



TECHNICAL UNIVERSITY OF MOMBASA

School of Business

Department of Business Administration

EXAMINATION FOR:

BACHELOR OF BUSINESS ADMINISTRATION

BHR 4403: INDUSTRIAL RELATIONS

SPECIAL/SUPPLEMENTARY EXAMINATION

SERIES: JULY 2025

TIME: 2 HOURS

DATE: Pick Date Jul 2025

Instructions to Candidates

You should have the following for this examination.

-Answer Booklet, examination pass and student ID

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

Do not write on the question paper.

Question ONE

Case Study: The 2016 Kenya Airways Workers' Strike

In 2016, employees of Kenya Airways, led by the Kenya Aviation Workers Union (KAWU), went on strike after the company announced plans to reduce wages and offer redundancy packages as part of a restructuring plan aimed at cutting costs. The airline, which was facing significant financial losses, had to restructure its operations to stay afloat, but employees felt that the wage cuts and redundancy plans were unfair and did not take into consideration their needs or contributions. The strike lasted several days and caused significant disruptions to the airline's operations, leading to cancelled flights, financial losses, and reputational damage.

The key issues that led to the strike included the proposed wage reductions, the redundancy packages, and the lack of consultation with employees before the decisions were made. The workers argued that the company had not properly consulted them or the unions before making such drastic decisions, which they believed would harm their livelihoods. The airline's

management, on the other hand, justified these decisions as necessary for the survival of the business, which was struggling financially.

The strike had a wide-ranging impact on the airline's operations, with flight cancellations affecting thousands of customers and tarnishing Kenya Airways' reputation as a reliable carrier. The company was forced to engage in negotiations with the unions, but the damage to customer trust and employee morale was already done. The lack of effective communication and transparency in the decision-making process contributed significantly to the strike and could have been avoided if the company had engaged in better consultation and communication with the unions.

This case also highlights the role of trade unions in defending workers' rights, especially in times of financial hardship for employers. However, it raises the question of whether strikes are the most effective form of protest, particularly when the employer is financially struggling. In this case, a more constructive approach to negotiations could have potentially avoided the disruption caused by the strike.

Required

- a) Identify and explain the key issues that led to the 2016 Kenya Airways workers' strike. (10 marks)
- b) Analyze the impact of the strike on the airline's operations. (10 marks)
- c) Propose measures that could be taken by both employers (Kenya Airways) and employees (through trade unions) to prevent similar industrial actions in the future. (10 marks)

Question TWO

- a) Constitutional rights dealing with labour relations provide that every person has the right to fair labour practices. Discuss FIVE of these rights. (10 marks)
- b) Discuss the importance of employee's participation in organizations operations. (10 marks)

Question THREE

- a) Discuss the importance of collective bargaining for any employment relationship. (10 marks)
- b) Explain the situations when strike or Lock-out can be prohibited. (10 marks)

Question FOUR

- a) Management should have systems in place to ensure industrial disputes are highly avoided. Discuss the causes of industrial disputes (10 marks)
- b) Explain the factors influencing employees' relations in any employment relationship. (10 marks)

Question FIVE

- a) Causes of employee's indiscipline cannot be underestimated as one of the thorny issues challenging Human Resource managers. Explain Disciplinary Procedures that should be followed while handling indiscipline cases among employees. (10 marks)
- b) Employment relationship can be terminated by either party in the relationship. Discuss the various types of employment termination. (10 marks)