



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF COMMERCE, HUMAN SCIENCE AND EDUCATION
DEPARTMENT OF GOVERNANCE & MANAGEMENT SCIENCES**

QUALIFICATION: BACHELOR OF HUMAN RESOURCES MANAGEMENT	
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DURATION: 3 HOURS	MARKS: 100

OSM SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
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INSTRUCTIONS
1. The paper consists of Sections A, B, and C. Answer ALL the questions. 2. Write clearly and neatly. 3. Number the answers clearly.

PERMISSIBLE MATERIALS

1. Examination paper.
2. Examination script.

THIS QUESTION PAPER CONSISTS OF 7 PAGES (Including this front page)

SECTION A

(20 marks)

Question 1 (Each multiple-choice question carries one (1) mark)

Choose the correct answer to the questions that follow by indicating only the applicable letter (i.e., a, b, c, d, or e) in your answer book.

- 1.1 All contingency theories are based on the idea that effective leadership performance depends on _____.
- a) the proper match between the leader's style and the control the situation gives the leader
 - b) selecting the right leadership style based on the level of the followers' readiness
 - c) using a leadership style that is appropriate to the situational conditions
 - d) making use of the best path for the goal that is identified
 - e) none of the above
- 1.2 Fiedler labels the degree of confidence, trust, and respect that subordinates have in their leader as _____.
- a) leader-member relations
 - b) relationship orientation
 - c) positional power
 - d) employee-orientation
 - e) none of the above
- 1.3 Unlike leadership research, research on power tends to focus on _____.
- a) individual styles in using power
 - b) strategies for goal attainment
 - c) tactics for gaining compliance
 - d) the administration of rewards
 - e) the effective use of threats

- 1.4 Celebrities are paid millions of dollars to endorse products in commercials because the advertisers believe the celebrities have _____ power.
- a) personal
 - b) referent
 - c) expert
 - d) legitimate
 - e) star
- 1.5 Which of the following is not one of the problems that occurs when conflict is encouraged?
- a) increased group viability
 - b) time lost on the job
 - c) lingering hurt feelings
 - d) increased employee stress
 - e) reductions in cooperation
- 1.6 High job specialization can lead to _____ conflict.
- a) communication
 - b) structural
 - c) personal-variable
 - d) job-related
 - e) team
- 1.7 Aeronautics Inc., a parts supplier, has departments for government aircraft and contracts, large commercial aircraft clients, and small personal aircraft clients. This is an example of _____ departmentalization.
- a) product
 - b) function
 - c) geography
 - d) customer
 - e) service

- 1.8 If a job is highly formalized, it would not include which of the following?
- a) clearly defined procedures on work processes
 - b) explicit job description
 - c) high employee job discretion
 - d) many organizational rules
 - e) a consistent and uniform output
- 1.9 _____ orientation is the characteristic of organizational culture that addresses the degree to which management decisions take into consideration the effect of outcomes on people within the organization.
- a) Humanistic
 - b) Community
 - c) Team
 - d) People
 - e) Relationship
- 1.10 The unanimity of a strong culture contributes to all of the following except _____.
- a) cohesiveness
 - b) loyalty
 - c) higher product quality
 - d) organizational commitment
 - e) close ties between workers within the organization

Question 2

True or False (Each question carries one (1) mark)

- 2.1 The effect of scarcity on dependency can be observed in the supply/demand relationships that exist regarding personnel within various industries.

- 2.2 Because of the coalition factor, the expert power of an individual within an organization is strengthened when another individual with the same job-related knowledge and skills is hired by the organization.
- 2,3 One assumption of the trait view of leadership is that leaders cannot be trained.
- 2.4 Studies regarding the Fiedler model have shown that respondents' questionnaire scores tend to be relatively stable.
- 2.5 If the aspiration ranges of two parties overlap, then a settlement range for the conflict exists.
- 2.6 Autonomy and formalization are positively related.
- 2.7 Organizations operating in highly scarce, dynamic, and complex environments fare best if under organic structures.
- 2.8 An organization pursues a price-minimization strategy by controlling costs, avoiding unnecessary innovation or marketing expenses, and cutting prices in selling basic products.
- 2.9 Intergroup development seeks to change attitudes, stereotypes, and perceptions that groups have of each other.
- 2,10 Experience on the job tends to be positively related to work stress.

Question 3**Case Incident 2****Fairness and Human Resources Management: What do your Employees want?**

The financial sector is the third largest sector in the Australian economy, and the banking industry accounts for more than half of the financial sector. Financial services organizations depend on their employees to deliver superior customer service and to maintain successful customer relationships. Treating employees fairly may lead to the operational success of financial services organizations. Fair treatment also communicates that organizations are committed to their employees. Employees assess their work experiences in terms of whether organizations show concern for them as individuals and provide fair treatment. When employees perceive that human resources management (HRM) decisions and procedures are fair and satisfactory, they can be expected to repay the organization by forming positive attitudes toward it.

Twenty-nine senior, middle, and lower-level managers from one Australian bank in South Australia were interviewed. All interviewees had direct involvement with HRM practices in the banking organization. Interviewees were asked to name those HRM practices in which fairness would be most important. Options included HR planning, recruiting, selection, compensation, promotion/career development, performance management, and employee relations. The findings indicated that interviewees perceived fairness to be most important in three main HRM areas: compensation (44.8 percent), performance management (27.6 percent), and promotion/career development (27.6 percent).

Compensation and performance management are areas where fairness is most important because these two are linked together. I suppose it is about what you do and how you get rewarded. I think that's where fairness becomes important—how you reward your people. Performance management goes hand in hand with compensation and benefits.

Interviewees claimed that compensation needed to be fair and transparent because employees perceived that if they were exerting as much effort as others but getting fewer rewards, they became de-motivated, and their performance declined. Employees expect fair remuneration. It helps them to work better if their organization compensates them according to their contributions and acknowledges them. Moreover, employees with different needs accordingly should be given different benefits.

Interviewees also considered fairness in performance management important as it affected their opportunities for career development and for bonus payments. Performance management, however, has the potential to be subjective because it deals with judgments. For instance, when a superior who acts as an appraiser or reviewer does not believe or does not get along with staff, it may somehow affect employees'

performance because their performance is based on relationships with their superior. If employees do not get on well with the superior, they are unlikely to receive a good report. Interviewees also perceived that fairness in promotion/ career development was important so that employees have goals to work toward and equal chances for promotion. For instance, job candidates must be treated with fairness relative to every other candidate, so everyone goes through the same testing procedures, interview procedures, and screening. Each employee expects equal opportunity to progress on his or her career path and to be rewarded for what he or she does.

The interview illustrates how perception of fairness is important in the distribution of HRM practices such as compensation, performance evaluations, and promotion/career development. There is clear evidence that bank employees place emphasis on the issue of fairness in these areas.

Questions

- 3.1 What is the link between fairness and HRM? (7)
- 3.2 If you were the HR manager, could you explain why Australian bank employees chose compensation and benefits, performance management, and career development as their most important HRM practices? (6)

Section C

(67)

Question 4

- 4.1 Explain how the grapevine functions and why it exists in organizational communication. (10)
- 4.2 Explain the leader-member exchange theory. (14)
- 4.3 Discuss the behaviors to be expected from people who exhibit each of the five primary conflict-handling intentions. (12)
- 4.4 What is a virtual organization? What elements of organizational structure are important to create and sustain a successful virtual organization? Explain your answer. (12)
- 4.5 Discuss the difference between strong and weak organizational cultures. (9)
- 4.6 Describe three of the seven tactics that change agents can use when dealing with resistance to change. Mention the advantages and drawbacks of each one. (10)