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THARAKA UNIVERSITY COLLEGE

EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF COMMERCE

BCOM 355: ORGANIZATION BEHAVIOUR

STREAMS: BCOM Y3S2 TIME: 2 HOURS

DAY/DATE: MONDAY 05/08/2019 2.30 PM – 4.30 PM

INSTRUCTIONS:

Answer Question One and any other Two. Don't write anything on this question paper

Question One

TRAVEL & TOUR COMPANY LTD

You are the recently appointed general manager of Travel and Tour company Ltd (T&TC), which is located in a large town. The company specializes in travel and tour operations and is made up of various operating units. These operating units are Finance Division, Marketing division, Operations Division and Recreation Division. All these divisions are headed by general managers who are served by several officers under them.

The organization has been quite successful in the past, given that for a period of about three years it has earned profits amounting to ksh 2.5 billion. However, with the changing times, it has been realized that the company sales has been going down, and last year, this greatly affected the earnings per share.

The Board of Directors has ordered a probe into the affairs of the company to find out the causes of decline in performance. One of the revelations after the probe was that the decline was due to poor quality of goods and services. It also revealed that differences in group goals, competition for resources and interpersonal factors among General Managers has led to unnecessary intergroup conflict. Further it was also noted that employee involvement and participation was low and this affected their satisfaction and commitment.

The probe committee was also informed that since the company started talking of rationalization and streamlining of activities, many workers' morale and attitude had been affected and this was evident in various ways. There have been a bigger number of people attending the Health Clinic than before, while a number of workers have been reported absent for various reasons. Many workers have also been arriving at work late while others are resigning despite the efforts made to replace them. In general the working morale has been very low.

As chief executive officer of the company you realize that there are a number of things that need to be changed if the company will survive in this difficult economy.

Required:

- (a) With illustrations from the case study, explain the major challenges facing T&TC and possible solutions thereof. [10 marks]
- (b) Elucidate the techniques you could use to manage intergroup conflict in this company. [10 marks]
- (c) Describe personality attributes that may help to explain and predict employee behavior. [10 marks]

Question Two

- (a) Discuss the key factors that influence the development of corporate culture. [10 marks]
- (b) Explain the reasons that make democratic leadership style to be more appealing to employees than autocratic oriented leadership. [10 marks]

Question Three

- (a) Outline the assumptions of McGregor's Theory X and theory Y of motivation and show how the theories help in understanding employee behavior in public organizations in Kenya. [10 marks]
- (b) Explain the contributions made by any Five major behavioral science disciplines to understanding human behavior in business and management. [10 marks]

Question Four

- (a) A group refers to two or more individuals interacting and interdependent who have come together to achieve particular objectives. Explain the factors that influence group cohesiveness. [10 marks]
- (b) An attitude is an evaluative statement or judgement concerning objects, people, or events. Examine the characteristics of attitudes. [10 marks]
