

UGANDA MARTYRS UNIVERSITY, LUBAGA, MASAKA AND MBALE  
CAMPUSES

FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT

DEPARTMENT OF MANAGEMENT SCIENCE &  
ENTREPRENEURSHIP

MBA PT II

SEMESTER TWO 2023/2024

COURSE UNIT: INDUSTRIAL RELATIONS MANAGEMENT

CODE: MBA7225

DATE: 7<sup>TH</sup> OCTOBER, 2023

TIME: 3 HOURS

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***Instructions:***

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- Carefully read through ALL the questions before attempting
- Answer Four questions
- Question One is compulsory
- Illustrate your answers with relevant examples
- Relevant examples will earn you marks
- Write legibly.
- **Don't write anything on the question paper.**

### **Question One COMPULSORY (40 MARKS)**

#### **Read the case below and answer as required**

V.J. Textiles is a leading industry having a workforce of more than 1200 employees, engaged in the manufacture of cotton yarn of different counts. The company has a well-established distribution network in different parts of the country. It has modernized all its plants, with a view to improve the productivity and maintain quality. To maintain good human relations in the plants and the organisation as a whole, it has extended all possible facilities to the employees. Compared to other mills, the employees of V.J. Industries are enjoying higher wages and other benefits.

The company has a chief executive, followed by executive's in-charge of different functional areas. The Industrial Relations Department is headed by the Industrial Relations Manager. The employees are represented by five trade unions - A, B, C, D and E (unions are alphabetically presented based on membership) - out of which the top three unions are recognised by the management for purposes of negotiations. All the unions have maintained good relations with the management' individually and collectively.

For the past ten years, the company has been distributing bonus to the workers at rates more than the statutory minimum prescribed under the Bonus Act. Last year, for declaration of rate of bonus, the management had a series of discussions with all recognised unions and finally announced a bonus, which was in turn agreed upon by all the recognised unions. The very next day when the management prepared the settlement and presented it before the union representatives, while Unions A and C signed the same, the leader of Union B refused to do so and walked out, stating that the rate of bonus declared was not sufficient. The next day, Union B issued a strike notice to the management asking for higher bonus. The management tried its level best to avoid the unpleasant situation, but in vain. As a result, the members of Union B went on strike. They were joined by the members of Union D.

During the strike, the management could probe the reason for the deviant behaviour of Union B leader; it was found that leader of Union A, soon after the first meeting, had stated in the presence of a group of workers, "It is because of me that the management has agreed to declare

this much amount of bonus to the employees. Union B has miserably failed in its talks with the management for want of initiative and involvement".

This observation somehow reached the leader of Union B as a result of which he felt insulted. Soon after identifying the reason for Union B's strike call the Industrial Relations Manager brought about a compromise between the leaders of Unions A and B. Immediately after this meeting the striker's members of Unions B and D resumed work and the settlement was signed for the same rate of bonus as was originally agreed upon.

**Question One is Compulsory and carry 40 marks**

- (a) Identify the industrial relation issues raised in the case above (5 marks)
- (b) Was the leader of Union A justified in making remarks which made the leader of Union B feel offended? Justify your answer (5 marks)
- (c) What should be management's long term strategy for avoiding recurrence of inter-union differences on such issues? (15 marks)
- (d) If you were the Industrial Relations Manager what would you have done had the Union B resorted to strike for a reason other than that mentioned in the case. (15 marks)

**Question Two**

**Read the case below and provide employees with rules for picketing (20 marks)**

Strike action ultimately commenced on 16 November 2018. From the outset, there were a number of material violations of the picketing rules, and unlawful conduct on the part of the striking employees. This conduct then formed the basis of an urgent application that same afternoon before Van Niekerk J, who granted an order in terms of which the current respondents were ordered to comply with the picketing rules, and were interdicted and restrained from perpetrating acts of violence and intimidation, unlawful conduct, wielding weapons, blockading premises, and unduly interfering with the operations of the applicant.

**Question Three**

Differentiate between a **grievance procedure** and **disciplinary procedure** by:

- (a) Outlining the process for handling grievances. (10 marks)

(b) Providing the guiding principles in the Code of Good Practice of the disciplinary procedure.

(10 marks)

#### **Question Four**

Explain the concept of **collective bargaining** and discuss the emerging issues of collective bargaining in the context of Uganda. (20 marks)

#### **Question Five**

(a) Discuss the nature and causes of indiscipline in organisations. (10 marks)

(b) By referring to the employment Act of 2006 under the disciplinary code, use examples to justify the disciplinary rules organisations must adhere to while handling disciplinary matters in organisations in order to maintain industry harmony? (10 marks)

#### **Question Six**

Write short notes on the following using relevant examples, feel free to quote some laws related to the concepts: (4 marks @)

- (a) Voluntary arbitration
- (b) Forms of industrial democracy
- (c) Management prerogative
- (d) Unitary theory of industrial relations
- (e) Distributive bargaining

END