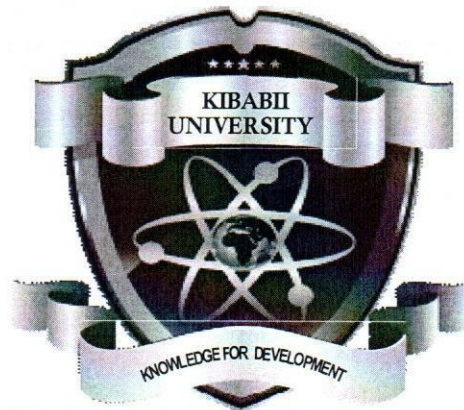


KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

MAIN EXAMINATION

2020/2021 ACADEMIC YEAR

SECOND YEAR FIRST SEMESTER

**FOR THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION**

COURSE CODE: MBA 883E

**COURSE TITLE: LEADERSHIP AND ORGANIZATIONAL
BEHAVIOUR**

DATE: 06/08/2021

TIME: 9.00AM-12.00PM

INSTRUCTIONS TO CANDIDATES

- 1) Answer Question **ONE**(Compulsory) and **ANY OTHER THREE** Questions
 - 2) Candidates must hand in their answer booklets to the invigilator while in the examination room
 - 3) Credit is given for legibility, clarity and use of relevant examples
 - 4) Question **ONE** is **40 marks** while Questions **2-5** carry **20 marks** each
 - 5) Clearly write your **Registration Number** on each answer sheet used
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TIME: 3 Hours

KIBU observes ZERO tolerance to examination cheating

SECTION A

QUESTION ONE

This mini-case study explores the motivational issues concerning pay and status differentials in the context of the management of change. In a medium-sized NHS Trust hospital in the UK all cleaning staff, nursing assistants and ward clerks formed a flexible, multi-skilled, ward-based team of care assistants. Formal status and pay differentials between employees were reduced and many staff were upgraded and received a basic pay rise as a consequence. The new simplified grade and pay spines, which applied to all care assistants, reduced status differentials and simplified the highly complex bonus schemes that had evolved. Some staff were required to change their shift pattern and the total hours they worked within any one week. At the design stage, managers felt it would improve worker motivation as all would 'feel part of a team'. This would, they believed, particularly apply to the domestics, who were often unaffiliated to award and consequently were remote from patients and from care assistant colleagues.

Pay issue

One of the major issues discussed at the change project meeting prior to implementation of the project was the proposed pay scales for these new roles. All staff would be classified as either Health Care Assistant 1 (HCA1 – the lower scale) or HCA2 (the higher pay scale) and jobs would be assessed to see into which category they fell (for example, those with supervisory responsibility would be likely to be classified as HCA2 and might be paid higher than HCA1 staff, irrespective of whether they were an assistant nurse, ward clerk or domestic). All employees would have protected pay for a year: that is, even if they were placed on a scale and job rate which was below their existing pay, their income would not immediately fall.

Immediately prior to implementation the Director of HRM argued, 'What I'm interested in is whether the underlying principles are right: that is, are all the jobs, nursing (assistant), housekeeping and administration rated equally, allowing for two grades of these personnel?' The Chief Executive, responsible to the Board of Directors for the Trust budget, suggested that he had 'some difficulties with the concept of thinking that these are all valued the same. I intuitively would have put housekeeping at a lower level than administration and nursing. What I'm worried about is that in order to recruit for the administration and nursing we're going to end up with the highest paid domestic workforce in the locality.' The Director of Nursing interjected, 'It's too easy to drop back into "old speak". Why should people, just because they clean the toilet, be any different from those who make beds?'

REQUIRED

- a) What is change management? (4 marks)
- b) Discuss the factors that an organization considers to set pay structures. (6 marks)
- c) In relation to the case study above, highlight the importance of decision making. (10 marks)
- d) Discuss the motivational implications of these changes, drawing on motivational theories and models. (20 marks)

SECTION B

QUESTION TWO

- a) Discuss the relevance of the concept personality and its effect on understanding and predicting employee performance in an organization. (10 marks)
- b) What is stereotyping? Give an example of how stereotyping can create perceptual Distortion and therefore affect a manager decision making. (10 marks)

QUESTION THREE

- a) How might perceptual factors be involved when an employee receives a poor performance appraisal? (10 marks)
- b) In today's increasingly competitive and demanding workplace, managers cannot succeed on their technical skills alone. They also have to have good people skills. Outline and discuss the leadership styles and their relevance in today's business environment. (10 marks)

QUESTION FOUR

- a) Describe the types of communication barriers that exist within the organizations and the suitable methods to overcome such barriers. (10 marks)
- b) What does theory X mean? Explain its managerial implications citing examples from an organization of your choice. (10 marks)

QUESTION FIVE

- a) Personality tests have no value in terms of contributing to the recruitment process. Discuss. (10 marks)
- b) How can a manager or other employees gain a practical understanding of how to motivate others from studying needs theories? (10 marks)