INTERNATIONAL UNIVERSITY OF EAST AFRICA
'Learning to Succeed'

FACULTY OF BUSINESS MANAGEMENT

END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: BHRM
YEAR/SEM: YEAR 3/SEMESTER 2
COURSE CODE: HRM 3207
NAME: INDUSTRIAL RELATIONS

DATE:
TIME:

INSTRUCTIONS TO CANDIDATES:

SECTION A

Section A is compulsory and carries 40 marks. Answer all questions in Section A

Question 1:

1. Case Study: Whistleblowing at East African General Tech. Ltd.

East African General Tech. Ltd is a mid-sized technology company specializing in developing software solutions for financial institutions. The company prides itself on its innovative culture and commitment to ethical practices. However, in recent months, several employees have raised concerns regarding certain practices within the organization that they believe are unethical and potentially illegal.

Jane, a senior software engineer at East African General Tech. Ltd, discovers that the company is intentionally manipulating its software's performance metrics to present a more favorable picture to potential clients. This manipulation involves altering data and creating misleading reports that inflate the software's effectiveness. Jane discusses her concerns with her immediate supervisor, who dismisses her claims and suggests that the performance metrics are merely “creative marketing.”

Feeling that her concerns are not being taken seriously, Jane decides to gather evidence of the misconduct. Over the next few weeks, she compiles data, emails, and internal reports that substantiate her claims. After careful consideration, Jane chooses to report the issue to the company's ethics hotline, fearing that if the manipulation continues, it could lead to significant financial loss for clients and legal repercussions for the company.

Once Jane's report is filed, the company launches an internal investigation. Shortly after, the investigation reveals that the practices Jane highlighted were not isolated incidents but part of a broader culture of unethical behavior that had been overlooked by upper management. The findings lead to the termination of several employees, including the head of the marketing department.

While Jane feels a sense of relief that her actions led to accountability, she also faces backlash from some colleagues who view her as a traitor. Additionally, she experiences anxiety about her job security and future

within the company. The management, while acknowledging the wrongdoing, struggles with how to rebuild trust among employees and restore the company's reputation.

Questions:

a) What factors should be considered when deciding whether to report unethical practices within an organization? (10 marks)

b) What changes could be implemented to foster a more ethical workplace environment? (10 marks)

c) Evaluate the potential consequences (both positive and negative) that whistleblowers like Jane may face after reporting unethical practices. (10 marks)

d) How can organizations mitigate the negative effects for employees who choose to speak out? (10 marks)

Question 2:

Delayed wages at a construction site in Company X

At a particular site of excavation, drivers have to transport an average of 30 trips of dug out ground from places of road construction to a dumpsite. To increase production, they are told that if drivers made 40 trips in a day, they are given a bonus of 5,000/= for that day. These bonuses are paid every four days while their normal salaries are paid at the end of the month.

Suddenly the money in the company started to run low, with more debts and delay in salaries to pay. The workers had not been paid their bonuses for one week which summed up to two million shilling. The company decided to change the plan from every four days to a week and workers agreed to it, but only after being cleared for the four days.

For the next two weeks, their bonuses weren’t paid. Workers raged and talked to the site manager and negotiated by saying they wouldn’t mind if their salaries were delayed but they needed the bonus wages as it was income for daily survival. The site manager asked the human resource manager to provide feedback to the workers personally, but he avoided them.

Finally, the drivers carried out an industrial action and halted excavations. A number of them complained to the DCO’s office and she called the site manager to enquire details of the complaint. She later visited the site and explained to the workers that striking wasn’t right and that it attracted unnecessary attention from outside; it could potentially defame the company. She urged for any other negotiations to be considered and appointed one of the workers in the company’s office to regularly update her

on the matter.

Workers agreed to work for an extra week in hopes that they will be cleared during the week but unfortunately the company wasn't able to pay them. Production completely stopped; workers decided to discontinue their work and demanded that they be paid in full. Workers gathered at the office premises and the company called the police for protection in case of violence. The company later explained to the police what happened and negotiated with them. All site workers left that day and only 60% of them returned the following day demanding their full pay.

The office claimed letters of five officials (HR, Accountant, project coordinators, site managers and supervisor) for release of payments in order to buy time until their own checks were given to them.

After two weeks, their salaries and bonuses were settled and most of the workers left the job. Half of them had no faith in the company's explanations and left without their salaries. After a while, new employees were recruited and selected into the Organization.

Questions:

a) Given the case study above, mention the two forms of Labor disputes exhibited by the workers and explain their eventual consequences on Company X. (10 marks)

b) Point out the aggravators and explain how they influenced the labor dispute in Company X. (15 marks)

c) State the moderators in Company X and explain how they reduced the intensity of the dispute in the Organization. (15 marks)

SECTION B

There are SIX (6) questions in Section B; Answer any THREE (3) questions.

Question 1:

a) Discuss the role of industrial strikes in shaping labor relations within organizations (5 marks)
b) Discuss the effects of industrial disputes on both employers and employees. (10 marks)
c) Compare and contrast mediation and arbitration as alternative dispute resolution methods in industrial relations. (5marks)

Question 2:

a) Describe the parties involved in Industrial relations (10 marks)
b) Briefly compare and contrast the unitary approach and the pluralist approach in shaping workplace relationships. (10 marks)

Question 3:

a) Conflicts are inevitable in the workplace. Discuss. (10 marks)
b) As a student of Industrial relations, how can you ensure that conflicts are handled effectively in order to avoid their dysfunctional effects? (10 marks)

Question 4:

a) Describe any 5 contemporary issues in the workplace today? (10 marks)
b) what strategies can organizations use to address contemporary employee issues at the workplace?? (10 marks)

Question 5:

a) Explain the effects of grievances on: (10 marks)
    i. Employees
    ii. Management
b) Describe the steps in the grievance handling procedure, and explain how effective grievance handling can contribute to a healthy work environment. (10 marks)

Question 6:

a) Drawing on your understanding of industrial relations and considering the unique socio-economic context of your country of origin, critically analyze the key challenges and opportunities facing labor relations in your country's

industrial sector. **(Please state the country that you're discussing about) (10 marks)**

b) Based on your analysis, propose recommendations for improving industrial relations practices and fostering a conducive environment for labor-management cooperation in your country. (10 marks)

Question 7:

a) Write short notes on any of the following:
   - Alternative Dispute Resolutions (5 marks)
   - Mediation (5 marks)
   - Conciliation (5 marks)
   - Arbitration (5 marks)

Question 8:

a) Briefly explain what you understand as a labor union in industrial relations? (3 marks)

b) How does collective bargaining, a key union activity, impact the relationship between employers and employees? (7 marks)

c) What are the main issues that labor unions typically negotiate for through collective bargaining? (10 marks)

Question 9:

a) Describe employee counselling and well programs (5 marks)

b) Write short notes on the following techniques used in Employee counseling:
   i. Cognitive therapy (5 marks)
   ii. Motivational theory (5 marks)
   iii. Positive Psychology (5 marks)

Question 10:

a) Industrial Conflict often manifests itself through activities undertaken by the work force when they protest against terms or conditions of their employment. These may fall into two categories; Employee manifestations and Management /employer manifestations. Outline and explain the forms that these manifestations may take in Industrial relations for both categories. (10 marks)

b) Explain the effects of Conflicts in Industrial relations. (10 marks)

Question 11:

a) What is a Grievance? (2 marks)

b) What do you understand by the grievance handling procedure? (3 marks)

c) Explain the key principles that should be undertaken for there to be a fair and effective grievance handling procedure? (15 marks)

Question 12:

a) What is the International Labor organization (ILO) and what is its primary mission? (5 marks)

b) Explain the ILO conventions that all member states must abide by fully. (15 marks)