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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR
THIRD YEAR, FIRST SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
(BUSINESS ADMINISTRATION)

Date: 13th April, 2023
Time: 8.30am –10.30am

KHR 301 - HUMAN RESOURCE MANAGEMENT 1

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

Read the case below and answer the questions that follow:

KENGA LIMITED COMPANY

KENGA Limited Company was registered on 10th October 2015 with Mrs. Mwamba as its CEO. The company started its operations on 13th Jan 2016. The main objective of the company was to sell agricultural equipment in Eastern Africa. The marketing management team embarked on aggressive market research to find out the prices of NONO and ZAY who were her rival competitors and doing very well with a large market share in Eastern Africa. The marketing team set out to price the company's products below those of NONO and ZAY by 10%. During the first year after launching the company's products, the company was able to equal her sales income with total costs. The initial task of Mrs. Mwamba was to build a team of workers who were to ensure realization of the Company's goals. This she did by putting in place a number of strategies such as allowing workers to join trade unions and ensured they were represented by Mr. Matumbo from ICT department; meeting workers regularly in order to get feedback so as to address the challenges they faced. This made Mrs. Mwamba address employee grievances and challenges on time. In addition the CEO Mrs. Mwamba used to pay employee bonuses and allowances based on employee's performance. This saw the company make significant increase in profits as opposed to previous due to improved employee climate and employee morale. Mrs. Mwamba also used recognition letters to acknowledge employees who had outstanding performance and used to allow Mr. Matumbo to make briefs during staff meetings. Mrs. Mwamba involved employees in decision making due to trust she placed on them. By the end of year 2017 the financial statements of KENGA revealed that the company had made a profit of Ksh 30 million. However the CEO Mr. Mwamba saw green pastures in ZAY Co. Ltd one of the rival competitors who promised to double her salary coupled with attractive fridge benefits as opposed to KENGA. After thorough consideration of the opportunity for attractive benefits and salary package Mrs. Mwamba decided to quit the company by the end of year 2017. The Board of Directors of KENGA decided to replace Mrs. Mwamba with Mr. Zongoi who was a Credit Manager in Bank of Africa. During the first quarter of year 2018, Mr. Zongoi introduced several changes such as pay cuts for all employees, slashed all the allowances for all employees in order to decrease cost of operations.

The new CEO viewed the regular staff meetings with the workers, staff allowances, non financial rewards and union representation as wasteful expenses. Infact he directed the human resource manager not to deduct employees union dues and those who had been deducted the dues were not submitted to workers union. Mr. Matumbo was no longer recognized as workers representative to the union. Workers who attempted to join any workers union were threatened with sack letter. The new CEO no longer involved employees in decision making since he did not see the importance of involving them. In addition, Mr. Zongoi refused to approve leave for 5 employees who were due for their annual leave in 2018 including Mrs. Mboga who was due for maternity leave. When new employee joined Kenga Mr. Zongoi was not bothered with their induction. The new change made all the company employees to go on street chanting “Mr. Zongoi must go” “Mr. Zongoi must go”. This resulted to high labour turnover and significant decline in sales from sh30 million to 18 million. The Board of Directors have given Mr. Zongoi an ultimatum to reverse the trend within six months failure to which he will be fired.

Required

- a) Explain the secret behind Mrs. Mwamba’s success. (6 marks)
- b) Explain the causes of sharp decline in profits during the tenure of Mr. Zongoi. (6 marks)
- c) Advice Mr. Zongoi on the strategies he should put in place to improve employee climate so as to return the company to its glory. (6 marks)
- d) Explain Mr. Zongoi the benefit of good grievance procedure. (6 marks)
- e) Advise Mr. Zongoi why induction of new employees is important. (6 marks)

QUESTION TWO (20 MARKS)

- a)
 - i) Discuss the characteristics of groups in reference to group dynamics in an organization of your choice. (5 marks)
 - ii) Examine the stages of team formation. (5 marks)
- b)
 - i) Explain the measures that human resource department can put in place to develop the best human resource practices. (5 marks)
 - ii) Discuss the applications of resource dependency theory in human resource management. (5 marks)

QUESTION THREE (20 MARKS)

- a) Explain the nature and importance of human resource planning. (8 marks)
- b) Examine the significance of recruitment in an organization of your choice. (6 marks)
- c) Discuss the reasons for employment separation in an organization. (6 marks)

QUESTION FOUR (20 MARKS)

- a) Explain the importance of conducive work environment in an organization (5 marks)
- b) Maslow’s hierarchy of needs theory has been of critical importance to human resource managers in organizations in regard to employee motivation. Examine the application of Maslow’s hierarchy of needs theory in regards to motivation of workers. (10 marks)
- c) The revised employment act Cap 226 of the laws of Kenya defines the circumstances under which an employee can summarily be dismissed from an organization by an employer. Explain any five such circumstances in reference to the act. (5 marks)

QUESTION FIVE (20 MARKS)

- a) As a Human Resource Manager of an organization of your choice discuss the guidelines you can establish in regard to safe work procedures in order to prevent accidents in the work place. (8 marks)
- b) Discuss the importance of employee orientation (6 marks)
- c) Human resource department is the backbone of the organizations success since it is responsible for smooth running of the business as it ensures the employees are happy and satisfied. However, for the department to accomplish this it must observe basic human resource management principles. Discuss any six such principles. (6 marks)