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**University Examinations 2015/2016**

SECOND YEAR, FIRST SEMESTER EXAMINATION FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

**BFA 5248: ORGANIZATIONAL BEHAVIOUR**

**DATE: NOVEMBER 2015 TIME: 3 HOURS**

**INSTRUCTIONS:** *Answer question* ***one*** *and any other* ***three*** *questions*

**QUESTION ONE (24 MARKS)**

Study the arguments “All jobs should be Designed Around Groups’ CASE and answer the following:

1. An individual acting alone may commit more errors than a group. Briefly explain common biases and errors made by individual managers in their decision making process. (8Marks)
2. Introduction of work teams has oftenly faced some resistance from workers who prefer individual’s evaluation in performance instead of group performance evaluation. Briefly explain other possible reasons why workers may offer resistance and advise how managers can overcome such resistance. (8 Marks)
3. Discuss **4** key group decision making techniques utilized by modern organizations and compare their effectiveness. (8 Marks)

**QUESTION TWO (12 MARKS)**

1. Knowledge management is an interesting concept being embraced by progressive organizations today. Briefly discuss the importance of knowledge management to medium sized and large organizations in Kenya (6 Marks)
2. Discuss any **3** key functions of communication in an organization (6 Marks)

**QUESTION THREE (12 MARKS)**

Discuss Goal-setting and self-efficacy theories of motivation and their implication for the managers of modern society (12 Marks)

**QUESTION FOUR (12 MARKS)**

1. Relate the five-stage model of group development to a welfare group in an organization

 and illustrate the role played by such informal groups in a modern organization (8 Marks)

1. Explain any 2 major causes of job satisfaction for workers working in an informal sector (4 Marks)

**QUESTION FIVE (12 MARKS)**

Identify various sources of power utilized by managers and illustrate political tactics that they may use to keep themselves in power. (12 Marks)

**QUESTION SIX (12 MARKS)**

1. Conflict is a natural occurrence in all groups and organizations. Explain various causes of

 inter- group conflicts in organizations and illustrate how managers could use various negotiation

 strategies to manage the conflicts. (8 Marks)

1. Using appropriate illustrations, distinguish between trait and behavioural theories of leadership

 (4 Marks)

**ALL JOBS SHOULD BE DESIGNED AROUND GROUPS**

Groups, not individuals, are the ideal building blocks for an organization. There are several reasons for designing all jobs around groups. First, in general, groups make better decisions than the average individual acting alone.

Second, with the growth in technology, society is becoming more intertwined. Look at the growth of social networking sites such as MySpace, Facebook, and You Tube. People are connected anyway, so why not design work in the same way?

Third, small groups are good for people. They can satisfy social needs and provides support for employees in times of stress and crisis. Evidence indicates that social support – both when they provide it and when they receive it – makes people happier and even allows them to live longer.

Fourth, groups are very effective tools for implementation for decisions. Groups gain commitment from their members so that group decisions are likely to be willingly and more successfully carried out.

Fifth, groups can control and discipline individual members in ways that are often extremely difficult through impersonal quasi-legal disciplinary systems. Group norms are powerful control devices.

Sixth, groups are a means by which large organizations can fend off many of the negative effects of increased size. Groups help prevent communication lines from growing too long, the hierarchy from growing too steep, and individuals from getting lost in the crowd.

The rapid growth of team-based organizations in recent years suggests that we may well be on our way toward a day when almost all jobs are designed around groups.

A counter argument says that capitalistic countries such as the United States, Canada, Australia, and the United Kingdom value the individual.

Designing jobs around groups is inconsistent with the economic values of these countries. Moreover, as capitalism and entrepreneurship have spread throughout Eastern Europe, Asia, and other more collective societies, we should expect to see less emphasis on groups and more on the individual in workplaces throughout the world. Let’s look at the United States to see how cultural and economic values shape employee attitudes toward groups.

The United States was built on the ethic of the individual. Its culture strongly values individual achievement and encourages competition. Even in team sports, people want to identify individuals for recognition. U.S. adults enjoy being part of a group in which they can maintain a strong individual identity. They don’t enjoy sublimating their identity to that of the group. When they are assigned to groups, all sorts of bad things happen, including conflict, groupthink, social loafing, and deviant behaviour.

The U.S. worker likes a clear link between individual effort and a visible outcome. It’s not by chance that the United States, as a nation, has a considerably larger proportion of high achievers than exists in most of the rest of the world. It breeds achievers, and achievers seek personal responsibility. They would be frustrated in jobs situations in which their contribution was commingled and homogenized with the contributions of others.

U.S. workers want to be hired, evaluated, and rewarded on their individual achievements. They are not likely to accept a group’s decision o such issues as their job assignments and wage increases, nor are they comfortable in a system is which the sole basis for their promotion or termination is the performance of their group.

Though teams have grown in popularity as a device for employers to organize people and tasks, we should expect resistance to any effect to treat individuals solely as members of a group – especially among workers raised in capitalistic economies.