



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF HOSPITALITY AND TOURISM MANAGEMENT

DEPARTMENT OF TOURISM MANAGEMENT

UNIVERSITY ORDINARY EXAMINATION

2017/2018 ACADEMIC YEAR

**FIRST YEAR FIRST SEMESTER EXAMINATION FOR DOCTOR OF
PHILOSOPHY IN HOSPITALITY AND TOURISM MANAGEMENT**

HTH 702: LEADERSHIP IN SCIENCE AND MANAGEMENT

DURATION: 3 HOURS

DATE: 4TH MAY 2018

TIME: 9.00 A.M – 12.00 NOON

Instructions to Candidates:

1. Answer **Any Four** questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

ANSWER ANY FOUR QUESTIONS (100 Marks)

QUESTION ONE : CASE STUDY - Compulsory

ABM Hotel

ABM Hotel is part of an international group of companies whose principal business is provision of hospitality services. ABM is situated in the city of Nairobi Kenya, where, since early 19th century, foreign tourists/guests seeking hotel services has declined as other countries – especially in the developing parts of the world, have created exciting tourist sceneries with good quality and secure hotels. The directors of ABM hotel continue to manage in autocratic fashion. Despite changes in market demand, towards more variety of product and less mass production, shop floor employees are paid on piecework and most of the equipment is over 30 years old. ABM Hotel offers accommodation, catering, entertainment, laundry services, transport, conference facilities, E-waste management and internet services.

Effluent and emissions of unpleasant and sometimes toxic byproducts result from many of the processes, causing environmental pollution if the effluents and emissions are not adequately treated and constrained. In 1992, in Rio de Janeiro, governments from all over the world recognized the dangers of increasing environmental pollution and agreed to take action in their own countries. Global warming, ozone layer depletion, waste disposal, natural resource usage and conservation and water quality were among the concerns. Businesses in Kenya came under pressure to respond to these environmental concerns as the Kenyan government and the African union strengthened their environmental regulations. The public, including the local community, became aware of the threats to their local environment, but ABM who were concerned about the cost of installing new technology to treat emissions and effluent more effectively, questioned the cost of this responsibility to the community. Much of ABM's equipment was out of date. Developments in hotel processing technology (and in antipollution technology) had been adopted by their competitors – especially in countries where hotel businesses were being started as new ventures. These competitors were able to offer hotel services, and outside catering to the guests of comparable quality at lower cost. At the same time (in 1992 and 1993) the Kenyan economy was in recession and interest rates were high. ABM were reluctant to invest in new technology. Unemployment was high, but there were not enough workers skilled in the hotel services. This shortage of skilled people caused wages to rise. On several occasions in the previous 20 years, Kenyan customers had been encouraged to “buy Kenya”, to support hospitality industry, but had increasingly preferred to seek overseas hotels, which was cheaper and of adequate quality. ABM sales and profits declined.

In April 1993, ABM directors called a meeting of the Staff Association (representing technical, catering and marketing employees and some managers) and the Trade Union (representing shop floor workers) at which they proposed investment of KE 75 million in new technology, to improve production and pollution control. A condition of this investment was to be changed in job design and flexible working practices for the catering employees. The Staff Association approved of the proposal but the Trade Union did not. The Trade Union argued that the catering workers were being asked to make all the changes, but that the investment was not likely to be enough to solve the competitive problems. Their view was that jobs would be reduced, through flexible working, but the business would not survive and all jobs would eventually be lost. They argued for more investment in equipment so that, with flexible working, the business could expand and jobs would be retained. ABM said that the banks would not support more borrowing.

In June 1993, ABM's international owners announced their intention to close the Kenya hotel in the following December. Despite the problems which they would encounter, they would transfer the work to new hotels they would build in Central Africa, where wages were much lower, new technology reduced the need for the high level of skills and environmental regulations were less severe.

Governments in many developing countries were keen to encourage industry, to boost the local and national economy and provide work for their growing populations. ABM's owners have a reputation of exploitation in developing and emerging countries, having closed down their operations in Taiwan and South Korea as Asian countries began to strengthen their anti-pollution regulations. In their activities in other parts of Africa, they have made little contribution to the development of local communities' infrastructure, education or support for improvements in health.

- a) Describe four examples of problems, other than cultural, likely to be faced by managers relocating the business to developing country. Refer to aspects of the case where appropriate (12 marks)
- b) Suggest why it may be in ABM's interest to become socially responsible and give reasons which they might use to justify concentrating only on their business interests (6 marks)
- c) To what extent is the directors' leadership appropriate to the situation in which ABM finds itself? Justify your answer (8 marks)
- d) In what ways could the application of Lewin's Force Field analysis have assisted ABM in gaining agreement to measure to prevent closure and improve profitability (4 marks)

QUESTION TWO

Much managerial thinking about people management has been influenced by the three major theories or models listed below. Summarise the main principles of each and indicate what you believe to be the value of each theory in today's world of business.

- a) McGregor's Theory X and theory Y (5 marks)
- b) Maslow's Hierarchy of needs (5 marks)
- c) Herzberg's motivation hygiene theory (5 marks)

QUESTION THREE

- a) Evaluate the role of scientific management in managing organizations and its links with the classical school of management. Assess its relevance in the modern workplace (15 marks)

QUESTION FOUR

There are positive and negative outcomes to organizational conflict.

- a) Outline five positive outcomes of conflict within a group (10 marks)
- b) Discuss whether conflict is an inevitable feature of organizational behavior in the hospitality industry (5 marks)

QUESTION FIVE

Leadership can be defined as "the ability to persuade others willingly to do something other than what they might have done, left to their own devices". This statement suggests that managers must acquire and exercise leadership skills to facilitate employee commitment rather than more compliance.

- a) Evaluate the alternative frameworks for leadership (6 marks)
- b) Suggest with reason, which approach may be appropriate for:
 - i. Managing catering staff in a hotel (5 marks)
 - ii. Achieving commitment from a group of highly specialized food and beverage staff (4 marks)