



**STRATHMORE UNIVERSITY BUSINESS SCHOOL**  
**BACHELOR OF FINANCIAL SERVICES**  
**END SEMESTER EXAMINATION**  
**BFS 2204: ORGANIZATIONAL DYNAMICS**

**Date:** 14<sup>th</sup> December 2023

**Time:** 15:30-17:30

**INSTRUCTION(S)**

1. Answer question ONE and any other TWO questions
2. Question ONE carries 30 marks
3. ALL other questions carry 15 marks each

**QUESTION ONE**

- a) Read the case study below and answer the questions that follow;

Consolidated Products is a medium sized manufacturer of consumer products with non-unionized production workers. Ben was a plant manager for Consolidated Products for 10 years and he was very well liked by the employees there. They were grateful for the fitness centre he built for employees, and they enjoyed the social activities sponsored by the plant several times a year, including company picnics and holiday parties. He knew most of the workers by name, and he spent part of each day walking around the plant to visit them and ask about their families or hobbies.

Ben believed that it was important to treat employees properly so they would have a sense of loyalty to the company. He tried to avoid layoffs when production demand was slack figuring the company could not afford to lose skilled workers that are so difficult to replace. The workers knew that if they had a special problem, Ben would try to help them. For example, when someone was injured but wanted to continue working, Ben found another job in the plant that the person could do despite having a disability. Ben believed that if you treat people right, they will do a good job for you without close supervision. Ben applied the same principle to his supervisors, and he mostly left them alone to run their departments as they saw fit. He did not set objectives and standards for the plant, and he never asked the supervisors to develop plans for improving productivity and product quality.

Under Ben, the plant had the lowest turnover among the company's five plants, but second worst for costs and production levels. When the company was acquired by another firm, Ben was asked to take early retirement, and Phil was brought to replace him.

Phil had a growing reputation as a manager who could get things done and he quickly began making changes. Costs were cut by trimming a number of activities such as the fitness centre at the plant, company picnics and parties, and the human relations training for supervisors. Phil believed that human relations training was a waste of time; if employees don't want to do the work, get rid of them and find somebody else who does.

Supervisors were instructed to establish high-performance standards for their departments and insist that people achieve them. A computer monitoring system was introduced so that the output of each worker could be checked closely against the standards. Phil told his supervisors to give any worker who had substandard performance one warning, then if performance did not improve within two weeks, to fire the person. Phil believed that workers don't respect a supervisor who is weak and passive. When Phil observed a worker wasting time or making a mistake, he would reprimand the person right on the spot to set an example. Phil also checked closely the performance of his supervisors. Demanding objectives were set for each department and weekly meetings were held with each supervisor to review the department's performance. Finally, Phil insisted that supervisors check with him first before taking any significant actions that deviated from established plans and policies.

As another cost-cutting move, Phil reduced the frequency of equipment maintenance, which required machines to be idled when they could be productive. Since the machines had a good record of reliable operation, Phil believed that the current maintenance schedule was excessive and was cutting into production. Finally, when business was slow for one of the product lines, Phil laid off workers rather than finding something else for them to do.

By the ends of Phil's first year as a plant manager, production costs were reduced by 20% and production output was up by 10%. However, three of his seven supervisors left to take other jobs, and turnover was also high among the machine operators. Some of the turnover was due to workers who were fired, but competent machine operators were also quitting, and it was becoming increasingly difficult to find any replacement for them. Finally, there was increasing talk of unionizing among the workers.

*Source: Leadership Theory and Practice (1999) by Richard Daft.*

- a) Using facts from this case, answer the following question: In reference to Ohio state studies, discuss the leadership behaviours of Ben and Phil. **(10 marks)**
  
- b) Tamara has recently been promoted to head the IT department of one of the leading multinationals. Being fairly young and being a woman, she is facing some biases within the organization, which makes it a challenge for her to navigate the organization politics. Based on this caselet answer the following questions

- i. Define Organizational politics. **(1 Mark)**
- ii. Explain to Tamara five (5) causes of political behavior in organizations. **(10 Marks)**
- iii. Tamara has asked you for advice on how she can navigate politics in her organization. Explain to her two (2) tactics she can use to navigate the organizational politics she is currently facing. **(4 Marks)**
- c) The field of organizational development is gaining traction and professionals are now looking into a career in this field. What is Organizational Development (OD)? **(1 Mark)**
- d) OD & Co., a leading organizational development consulting firm with consultants who are direct, outspoken, and challenge the client's opinions. Once a client contracts them for their consultancy services, a four- to six-person "engagement team" is assembled, with an experienced consultant to coordinate the effort.
- Discuss **Two** advantages and **Two** disadvantages they have as consultants over internal Organizational Development Practitioners. **(4 Marks)**

**(Total 30 Marks)**

## **QUESTION TWO**

“Change is the norm; unless an organization sees that its task is to lead change, that organization will not survive.” Peter Drucker

- a) Explain three (3) types of changes that businesses are experiencing in today’s world. **(6 Marks)**
- b) Using a relevant example describe how a change practitioner can successfully introduce change in an organization using Kurt Lewin’s change model. **(9 Marks)**

**(Total 15 Marks)**

## **QUESTION THREE**

- a) Currently there is a lot of emphasis on the need for leadership. Leadership cannot replace Management; it should be in addition to management. In view of this discuss the role of a manager as conceptualized by Henry Mintzberg. **(15 Marks)**

**(Total 15 Marks)**

#### QUESTION FOUR

- a) The trait theory, otherwise referred to as the 'great man theory' argues that great social, political, and military leaders possess some innate qualities and characteristics that make them great leaders. Using the example of a leader you admire, discuss **Four** leadership traits which he/she possess/possessed that makes/made him/her successful (Give a brief background of the leader) **(9 Marks)**
- b) Leaders embed and transmit organizational culture in different ways. Explain **Three** ways leaders can embed and transmit organizational culture. **(6 Marks)**

**(Total 15 Marks)**

#### QUESTION FIVE

- a) Organizational Conflict or otherwise known as workplace conflict, is described as the state of disagreement or misunderstanding, resulting from the actual or perceived dissent of needs, beliefs, resources, and relationship between the members of the organization. Using relevant examples explain **Three** types of conflict that may occur in the organization and their outcomes. **(9 Marks)**
- b) Imagine that you have been appointed a leader of your local youth club. Discuss **Three** critical functions you will play as a team leader **(6 Marks)**

**(Total 15 Marks)**