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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2022/2023 ACADEMIC YEAR**  
**FOURTH YEAR, SECOND SEMESTER EXAMINATION**  
**FOR THE DEGREE OF BACHELOR OF SCIENCE**  
**(BUSINESS ADMINISTRATION)**

Date: 27<sup>th</sup> July, 2022  
Time: 11.30am – 1.30pm

**KHR 406 - EMPLOYEE RELATIONS**

**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

**CASE STUDY: Mbiji Ltd**

Mbiji Ltd was started ten years ago to provide airline services. The company was doing well initially with the number of employees growing to 1000. However, for the past five years the company has been experiencing a number of challenges especially with its employees. The management has on several occasions indicated that problems have been occasioned by the covid 19 pandemic, but the employees feel otherwise. The employees' pay has been irregular with some of the employees complaining of going for months without pay; statutory deductions are being made but not remitted to the relevant bodies, the bank loans are not serviced much as the amounts are deducted from the employees' salaries; the company medical cover was withdrawn without notice to the employees among other issues. There were other complaints relating to lack of clear communication channels and inaccessibility to the management; and inequity when handling employee issues, long working hours without overtime payment; and employees being recalled from maternity leave before end of the leave.

An attempt to address the issue with management is always met with threats of dismissal and recently two employees were summarily dismissed for writing a protest letter to the management due to the increase in risks at the workplace occasioned by lack of PPEs and lack of water in the washrooms. Employees who had attempted to join the industry trade union were also dismissed without pay. As a result of this, employees have been on a go slow for the past two months resulting to a huge loss to the company. The dismissed employees have also sued the company for unfair termination. This led to the management hiring a consultant to advise on the best course of action to be adopted by the company.

**Questions**

- Assuming you are the consultant, what advice would you give to the management to help it deal with the employee issues. (6 Marks)
- The summarily dismissed employees have sued for unfair termination. Explain the extent to which they are likely to succeed as provided for in the Employment Act, 2007. (6 Marks)

- c) Analyse some of the benefits the company would get from having effective communication strategies in place. (6 Marks)
- d) The Employment Law, 2007 provides for the protection of wages and salaries of workers. From the case study above, highlight some of the areas the ways the company went against these provisions (6 Marks)
- e) Explain some of the employee Relations issues experienced by Mbiji Ltd. (6 Marks)

### **QUESTION TWO (20 MARKS)**

- a) Watermelo Company Limited recently adopted suggestion scheme as a way of encouraging employee participation in decision making. Explain the measures that should be taken by the company to promote the success of this scheme. (10 Marks)
- b) Redundancy is one of the ways in which an employee may terminate employment. Explain the conditions that an employer must comply with in this regard as provided for in the Employment Act, 2007. (10 Marks)

### **QUESTION THREE ( 20 MARKS )**

- a) Ms. Mbula, the newly employed Human Resource Manager of Mavula Company Limited has proposed to develop a comprehensive plan to improve the employee relations in the company. Evaluate the aspects that should constitute such a plan. (10 Marks)
- b) Mbiu Ltd, a company dealing with manufacture of leather shoes has been experiencing very high labour turnover and many incidences of unrest. One of the board members has suggested that the company hires a HR officer to help deal with the employee issues given that the company does not have a HR department. Analyse the role the new HR officer will be playing in management of employee relations in the organization. (10 Marks)

### **QUESTION FOUR ( 20 MARKS )**

- a) Mr. Nzioka has just been appointed the Human Resource Manager of Cola Company Limited. The management has asked him to develop a disciplinary procedure for the company. Advise him on the contents that should be included in the procedure. (10 Marks)
- b) Analyse the economic impact of industrial disputes in Kenya. (10 Marks)

### **QUESTION FIVE (20 MARKS )**

- a) A Human Resource Management expert has advised the Chief Executive Officer of Watamu Company Limited to establish employee counseling services in the organization. Describe the Counselling procedure that the organization may adopt. (10 Marks)
- b) The chief executive officer of Nanja Company Limited (NCL) has requested the Human Resource Manager of the company to convene a meeting of the management and the Trade Union representatives in order to set up a grievance handling procedure for the organization. Examine the elements that such a procedure should contain. (10 Marks)