

MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS 2016/2017 ACADEMIC YEAR**

**THIRD YEAR FIRST SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS**

**BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 360**

**COURSE TITLE: ORGANIZATION THEORY**

**AND BEHAVIOUR**

**DATE:3 RD FEBRUARY 2017 TIME:8.30AM – 10.30AM**

**INSTRUCTIONS TO CANDIDATES**

Question **ONE** is compulsory

Answer any other **THREE** questions

***This paper consists of 2 printed pages. Please turn over.***

**QUESTION ONE (25 Marks)**

**MAGARI CAR COMPANY**

Magari Car Company based in Nairobi was for many years experiencing labor dissatisfaction with its traditional moving assembly line of production. This was reflected in the high levels of absenteeism and personal turnover as well as recruiting difficulties at its plants.

To make the jobs more interesting, the plants were designed so that workers should operate in teams. Instead of repeating a single short task, each operator was trained to do all the jobs in the team’s area. Each team had its own entrance, changing room, coffee room and sauna. The factory has six district product workshops each fully equipped to build a whole car rather than mere sub assembly. Falcon allows its workers time off for further education and lengthy paternity or maternity leave. Wages are comparatively good at Magari and are supplemented by bonuses for high quality work.

Production workers have the opportunity to be promoted from the shop floor to more senior positions. Mr. Wekesa the Production Manager was once himself a production worker. Cars are vigorously checked through the assembly process. Each team tests its own work before the car passes to the next team. Faults are traced to the operator possible and noted on a board in the area. If faults are frequent or serious, their supervisor will take the operator to see the car and point out the problems.

‘We let people know their mistakes in a positive manner. We do not go round with whip’ says Mr. Wekesa. The human lessons that Magari cars has learnt have eased the difficulties the company initially experienced with high absenteeism, high turnover of staff and recruitment. “The factory is the closest car assembly has come to building on the spot, with operators standing still and components coming to the people are getting more educated. So industry has to become more and more interesting”, says Mr. Wekesa.

The consequences of the changes implemented by Magari cars are that morale and motivation have visibly increased. The evidence that staff turnover and absenteeism levels have significantly dropped confirm this.

1. Explain why Magari cars was experiencing high staff turnover, high absenteeism and general dissatisfaction with its traditional moving assembly line?  **(6 marks)**
2. Why was Magari Car Company providing the teams with their own entrance, changing room, coffee room and sauna?  **(8 marks)**
3. Using Magari Car as an example, what factors need to be addressed and means used in order to change a company’s culture? **(4 marks)**
4. By applying an appropriate theory, explain why the motivation of in Magari cars workers has improved. **(7 marks)**

**QUESTION TWO**

Critically examine the challenges faced by various state agencies in the war against corruption and suggest possible institutional remedies to surmount these challenges. **(15marks)**

**QUESTION THREE**

“Leadership may either be formal or informal; it includes power and control used to achieve organizational end and to make means effective.”Using specific examples, discuss the extent to which you concur with this statement. **(15marks)**

**QUESTION FOUR**

Key issues facing top management of an organization in strategic change implementation is designing appropriate organizational structures. Discuss how organizational structures facilitate organizational development(OD).

**(15marks)**

**QUESTION FIVE**

Zeng Corporation has faced a new wave of conflicts among its employees. A new manager has been employed to address the situation. Describe the techniques that he may adopt to resolve the conflicts. **(15 marks)**

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