



MACHAKOS UNIVERSITY

University Examinations for 2019/2020 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FOURTH YEAR FIRST SEMESTER EXAMINATION FOR

BACHELOR OF COMMERCE

BBA 406 INDUSTRIAL AND LABOUR RELATIONS

DATE: 2/12/2019

TIME: 2.00-4.00 PM

INSTRUCTIONS:

Answer Question ONE and any other TWO Questions.

QUESTION ONE (30 MARKS)

Read the following case carefully and answer the questions below

Case: A matter of technology change

The Automotive Parts Manufacturing Co. is a medium-sized firm with 750 employees. It has a fairly good industrial relations history. Its (mostly domestic) market share had been stable, but lately, because of competition from newer manufacturers using advanced technology and benefiting from a liberalized state import policy, its market has been reduced. On studying the feasibility of entering the export market, the firm found that foreign customers insisted on high anti-pollution standards for motor vehicle components and that these standards could not be met through the traditional manual techniques that the firm had been using.

It was decided to diversify into electronics, and a small subsidiary unit with 100 employees and highly sophisticated production processes was set up. The company ordered the latest technology and equipment from abroad to manufacture motor vehicle components with the required higher quality standards.

The employees of both units are represented by a single union, which has been quite cooperative in adopting the latest technology. Human relations practices such as yoga exercises for the employees and management, the compulsory wearing of uniforms and safety equipment, etc., are enforced with the cooperation of the union.

The personnel manager has been informed that the new technology will be introduced in three areas within 15 days. He also realizes that the technology will lead to redundancy for certain workers who have been with the company for a number of years. He wonders what the reaction of the union will be in this matter. He wants your advice on the following points:

- a) In the context of productivity improvement, highlight what is meant by industrial relations. (2 marks)
- b) Discuss the features and prerequisites of positive good industrial relations (5 marks)
- c) Discuss the role of employers' associations, trade unions and the state in productivity improvement. (15 marks)
- d) Explain the benefits of the growth of Industrial relations in Kenya (8 marks)

QUESTION TWO (20 MARKS)

- a) Raju Trade Union is not affiliated to the Central Organization of Trade Unions of Kenya COTU (K). Discuss the circumstances that may have caused the union not to be affiliated to COTU (K) (10 marks)
- b) Explain the factors that may contribute to successful Collective Bargaining Agreement (10 marks)

QUESTION THREE (20 MARKS)

- a) Kigeugeu Sugar Company has adopted Joint Consultation Scheme. Explain the benefits the company is likely to derive from the scheme (10 marks)
- b) Discuss the roles of the Ministry of Labour in ensuring Industrial peace in Kenya (10 marks)

QUESTION FOUR (20 MARKS)

- a) Explain the causes of Industrial dispute and the various ways that can be explored to manage the situation. (10 marks)
- b) Explain the reasons that lead to the adoption of the Industrial Relations Charter by the government of Kenya (10 marks)

QUESTION FIVE (20 MARKS)

- a) Explain FIVE measures that the government of Kenya has taken to encourage employee training (10 marks)
- b) Discuss the type organs that assist the International Labour Organisation (ILO) in executing their duties. (10 marks)