



University of Kelaniya - Sri Lanka

Centre for Distance and Continuing Education

Faculty of Commerce & Management Studies

Bachelor of Business Management (General) Degree First Examination (External) – 2022

April - 2024

BMGT E 1015 - Principles of Management

No. of Questions: Eight (08)

Time: 03 hours

Answer five (05) questions **including question No. 01.**

Answering for question no: 01 is compulsory.

Question No. 01

Read the bellow mentioned hypothetical case and answer the questions asked there after:

'Mukesh's Dilemma'

'Mukesh, the Managing director (MD) of a company with 100 employees, has hired you as a consultant to focus on ongoing business issues that are arising from the negative impacts of the economic downturn, although the country has been recovering from its critical shortages. As the consultant, you found out that the company had forecasted an overall revenue drop of 20 percent over a period of one year since the beginning of this year due to the impact of the bad economic conditions. Further, 20 employees were identified to resign from the company during this period. The company had also predicted that the costs of welfare were also to increase by 15 percent. You further identified that the company had planned to cut some incentives entirely and to reduce full-time work by 50 percent, replacing them with contract basis employment.

With this information, having investigated the records and situations properly, you as a consultant identified that the company's forecasts and plans were known to the employees from the beginning. Further, the revenue declined by 35 percent during the last ten months' period and 55 employees had left the company. Further, the company's actual welfare cost had risen by 20 percent. You as the consultant further found out that decisions to cut down incentives and ask employees to work on a contract basis have greatly affected both employees' retention and the company's sales.

It is revealed further that the company's predictions have not been based on proper evidence and the actions were taken mainly based on the MD's biases and a few other senior managers' predictions.

The MD had left high school in the middle of his education but had been well-groomed with much experience in the business field from bottom to top in the various businesses. The senior managers recruited for finance, marketing, HR and production also have experience in their fields, but have not achieved higher studies. The recently left employees are mainly the newly recruited executives and managers who have obtained their first degrees and few of them are having master's degrees as well.

Though, you had initially discovered above mentioned information, still you have no idea to correctly figure out what the company's real problem is and what solutions to be given.

You are asked to answer the given questions below:

- a) Considering the consequences, described in the case, identify what problem/s the company currently faces.
(08 Marks)
- b) What is the root problem that have created the problem/s that you identified in question 'a' above? Justify your answer.
(10 Marks)
- c) As the consultant of the company, explain how you would advise the company to resolve the identified root problem in the company (use any assumption if any).
(10 Marks)

(Total 28 Marks)

Question No. 02

- a) Provide a classification for organizational environment by highlighting at least two items in each environmental segment, using an example.
(06 Marks)
- b) Explain SWOT analysis using an example to show at least three (03) of; strengths, weaknesses, opportunities, and threats of a selected organization.
(12 Marks)
- (Total 18 Marks)**

Question No. 03

- a) Why does planning become the heart of the management? Explain with examples.
(09 Marks)
- b) Explain the planning and controlling process using an example.
(09 Marks)
- (Total 18 Marks)**

Question No. 04

- a) Describe the meaning of the term 'organizing' as a management function.
(03 Marks)
- b) What is the importance of a proper organizing process in management?
(05 Marks)
- c) Explain the organizing process highlighting its main stages.
(10 Marks)
- (Total 18 Marks)**

Question No. 05

- a) List down any four Schools of Thoughts in Management.
(04 Marks)
- b) Briefly explain the purpose of studying the Management Schools of Thought.
(06 Marks)

- c) Explain the following Schools of Thought in Management under the three criteria contributors, contributions they have made, and practical applications.

- i. Classical Management
- ii. Neo-classical Management
- iii. Modern Management

(08 Marks)

(Total 18 Marks)

Question No. 06

- a) Compare and contrast formal groups and informal groups within organizations.

(04 Marks)

- b) Briefly explain why certain groups outperform other groups.

(06 Marks)

- c) Discuss the stages of group development as proposed by Bruce Tuckman, explaining the characteristics and dynamics of each stage and how they contribute to the overall development of groups.

(08 Marks)

(Total 18 Marks)

Question No. 07

- a) Differentiate between leadership and management.

(04 Marks)

- b) Do you agree with the statement that "Great Leaders are born, not made"? Discuss.

(06 Marks)

- c) Compare and contrast transformational leadership and transactional leadership and provide examples of situations where each style might be most effective.

(08 Marks)

(Total 18 Marks)

Question No. 08

a) Mention four different types of nonverbal communication.

(04 Marks)

b) Briefly explain the significance of effective communication in the context of management.

(06 Marks)

c) Discussing the challenges associated with cross-cultural communication in management, explain how managers can navigate cultural differences to ensure effective communication in diverse work environments.

(08 Marks)

(Total 18 Marks)