTION TWO

- a) With the aid of a diagram, describe the HRD process (14marks)
- b) HRD is wide and covers many facets. Discuss how HRD from the societal perspective influences the development of staff in an organization (6marks)

QUESTION THREE

- a) Enunciate the various methods of HRD (10marks)
- b) How does a HRD Manager get to know the needs requiring Training and Development to be initiated? Discuss (10marks)

QUESTION FOUR

- a) Elucidate the modes of assessing the effectiveness of Training and Development programme initiative (10marks)
- b) Explicate the principles of Training and Development insofar as HRD is concerned (10marks)

QUESTION FIVE

- a) What are the challenges of HRD? Discuss with viable instances (10marks)
- b) Enunciate good components of building an effective career plan. (10marks)

SUMMARY MARKING SCHEME – MAIN EXAM

HUMAN RESOURCE DEVELOPMENT

UNIT CODE: BHR 4302

QUESTION ONE

You are the HRD Manager of a multi-cultured organization Zee Limited. Zee Limited is a private firm with human resource strength of 500. The personnel are not getting well together

given this cultural diversity.

d) Show HRD modes you would use to reverse this trend (9marks)

Answer

Training (3marks)

Feedback appraisal (3marks)

Control (3marks)

e) Human Resource Development (HRD) is wide and covers many facets. Discuss the core

functions of HRD

(9marks)

Answer

Training and development

Training and development is aimed at improving or changing the knowledge skills and attitudes

of the employees. While training involves providing the knowledge and skills required for doing

a particular job to the employees, developmental activities focus on preparing the employees for

future job responsibilities by increasing the capabilities of an employee which also helps him

perform his present job in a better way. These activities start when an employee joins an

organization in the form of orientation and skills training. After the employee becomes proficient,

the HR activities focus on the development of the employee through methods like coaching and

counseling. (3marks)

Organization development

OD is the process of increasing the effectiveness of an organization along with the well being of its members with the help of planned interventions that use the concepts of behavioral science. Both micro and macro changes are implemented to achieve organization development. While the macro changes are intended to improve the overall effectiveness of the organization the micro changes are aimed at individuals of small groups. Employee involvement programmes requiring fundamental changes in work expectation, reporting, procedures and reward systems are aimed at improving the effectiveness of the organization. The human resource development professional involved in the organization development intervention acts as an agent of change. He often consults and advising the line manager in strategies that can be adopted to implement the required changes and sometimes becomes directly involve in implementing these strategies. (3marks)

Career development

It is a continuous process in which an individual progresses through different stages of career each having a relatively unique set of issues and tasks. Career development comprises of two distinct processes. Career Planning and career management. Whereas career planning involves activities to be performed by the employee, often with the help of counselor and others, to assess his capabilities and skills in order to frame realistic career plan. Career management involves the necessary steps that need to be taken to achieve that plan. Career management generally focus more on the steps that an organization that can take to foster the career development of the employees. (3marks)

f) Stipulate the likely hurdles you might face as the HRD Manager and why (12marks)

Answer

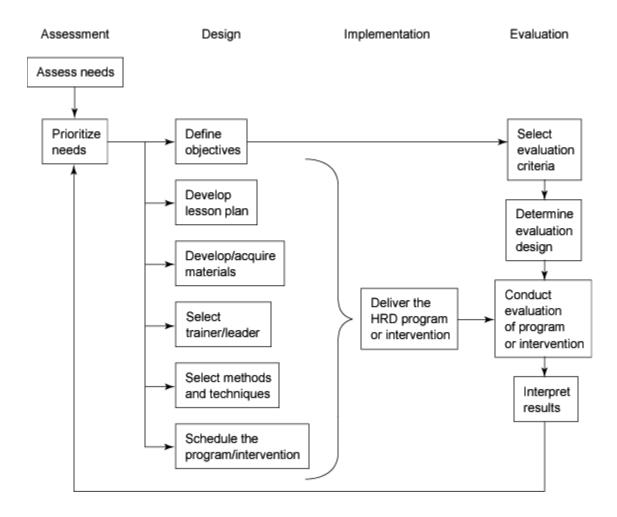
- Dejection
- ejection
- Sabotage
- Changing workforce demographics
- Competing in global economy
- Eliminating the skills gap
- Need for lifelong learning
- Need for organizational learning

(4@3)

QUESTION TWO

a) With the aid of a diagram, describe the HRD process (14marks)

Answer



b) HRD is wide and covers many facets. Discuss how HRD from the societal perspective influences the development of staff in an organization (6marks)

- Health (2 marks)
- Mindset (2 marks)
- Predictability (2 marks)

QUESTION THREE

c) Enunciate the various methods of HRD (10marks)

Answer

- On the job 5 marks
- Off the job 5 marks
- d) How does a HRD Manager get to know the needs requiring Training and Development to be initiated? Discuss (10marks)

Answer

- Organization analysis
- Person analysis
- Task analysis

(Any 2@5)

QUESTION FOUR

c) Elucidate the modes of assessing the effectiveness of Training and Development programme initiative (10marks)

Answer

- Questionnaire 5 marks
- Accidents and errors post training 5 marks
- **d**) Explicate the principles of Training and Development insofar as HRD is concerned (10marks)

Answer

- Principle of knowledge 3 marks
- Principle of rewards 3 marks
- Principle of top management support 3 marks
- Principle of motivation 1 mark

QUESTION FIVE

c) What are the challenges of HRD? Discuss with viable instances (10marks)

Answer

- Diversity 3 marks
- Contrasting opinions 3 marks
- Unionism 3 marks
- Politicization 1 mark
- Changing workforce demographics
- Competing in global economy
- Eliminating the skills gap
- Need for lifelong learning
- Need for organizational learning
- **d**) Enunciate good components of building an effective career plan. (10marks)

- Education 3 marks
- Learning 3 marks
- Purpose OD 3 marks
- Focus and movement 1 mark



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QUESTION ONE

As the principal official in charge of matters; Human Resource Development, Training and Development is key in ushering in the development of staff.

- a) Show a model schedule of Training and Development programme for staff (15marks)
- **b)** What are the challenges of instituting a Training and Development programme (15marks)

QUESTION TWO

- a) How is culture necessary in influencing HRD (10marks)
- **b**) Enunciate how compensation is a vital component in HRD (10marks)

QUESTION THREE

- a) Explicate the various methods of Training and Development (10marks)
- b) How are Training and Development needs determined? Enumerate (10marks)

QUESTION FOUR

- a) Draft sample proposal addressed to the General Manager proposing policy framework for staff for Training and Development (10marks)
- b) Explicate the tenets of Training (10marks)

QUESTION FIVE

- a) What are the viable means through which an employee can build an effective career plan? (10marks)
- b) With the aid of a diagram show the importance of hierarchy in HRD? (10marks)

SUMMARY MARKING SCHEME – SPECIAL/SUPPLEMENTARY EXAM

HUMAN RESOURCE DEVELOPMENT

UNIT CODE: BHR 4302

QUESTION ONE

As the principal official in charge of matters; Human Resource Development, Training and Development is key in ushering in the development of staff.

a) Show a model schedule of Training and Development programme for staff (15marks)

Answer

- Nature of Training (5 marks)
- Time schedule (5 marks)
- Participants in hierarchy (5 marks)
- **b**) What are the challenges of instituting a Training and Development programme (15marks)

Answer

- Lack of time 5 marks
- No finances 5 marks
- Difficulty acquiring trainer 5 marks

QUESTION TWO

a) How is culture necessary in influencing HRD (10marks)

Answer

- Prescribes state of required mind (3 marks)
- Practice and way of doing things (3 marks)
- Gives the firm/department an identity and character (4 marks)
- **b**) Enunciate how compensation is a vital component in HRD (10marks)

- Provides motivation (5 marks)
- Fair consideration (5 marks)

QUESTION THREE

a) Explicate the various methods of Training and Development (10marks)

Answer

- Lecture method
- On-the-job
- Apprenticeship
- Simulation
- Role play
- b) How are Training and Development needs determined? Enumerate (10marks)

Answer

- Organization analysis
- Person analysis
- Task analysis

QUESTION FOUR

a) Draft sample proposal addressed to the General Manager proposing policy framework for staff for Training and Development (10marks)

Answer

- Addressee (3 marks)
- Subject (3 marks)
- Proposal contribution OD (3 marks)
- Timeframe for institution (1 mark)
- b) Explicate the tenets of Training (10marks)

- Tenet of feedback (3 marks)
- Tenet of functional foremanship (3 marks)
- Tenet of acceptability (3 marks)
- Tenet of motivation (1 mark)

QUESTION FIVE

a) What are the viable means through which an employee can build an effective career plan? (10marks)

Answer

- Education (3 marks)
- Learning (3 marks)
- Purpose OD (3 marks)
- Focus and movement (1 mark)
- b) With the aid of a diagram show the importance of hierarchy in HRD? (10marks)

- Status (3 marks)
- Responsibility (3 marks)
- Duty (3 marks)
- Procedure (1 mark)