



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) – 2015

September - 2020

BMGT E 1015 - Principles of Management

No. of Questions: 08

Time: 03 hours

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

Answering for question no: 01 is **compulsory.**

Question No: 01

Read the below mentioned case and answer the questions asked thereafter.

Health-Time

Mr. Vikum Samaranayake was the manager at 'Health-Time', a small but popular fitness Centre in Negombo. Health-Time had found a niche in the local market, providing high-quality aerobics classes. The instructors at Health-Time were superior to those at other facilities around the town. By offering more than 70 aerobics classes per week, Health-Time attracted members who wanted a variety of classes at all times of the day. The Health-Time facility also included exercise bikes, stair climbers, treadmills and a small weight room.

Mr. Vikum had recently taken over as manager after working at Health-Time for five years as an aerobics instructor. Mr. Vikum's classes were popular, and he was justifiably proud of the aerobics program and his part in making it a success. When he took the job as manager, however, Health-Time was not in good shape financially. Membership was dropping slightly, and labour costs were way too high. In his first month as manager, Mr. Vikum worked to streamline the staff by removing the positions of assistant manager and weight room supervisor. Though there was unavoidable unhappiness surrounding these changes, Mr. Vikum was pleased that he had reduced the management staff to himself.

After a short month as manager, Mr. Vikum turned his second attention to the two receptionists and five aerobics instructors. He had noticed that many receptionists and aerobics instructors did not take their jobs as seriously as he would like. The receptionists spent more time chatting with members than on special job tasks such as checking people in, writing receipts and answering phones. The aerobics instructors often ran into their other classes in Negombo.

Almost all of the reception staff and aerobics instructors were students at the local universities. Receptionists were paid the minimum wage and aerobics instructors were paid about Rs. 3500 per two hours class taught. Mr. Vikum decided to hold a meeting to let the aerobics and reception staff know what he expected. He knew that his loyalty now had to be with the financial success of Health-Time.

At the meeting, Mr. Vikum told the instructors and receptionists that they all had to pull together for the good of Health-Time. To promote a family feeling, he provide them all with sweatshirts displaying the Health-Time logo. He then explained why he thought they should shape up and change their behaviors on the job. There'll be no more idle chatter on the job, and every instructor will be prepared for class at least 15 minutes ahead of time. All changes in the schedule will go through me. Further, he highlighted that when this club is as successful as it can be, you'll feel proud to be a part of this place and what we've accomplished together"

Three weeks later, Mr. Vikum was confused. One of his receptionists had quit, telling him that they could earn minimum wage elsewhere. Three aerobics instructors had decided to start teaching

at another Fitness center located in Seeduwa. Although the remaining staff members were now following his rules regarding job behavior and scheduling, morale seemed to be at an all-time low. “You know, I just can’t understand these people”, Mr. Vikum complained to a friend. “We’ve got a great thing going with Health-Time. We’re the best aerobics program in town, and they should feel proud to be a part of it. But these people just don’t seem to care. And when I talk to them about the problem, it only gets worse. I even gave them sweatshirts to get them motivated, but they quit. What should I do now? ”

This case adopted from <https://www.enotes.com/homework-help/read-case-study-below-answer-case-study-questions-469241>)

Case Questions:

- a) Would you accept Mr. Vikum’s decisions? If yes, why? If No, Why you are not accepting his series of decisions.
(07 Marks)
 - b) What are the problems that this center faces currently?
(07 Marks)
 - c) What could be the root cause/s for emerging the identified problems in question (b) ?
(07 Marks)
 - d) What solutions would you recommend to Mr. Vikum to deal with these problems?
(07 Marks)
- (Total 28 Marks)**

Question No: 02

- a) “Managers only need technical skills in performing their tasks”. Do you agree with this statement? Justify your answer.
(08 Marks)
 - b) Briefly mentioned Mintzberg’s Managerial Roles and their pertinent sub roles.
(10 Marks)
- (Total 18 Marks)**

Question No: 03

- a) Present a classification of “organizational environment” using an example.
(06 Marks)

- b) Explain “SWOT” analysis using an example to show at least three of strengths, weaknesses, opportunities, and threats of a selected organization.

(12 Marks)

(Total 18 Marks)

Question No: 04

- a) What is planning?

(04 Marks)

- b) What is the importance of planning?

(05 Marks)

- c) Explain the planning process, using an example.

(09 Marks)

(Total 18 Marks)

Question No: 05

- a) What is controlling?

(04 Marks)

- b) What is the importance of controlling?

(05 Marks)

- c) Explain the controlling process using an example.

(09 Marks)

(Total 18 Marks)

Question No: 06

‘Organizing is a management function that involves arranging and structuring work to accomplish the organizational goals and objectives’.

- a) State three objectives of ‘Organizing’ function.

(03 Marks)

- b) State whether you agree or not with each below statement and justify your answer briefly.

- I. ‘Organizing function starts once employees are appointed to several departments and delegate authority for them to carry out their activities.
- II. The nature of departmentalization will be determined only considering competition existing in the industry.

- II. The nature of departmentalization will be determined only considering competition existing in the industry.
- III. Expert power is much more sufficient for head of each department to do his duties with his subordinates.
- IV. Narrow span of control can be recommended when organization operates in a fast changing dynamic work environment.
- V. Chain of command and unity of command are two different concepts in organizing function.

(3 × 5 = 15 Marks)

(Total 18 Marks)

Question No: 07

- a) List three characteristics of a leader and a manager separately.
(03 Marks)
- b) 'Trait theory is much more appropriate than Fiedler's Situational theory in 21st century'. Do you agree with this statement? Explain.
(07 Marks)
- c) Differentiate charismatic leadership style with Transformational leadership style using national or international leaders' examples.
(08 Marks)

(Total 18 Marks)

Question No: 08

- a) What is the main objective of communication in organizations?
(02 Marks)
- b) List three objectives of internal communication.
(03 Marks)
- c) State three advantages of upward communication.
(03 Marks)
- d) 'Electronic communication is much more appropriate than written communication for the organizations those are operating in fast changing work environment'. Explain this statement with examples.
(10 Marks)

(Total 18 Marks)

