



PAN AFRICA CHRISTIAN UNIVERSITY

BACHELORS OF BUSINESS

END OF TERM EXAMINATION

DEPARTMENT: BUSINESS

COURSE CODE: BUH 4313

COURSE TITLE: INDUSTRIAL PSYCHOLOGY

EXAM DATE: TUESDAY 28th JULY 2015

TIME: 1730HRS – 2030HRS

INSTRUCTIONS

- You are required to attempt any FIVE questions.
- All questions carry a total of 20 marks

QUESTION ONE

- (a) Motivation theory suggests that job satisfaction and performance can be improved by restructuring and enriching jobs to provide employees with more rewarding experiences. Discuss the job design principles you would apply in enriching a job of your choice **(10 Marks).**
- (b) Explain why stress levels might increase for workers in times of economic uncertainty **(2 Marks).**
- (c) Discuss how management should tackle stress in organizations in times of economic uncertainty. **(8 Marks).**

QUESTION TWO

- (a) Giving examples discuss the four stages in the process of group development. **(8 Marks).**
- (b) Explain factors that determine how a formal work group behaves **(12 Marks).**

QUESTION THREE

- (a) Describe five reasons why effective leadership is important **(10 Marks).**
- (b) Identify and explain five factors determining the level of reward **(10 Marks).**

QUESTION FOUR

- (a) Define personnel assessment **(2 Marks)**
- (b) Identify and explain five importance of effective assessment tests **(10 Marks)**
- (c) Identify and explain four personnel assessment tools **(8 Marks)**

QUESTION FIVE

- (a) Define appraisal **(2 marks).**
- (b) Identify and explain the five purposes and outcomes of performance appraisal **(10 Marks)**
- (c) Explain four methods of job appraisal **(8 Marks)**

QUESTION SIX

- (a) Identify and explain five importance of Job Analysis **(10 Marks).**
- (b) Explain five elements of emotional intelligence **(10 Marks).**

QUESTION SEVEN

- a) i. Define factor comparison method **(2Marks)**
- ii. Discuss the steps involved in factor comparison method **(8 Marks).**
- b. As a performance management expert you have been invited by a company to assist them conduct job evaluation and put effective systems for performance management. Explain to the manager in charge the Five principles of job evaluation **(10 Marks).**

Suggested Answers

(a) Look for principles such as :

- The need for job content to be reasonably demanding and yet provide variety
- The need to be able to learn on the job
- To have some measure of freedom in how the job is undertaken
- The need for some decision-making input so the worker has some control over timing/sequence/pace of activity

- The need for social/group support and recognition
- The value of self managing workgroups
- The value of multi skilling
- Sufficient challenge in the job to generate satisfaction

(b) Look for stress associated with a number of causes related to economic uncertainty (understood as either related to recessionary conditions or imminent change due to government policies or technology); work overload; excessive demands of work; fears of change/job insecurity; personal circumstances such as financial problems.

© Suggested management actions include:

- improving the work environment;
- regular and open discussion of the implications of the uncertainty;
- developing a management ethos that encourages listening to employee concerns;
- acting quickly on concerns by providing strong feedback as to how the uncertainty is to be handled;
- limiting the pressure from deadlines;
- providing training in time management;
- motivating staff to pull together in difficult circumstances

Question two

The stages are as follows:

- (a) 'Forming' – testing out behaviour and attitudes to establish ground rules/relationships;
- 'Storming' – conflicts/disagreements/challenges over ground rules/leadership/objectives;

‘Norming’ – compromise leading to established norms as roles and leadership clarified and inclusive group building takes place;

‘Performing’ – energy focussed to perform tasks and maintain group relationships.

Examples may include: Forming – initial mistrust/defensiveness giving way to mutual acceptance; Storming – emergence of deeper feelings/concerns which need resolution if group is to be effective; Performing – behaviour is positive and supportive leading to cohesiveness.

- (b) Size – the larger the group the less cohesive/ability to work together; Leadership style – behaviour distinctly different where democratic, laissez faire or autocratic; Group norms – reflect the attitudes, values and security of the group members and may limit pursuit of organisational goals; Motivation of group members – commitment to organisational goals is critical to behaviour/esprit de corps – behaviour affects each other; Other factors include cohesiveness, group roles, group tasks and the environment.

Question three

Importance - Leaders are change agents - Get the best out of people - Visualise what is best for the group/organisation - Secure commitment to goals and achieve objectives - Enable group members to perform their roles effectively - Adapt to changing situations in terms of style adopted - Are able to create a motivating climate for action **Factors determining the level of reward**

The job itself

This is the rate for the job, usually based on responsibility –complexity and impact of decisions-made, numbers of staff managed, size of budget, etc. –but also the knowledge, skills and experience required.

Individual characteristics

This will include the job holder's knowledge, skills, experience, qualifications, external contacts, level of performance, etc. It may also include age and even personal image.

External labour market

- Supply and demand and the going rate. The practice of offering "golden handshakes" – essentially financial inducements to come and work in a particular job or a particular location where it is hard to recruit qualified staff.

Internal labour market

This is the need to maintain pay differentials between different jobs in the organisation's hierarchy. It often pushes up middle and senior level reward, particularly in a highly hierarchical organisation.

Affordability

What the organisation can afford

Organisational philosophy

The organisation's policy in respect of staff in general (for non-financial benefits) and its attitude to remuneration as being a good, inter-quartile or bad payer.

History

Pay structures and the type of reward mix are often a reflection of the past or tradition. Note, too, jobs traditionally done by males tend to be more highly remunerated.

Question four

- (a) Describe and discuss personnel assessment tools

Job Knowledge

Job knowledge test Comprises of specific questions developed to determine how much the candidate knows about particular job tasks or responsibilities.

Work Sample

Work sample requires applicants to perform tasks/ activities that are identical or highly similar to tasks/activities performed on the job Scores are assigned by trained raters.

Writing Assessment

Ability Tests

Ability tests and personality questionnaires are proven methods for assessing critical qualities for job success, such as solving problems, communicating effectively, and being innovative and creative. It's for these reasons that employers use such tests widely.

Assessment Center

It consists of multiple assessments to evaluate small groups of applicants on a variety of job related competencies. They are designed to resemble actual challenges that will be found in the job. Applicant performance is observed and evaluated by multiple trained assessors.

Rating Schedule (Training & Experience)

Standardized system that ranks applicants on their education, experience, training information provided by applicants.

Situational Judgment Test (SJT)

Presents applicants with a description of a work problem or critical situation, and asks them to identify how they would deal with it (can be paper, computerized, or video based format).

Structured Interviews

In its simplest form, a structured interview involves one person asking another person a list of predetermined questions about a carefully-selected topic.

Cognitive Ability Test

Applicants are asked to solve questions to estimate their potential to use mental processes to solve job-related problems or acquire job knowledge

Personality Test

They are used to generate a profile of traits which can predict job performance or satisfaction with certain aspects of work.

(b) Discuss the importance of an effective assessment tool.

- Employees who possess the right competencies are more likely to contribute to an agency's success
- Increases the ability to accurately predict the relative success of each applicant on the job
- Results in hiring, placing, and promoting greater numbers of superior performers
- Results in reduced turnover
- Decreases the likelihood of a bad hire
- Results in enhanced job satisfaction for new hires and a more cohesive and effective work group
- Results in cost savings to the organization

Question six Importance of Job Analysis

1. Writing Job Descriptions

One of the written products of a job analysis is a job description—a brief, two- to five-page summary of the tasks and job requirements found in the job analysis.

2. Employee Selection

Employees can be selected when there is a clear understanding of the tasks performed and the competencies needed to perform those tasks. By identifying such requirements, it is possible to

select tests or develop interview questions that will determine whether a particular applicant possesses the necessary knowledge, skills, and abilities to carry out the requirements of the job. However, many non - job-related variables are often used to select employees. Examples are height requirements for police officers, firm handshakes for most jobs, and physical attractiveness for airline flight attendants.

3. Training

It is difficult to train employees unless the requirements of the job are known. Job analyses yield lists of job activities that can be systematically used to create training programs.

4. Person power Planning

Job analysis can be used to determine *worker mobility* within an organization. That is, if individuals are hired for a particular job, to what other jobs can they expect to eventually be promoted and become successful? Many organizations have a policy of promoting the person who performs the best in the job immediately below the one in question. Although this approach has its advantages, it can result in the so-called **Peter Principle**: promoting employees until they eventually reach their highest level of incompetence (Peter & Hull, 1969).

5. Performance Appraisal

Job analysis is also used in the construction of a performance appraisal instrument. As in employee selection, the evaluation of employee performance must be job related. Employees are often evaluated with forms that use such vague categories as “dependability,” “knowledge,” and “initiative.” The use of specific, job-related categories leads to more accurate performance appraisals that are better accepted not only by employees but also by the courts (Werner & Bolino, 1997).

In addition, when properly administered and utilized, job-related performance appraisals can serve as an excellent source of employee training and counseling.

6. Job Classification

Job analysis enables a human resources professional to classify jobs into groups based on similarities in requirements and duties. Job classification is useful for determining pay levels, transfers, and promotions.

7. Job Evaluation

Job analysis information can also be used to determine the worth of a job.

8. Job Design

Job analysis information can be used to determine the optimal way in which a job should be performed. That is, what would be the best way for an employee to sit at her computer or what would be the best way for a warehouse person to lift boxes? By analyzing a job, wasted and unsafe motions can be eliminated, resulting in higher productivity and reduced numbers of job injuries.

9. Compliance with Legal Guidelines

Any employment decision must be based on job-related information. One legally acceptable way to directly determine job relatedness is by job analysis. No law specifically requires a job analysis, but several important guidelines and court cases mandate job analysis for all practical purposes.

10. Organizational Analysis

During the course of their work, job analysts often become aware of certain problems within an organization. For example, during a job analysis interview, an employee may indicate that she does not know how she is evaluated or to whom she is supposed to report. The discovery of such lapses in organizational communication can then be used to correct problems and help an organization function better.

11. Writing a Good Job Description

A job description is a relatively short summary of a job and should be about two to five pages in length. This suggested length is not really typical of most job descriptions used in industry; they tend to be only one page. But for a job description to be of value, it must describe a job in

enough detail that decisions about activities such as selection and training can be made. Such decisions probably cannot be made if the description is only one page long.

Emotional Intelligence in Leadership

1. Self-awareness

If you're self-aware, you always know how you feel, and you know how your emotions and your actions can affect the people around you. Being self-aware when you're in a leadership position also means having a clear picture of your [strengths and weaknesses](#), and it means behaving with [humility](#) .

So, what can you do to improve your self-awareness?

- Keep a journal – Journals help you improve your self-awareness. If you spend just a few minutes each day writing down your thoughts, this can move you to a higher degree of self-awareness.
- Slow down – When you experience anger or other strong emotions, slow down to examine why. Remember, no matter what the situation, you can always choose how you react to it.

2. Self-regulation

Leaders who regulate themselves effectively rarely verbally attack others, make rushed or emotional decisions, stereotype people, or compromise their values. Self-regulation is all about staying in control.

This element of emotional intelligence, according to Goleman, also covers a leader's flexibility and commitment to personal accountability.

So, how can you improve your ability to self-regulate?

Know your values – Do you have a clear idea of where you absolutely will not compromise? Do you know what values are most important to you? Spend some time examining your "code of ethics." If you know what's most important to you, then you probably won't have to think twice when you face a moral or ethical decision – you'll make the right choice.

Hold yourself accountable – If you tend to blame others when something goes wrong, stop. Make a commitment to admit to your mistakes and to face the consequences, whatever they are. You'll probably sleep better at night, and you'll quickly earn the respect of those around you.

Practice being calm – The next time you're in a challenging situation, be very aware of how you act. Do you relieve your stress by shouting at someone else? Practice deep-breathing exercises to calm yourself. Also, try to write down all of the negative things you want to say, and then rip it up and throw it away. Expressing these emotions on paper (and not showing them to anyone!) is better than speaking them aloud to your team. What's more, this helps you challenge your reactions to ensure that they're fair!

3. Motivation

Self-motivated leaders work consistently toward their goals, and they have extremely high standards for the quality of their work.

How can you improve your motivation?

- **Re-examine why you're doing your job** – It's easy to forget what you really love about your career. So, take some time to remember why you wanted this job.
- **Know where you stand** – Determine how motivated you are to lead.

- **Be hopeful and find something good** – Motivated leaders are usually [optimistic](#), no matter what problems they face. Adopting this mindset might take practice, but it's well worth the effort.

Every time you face a challenge, or even a failure, try to find at least one good thing about the situation. It might be something small, like a new contact, or something with long-term effects, like an important lesson learned. But there's almost always something positive, if you look for it.

4. Empathy

For leaders, having empathy is critical to managing a successful team or organization. Leaders with empathy have the ability to put themselves in someone else's situation. They help develop the people on their team, challenge others who are acting unfairly, give constructive feedback, and listen to those who need it.

If you want to earn the respect and loyalty of your team, then show them you care by being empathic.

How can you improve your empathy?

- **Put yourself in someone else's position** – It's easy to support your own point of view. After all, it's yours! But take the time to look at situations from other people's perspectives.
- **Pay attention to body language** – Perhaps when you listen to someone, you cross your arms, move your feet back and forth, or bite your lip. This [body language](#) tells others how you really feel about a situation, and the message you're giving isn't positive! Learning to read body language can be a real asset in a leadership role, because you'll be better able to determine how someone truly feels. This gives you the opportunity to respond appropriately.
- **Respond to feelings** – You ask your assistant to work late – again. And although he agrees, you can hear the disappointment in his voice. So, respond by addressing his feelings. Tell him you appreciate how willing he is to work extra hours, and that you're

just as frustrated about working late. If possible, figure out a way for future late nights to be less of an issue (for example, give him Monday mornings off).

5. Social skills

Leaders who do well in the social skills element of emotional intelligence are great communicators. They're just as open to hearing bad news as good news, and they're expert at getting their team to support them and be excited about a new mission or project.

Leaders who have good social skills are also good at managing change and resolving conflicts diplomatically. They're rarely satisfied with leaving things as they are, but they don't sit back and make everyone else do the work: They set an example with their own behavior.

So, how can you build social skills?

Learn conflict resolution – Leaders must know how to resolve conflicts between their team members, customers, or vendors. Learning conflict resolution skills is vital if you want to succeed.

Improve your communication skills – How well do you communicate? Our communication quiz will help you answer this question, and it will give useful feedback on what you can do to improve.

Learn how to praise others – As a leader, you can inspire the loyalty of your team simply by giving praise when it's earned. Learning how to praise others is a fine art, but well worth the effort.

Question seven

Principles of Job Evaluation

- Rate the job but not the employee
- Elements/ tasks selected should be easily understood, defined clearly and properly selected
- Employee concerned and supervisor should be educated and concerned about the programme.

- Supervisors should be encouraged to participate in the rating of the job
- Encourage employee cooperation to participate in the rating programme.
- Concensus with the supervisors and the employee on rating
- Should be a collective effort, chance for equal representation from all departments

1. Factor Comparison Method

Under this method, instead of ranking complete jobs, each job is ranked according to a series of factors. These factors include mental effort, physical effort, skill needed, responsibility, working conditions etc.

Pay will be assigned in this method by comparing the weights of factors required for each job. Wages are assigned to the job in comparison to its ranking on each job factor. This is the most popular technique. Jobs are broken down into standard factors (knowledge, skill, effort, etc.) and each element is weighted in respect of its importance to the job.

A score is given for each factor and the total points for the job determines its position in the hierarchy and the pay levels associated with it. Although it is the most complex of the JE techniques, this is the one generally regarded as producing the fairest results.

Steps in Factor Comparison Method

- Select key jobs (say 15 to 20), representing wage/salary levels across the organisation.
- The selected jobs must represent as many departments as possible.
- Find the factors in terms of which the jobs are evaluated (such as skill, mental effort, responsibility, physical effort etc.)
- Rank the selected jobs under each factor (by each and every member of the job evaluation committee) independently.
- Assign money value to each level of each factor (example: consider problem solving is one of the factor, what level of problem solving is required {basic, intermediate or advance}) and determine the wage rates for each key job.
- The wage rate for a job is apportioned

