



Faculty of Management and Social Sciences
 Department of Management and Business Studies
 BMgt Hons in Human Resource Management/Business Administration
 Course CODE: BMgt 559/BMgt 558



Year 2 Semester II
 SEMESTER END EXAMINATION
 Managerial Soft Skills-MGHR/MGBM 2318

- This paper consists of EIGHT (08) questions on THREE (03) pages.
- Answer FIVE (05) Questions including Question No: 01.
- You may use appropriate graphs, diagrams, equation/s to prove or justify the answers.
- If you have any doubt as to the interpretation of the wording of a question, make your own decision, but clearly state it on the script.
- Write legibly.

Date: 2022.09.21

Pass mark: 40%

Time: 03 Hours

Question 01 (Compulsory)

A single glance at a person's face is enough to form a first impression. Research shows that it takes between just 33-100 milliseconds for someone to form judgments about your character. It is said that the impression you create may affect future job opportunities, collaborations or other important matters.

- How important is it to create a good first impression? (04 Marks)
- Briefly explain the factors affecting a good first impression. (06 Marks)
- Discuss the importance of rapport building in professional life. (10 Marks)

Question 02

- What is self-awareness? (04 Marks)
- Briefly explain the two types of self-awareness (04 Marks)
- Identify 6 tips to develop self-awareness. (06 Marks)
- Self-awareness is all about observing. What are your opinions? (06 Marks)



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Question 03

Table manners are the socially accepted way of eating food, and they are important in making a good impression.

- a. Identify 5 common table manners that are essential when eating out at a restaurant. (05 Marks)
- b. Explain the napkin etiquette during the stages of before eating, while eating and after eating. (05 Marks)
- c. Name the 4 steps of wine tasting and briefly explain each step. (05 Marks)
- d. Explain briefly the American style and the Continental style of using fork and knife. (05 Marks)

Question 04

Write short notes on the following.

- a. Importance of self-esteem
- b. Common errors in business dressing
- c. Causes of anger
- d. Ways to handle stress (20 Marks)

Question 05

- a. Define Positive thinking. (04 marks)
- b. Briefly explain the benefits of positive thinking. (06 marks)
- c. "Building a fulfilling life is about mastering your emotions, both positive and negative." Support this statement with your own views. (10 marks)



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Question 06

Stress is a feeling of being overwhelmed and the inability to cope with mental and emotional pressure. Long-term prevalence of stress can be extremely harmful for your health. So, explain how we can manage stress using the "4As" of stress management using real-life examples. (20 Marks)

Question 07

Anger can sometimes lead people to aggressive or violent behavior while extreme anger can cause death to one's life. Discuss the different manners of anger management strategies we can implement on ourselves. (20 Marks)

Question 08

"Success is not the key to happiness; happiness is the key to success." Do you agree with this statement? If yes or no, support your answer with relevant examples. (20 Marks)

-----END OF THE QUESTION PAPER-----



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Year 2 Semester II

SEMESTER END EXAMINATION

Managerial Economics – MGHR2415/MGBM2415

- This paper consists of EIGHT (08) questions on ELEVEN (11) pages.
- Answer FIVE (05) questions including question 01.
- Only Non-programmable calculators are allowed.
- You may use appropriate graphs, diagrams, equation/s to prove or justify the answers.
- If you have any doubt as to the interpretation of the wording of a question, make your own decision, but clearly state it on the script.
- Write legibly.

Date: 2022.09.19

Pass mark: 40%

Time: 03 Hours

Question 01 (Compulsory)

Multiple Choice

For each question there are four possible answers A, B, C and D. Choose the one you consider correct and record your choice in the given sheet.

Each correct answer will score 2.0 marks. A mark will not be deducted for a wrong answer.

1. Which of the following is the best definition of managerial economics? Managerial economics is,
 - a) A field that applies economic theory and the tools of decision science
 - b) A distinct field of economic theory
 - c) A field that combines economic theory and mathematics
 - d) None of the above



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2. Which of the following areas of economic theory is the single most important element of managerial economics?
 - a) Microeconomics
 - b) Econometrics
 - c) Macroeconomics
 - d) Mathematical economics

3. Management decision problems are comprised of three elements. Which of the following is not one of them?
 - a) Profitability
 - b) Alternatives
 - c) Constraints
 - d) Objectives

4. Firms do not continue to grow without limit because of
 - a) Managerial limitations
 - b) Government regulation
 - c) Income taxes
 - d) Antitrust laws



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5. The modern theory of the firm holds that firms behave in a way that is designed to maximize,
- a) The value of the firm
 - b) Profit
 - c) Monopoly power
 - d) Total revenue
6. Which of the following functional areas of business has primary responsibility for a firm's total revenue?
- a) Accounting
 - b) Marketing
 - c) Finance
 - d) Personnel
7. Which of the following is an example of a resource constraint?
- a) Pollution control laws
 - b) Inadequate financial capital
 - c) Inadequate demand
 - d) Excessive production costs



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8. The economic term for the costs associated with negotiating and enforcing a contract is,
- a) Opportunity costs
 - b) Transaction costs
 - c) Real costs
 - d) Functional costs
9. The tendency for managers to operate a firm in a way that maximizes their personal utility rather than the firm's profits is referred to as the,
- a) Consumer utility incentive
 - b) Principal-agent problem
 - c) Hidden agenda scenario
 - d) Modigliani hypothesis
10. By tying a manager's compensation to the performance of the firm relative to that of its competitors, corporate stockholders and directors create incentives that tend to resolve the,
- a) Possibility of bankruptcy
 - b) Principal-agent problem
 - c) Hidden agenda scenario
 - d) Firm's opportunity costs



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11. The globalization of business is reflected in all of the following except,
- a) the international convergence of consumer tastes
 - b) the emphasis on global marketing-management training
 - c) the increase in barriers to international trade
 - d) increasing domestic competition from foreign producers
12. Which of the following is not a result of the spread of information technology?
- a) More rapid deliveries of products to consumers
 - b) Reduced inventories
 - c) Reduced productivity of workers
 - d) Reduced need for middle management
13. Implicit cost is equal to,
- a) Business profit plus economic profit
 - b) Economic profit minus business profit
 - c) Business profit minus economic profit
 - d) Economic profit minus explicit cost
14. What social function is served by profits in a free-enterprise system?
- a) Taxes on profits support government programs
 - b) Profits allow individuals to accumulate wealth and engage in capital investment
 - c) They provide an incentive for the reallocation of resources
 - d) Profits result in higher levels of employment



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15. Business ethics refers to any behavior by businesses that may,
- a) Be illegal
 - b) Result in the maximization of profits
 - c) Violate social or moral standards
 - d) All of the above
16. Which of the following is NOT a financial objective of pricing?
- a) Return on Investment
 - b) Profit Maximization
 - c) Sales Maximization
 - d) Corporate growth
17. Which of the following pricing strategies is NOT ideal for new products?
- a) Market-Skimming
 - b) Promotional Pricing
 - c) None of these
 - d) Discriminatory Pricing



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18. What is Price Skimming?

- a) Setting a low price to "skim off" a large number of consumers
- b) Setting a high price which consumers perceive as indicating high quality
- c) Setting low price to attract the bulk of customers
- d) Setting an initially-high price which falls as competitors enter the market

19. Setting a price below that of the competition is called:

- a) Competitive pricing
- b) Skimming
- c) Price Limiting
- d) Penetration pricing

20. A cost which does not vary no matter how much is produced is called:

- a) Marginal cost
- b) Basic cost
- c) Variable Cost
- d) Fixed cost



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Question: 02

Students have to consider the opportunity cost of going to university. University graduates usually earn more income than those who have not gone to university. Having more graduates influences a country's production possibility curve. Some economists suggest that students should pay the full cost of their university courses and accommodation. Others say that the government should pay some or all of the cost.

- (a) Describe a possible opportunity cost of a student going to university. (04 Marks)
- (b) Explain why University graduates usually earn more than those who have not gone to university. (04 Marks)
- (c) Using a production possibility curve diagram, analyses what effect an increase in the number of graduates will have on an economy. (06 Marks)
- (d) Discuss whether graduates should pay the full cost of their university education. (06 Marks)

Question: 03

Despite more cars being sold, world demand for bicycles is increasing. It has been estimated that the world price elasticity of demand for bicycles is -0.18 but this does vary between countries. The indirect taxes imposed on bicycles also differ between countries.

- (a) Briefly explain the term of 'Demand'. (03 Marks)
- (b) Briefly explain the Price Elasticity of Demand with aid of an example (04 Marks)
- (c) Explain three likely causes of an increase in demand for bicycles. (06 Marks)
- (d) Discuss whether a government should impose indirect taxes only on products with inelastic demand. (07 Marks)



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Question: 04

Consider the following Demand and Supply equations of a commodity in the market.

$$Q_{dx} = 400 - 4P_x$$

$$Q_s = -50 + 5P_x$$

- (a) Find the equilibrium Price and the Quantity. (04 Marks)
- (b) Illustrate the demand and supply curves in a diagram with the help of demand and supply schedules. (06 Marks)
- (c) Find the excess demand and excess supply at the price of 30 and 80 (04 Marks)
- (d) Find the Consumer Surplus and Producer Surplus. (04 Marks)
- (e) Briefly Explain the Maximum Price Control Method (02 Marks)

Question: 05

China is usually ranked as one of the best countries in which to do business. It was a closed economy a few decades ago. In the recent past, it has a history of strong entrepreneurship, low unemployment, low average costs and relatively low tax rates. Its example may encourage other countries to remove trade restrictions.

- (a) Define the Marginal Costs of a production firm. (03 Marks)
- (b) Identify four characteristics of closed economy. (04 Marks)
- (c) Explain the stages of productions in economic production (06 Marks)
- (d) Analyze how the market for a product would be affected by an increase of the tax on the product combined with a hike in the price of a complement. (07 Marks)



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Question: 06

- (a) Identify the characteristics of a Monopoly Market. (04 Marks)
- (b) Explain the "Super Normal Profits" in the Monopoly market with aid of a diagram. (06 Marks)
- (c) Explain the Law of Diminishing Marginal Utility with the aid of a diagram (05 Marks)
- (d) Copy the following table and fill the blanks. Illustrate the Total Cost and Total Revenue curves in a diagram and find the Break-Even Point. (05 Marks)

No of Workers	TP	MPL	TFC	TVC	TC	MC	TR	MR	PROFIT
0	0	0	70	0	70	0	0	2	-70
1	14	14	70	46	116	3.29	28	2	-88
2	42	28	70	92	162	1.64	84	2	-78
3	75		70	138			150	2	
4	112		70	184			224	2	
5	150		70	230			300	2	

Question: 07

- (a) Explain the difference between Pricing Strategies and Pricing Tactics with the aid of an example. (04 Marks)
- (b) Briefly explain the Cost-Plus pricing method with the aid of example. (04 Marks)
- (c) Briefly explain the Price Limiting Strategy with aid of a diagram. (05 Marks)
- (d) Identify the Pros and Cons of Competitor Base Pricing Strategy. (03 Marks)
- (e) Briefly explain the Loss Leader Pricing Strategy with the aid of example. (04 Marks)



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Question 08

Briefly explain the following terms. You may quote suitable examples to support your answer. **Answer only 4 questions.**

- 1) Government Subsidies
- 2) Price Predatory
- 3) Pricing Tactics
- 4) Pricing Strategy
- 5) Non-Pricing Strategy
- 6) Marginal Cost
- 7) Diminishing Return of Production
- 8) Premium Pricing Strategy

(4*05 Marks = 20 Marks)

-----END OF THE QUESTION PAPER-----

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Year 2 Semester II
END SEMESTER EXAMINATION
Finance Management- MGHR/MGBM 2417

- This paper consists of EIGHT (08) questions on TEN (10) pages.
- Answer FIVE (05) questions including question 01.
- You may use appropriate graphs, diagrams, equation/s to prove or justify the answers.
- If you have any doubt as to the interpretation of the wording of a question, make your own decision, but clearly state it on the script.
- Write legibly.

Date: 2022.09.15

Pass mark: 40%

Time: 03 Hours

Question 01 (Compulsory)

Micro Finance expect to invest in the two mutually exclusive projects in the beginning of the Financial Period. Project N is “building a Play Area” and project M is “construction of a Trading Complex”.

Table 1.1

(Rs in Millions)

	<u>Project N</u>	<u>Project M</u>
Initial Investment	20,500,000	20,000,000
Project life time	5 Years	5 Years
Cash Inflow	1,600,000	3,250,000
Year 1	6,400,000	6,500,000
Year 2	4,675,000	9,500,000
Year 3	8,825,000	4,500,000
Year 4	2,400,000	4,500,000
Year 5		
Discount rate per annum	12% p.a	10%p.a
Average Annual Profits	4,500,000	2,000,000



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Required,

(a) Calculate the followings based on the above information for project N and Project M.

- (i) Payback Period (PB)
- (ii) Accounting Rate of Return (ARR)
- (iii) Net Present Value (NPV)
- (iv) Internal Rate of Return (IRR)
- (v) Profitability Index (PI)

(03 Marks x 5 = 15 Marks)

(b) Give your recommendations for the project to be undertaken based on the above calculations. (Explain in terms of every technique)

(05 Marks)

Question 02

Assume you are the finance manager of ABC Ltd. Your company is considering two mutually exclusive projects, S and T.

Project S

Project S involves an outlay of 400 million which will generate an expected cash inflow of 50 million per year for 20 years.

Project T

This involves for an outlay of 100 million which will produce an expected cash inflow of 25 million per year for 30 years.

The company's cost of capital is 10% per annum.

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- (a) Calculate the NPV of each project S and T and propose on which project the company should be invested. Justify your proposal providing reasons. (Hint: Use annuity tables)

(10 Marks)

- (b) Explain **two** advantages and **two** disadvantages of NPV analysis.

(05 Marks)

- (c) Wijey Co is considering a project which would cost Rs. 4 million now. The annual benefits, for four years, would be a fixed income of Rs. 2.5million a year, plus other savings of Rs. 400,000 a year in year 1, rising by 5% each year because of inflation. Running costs will be Rs. 0.5 million in the first year, but would increase at 12% each year because of inflating labour costs.

The general rate of inflation is expected to be 6.5% and the company's required money rate of return is 14%.

Required : State whether the project is worthwhile (ignore taxation). (05 Marks)

Question 03

- (a) "At its core, Financial Management is the practice of making a business plan and then ensuring all departments on track." What is the **importance of financial management for a business** and what are the **challenges FM will face** in the modern business environment?

(06 Marks)

- (b) Explain the **four basic financial management decision areas** a Finance Manager would be concerned with, in relation to financial management of a typical business organization operating for profits.

(08 Marks)

- (c.) What is meant by "Agency Conflict"? How can this problem be solved?(06 Marks)



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Question 04

- (a) What do you mean by **Cost of Capital**, explain. (05 Marks)
- (b) What is meant by **Systematic Risk**? (03 Marks)
- (c) List **two(02) matters** to be considered by when choosing a long term funding source for an organization. (02 Marks)
- (d) Wax PLC is a company listed in the Colombo Stock Exchange and the following information is extracted from the financial statements of Wax PLC:
- (i) Wax PLC has 20 million ordinary voting shares in issue which are issued at Rs.25/- per share. The shares are currently trading at Rs.36/- per share and the company paid a dividend of Rs.6/- per share for the last financial year. The dividends are expected to grow by 5% per annum.
- (ii) The company has issued 7 million debentures with a coupon rate of 10% per annum, at Rs.100/- per debenture. The current market price of a debenture is Rs.95/- and the redemption will happen in 5 years.
- (iii) The company is liable to pay income tax at the rate of 24%.
- Calculate the **Weighted Average Cost of Capital (WACC)** using the market values. (10 Marks)

Question 05

- (a) Mr Nihal has won a lottery and he is given two options to receive the money.

Scheme 01: An annuity with 12 annual payments of RS 150,000 with first payment at the end of the first year.

Scheme 02: Take a lumpsum amount of Rs. 10 Million today.

- If interest rate is 15%, which scheme would you recommend? (05 Marks)

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(b) Rashini wants to invest her money worth RS 300,000 in a bank that promises to pay 10% interest rate compounded monthly. At the end of the 6th year, how much would be there in her account?

(05 Marks)

(c) If Aseka borrows RS 50,000,000 to buy a machine at 12% interest rate per annum compounded annually for 6 years,

I) Calculate the annual payment of installment.

II) Calculate the principle payment and the interest payment separately for the sixth year.

(10 Marks)

Question 06

Part A

(a) What do you refer to as a "**Constraint**"?

(02 Marks)

(b) Rextan (Pvt) Ltd has capital of Rs. 100 million available for investment in the forthcoming period, at a cost of capital of 12%. Capital will be freely available in the future.

Details of five projects under consideration are as follows.

All projects are independent and divisible.

Table 6.1

Project	Investment Required(Rs Mn)	Present Value of inflows at 12 ⁰ % (Rs Mn)
AA	60	145
BB	10	6
CC	8	14
DD	7	20
EE	40	120



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Required

Calculate which projects should be undertaken and the NPV that will result?

(10 Marks)

Part B

(a) The government is proposing to sell a 4 years bond of Rs. 10,000 at 10% of interest per annum. The bond amount will be amortized equally over its life. If an investor has a minimum required rate of return of 7%, what should be the bond's PV for him?

(04 Marks)

(b) Ms Sharma is considering to buy a Rs.1,000/= perpetual bond which is currently selling for Rs.950/-. It provides a 15.5% annual coupon rate and his required rate of return is 12%.

Advise Ms Sharma whether it should be bought or not?

(04 Marks)

Question 07

(a) What is meant by a "risk"?

(04 Marks)

(b) Resha sold 300 shares at Rs. 50 each. These shares were bought 3 months ago, at RS 30 each. During the holding period company paid RS.150 as dividends.

Calculate the rate of return and the annualized return for the investment.

(04 Marks)

(c) Asela (Pvt) Ltd is a well known Furniture company in Sri Lanka, they are going to invest the excess cash in different investment assets. Following estimates are available for possible Economic conditions in near future related to the assets and the rate of return for Assets N and M.



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Table 7:1

Economic condition	Probability	Rate of Return	
		Asset N	Asset M
Recession	0.2	8.4	2.1
Normal	0.1	6.7	1.9
Boom	0.7	-1.2	-3.7

Based on the above information, determine,

- a) The expected rate of returns for Asset N and M separately.
- b) The variance and the Standard deviation of Asset N and M separately.

If investor is expecting to invest 30% of the capital on Asset N and remaining 70% for asset M,

- c) Calculate the expected return of the portfolio.
- d) The Standard deviation of the portfolio.

(12 Marks)

Question 08

Explain five from the below terms in finance.

- (a) Overtrading
- (b) Annuity
- (c) Bonds & Debentures
- (d) Compounded Interest
- (e) Business Risks
- (f) Capital Structure Theories
- (g) Time Value of Money

(20 Marks)

-----END OF THE QUESTION PAPER-----



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Formula sheet

1) Present Value of Future Cash flows

$$PV = FV (1+r)^{-n}$$

2) Future value of present cash flows

$$FV = PV (1+r)^n$$

3) Present value of an ordinary annuity

$$PV = \text{Cash Flow} * \left[\frac{1 - (1+r)^{-n}}{r} \right]$$

4) Expected Return

$$E(R) = \sum_{i=1}^n R_i P_i$$

5) Expected Risk for assets

$$\sigma^2 = \sum_{i=1}^n [R_i - E(R)]^2 P_i$$

6) Expected Risk of a portfolio

$$\sigma_P^2 = W_1^2 \sigma_1^2 + W_2^2 \sigma_2^2 + 2W_1 W_2 Cov_{1,2}$$

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PRESENT VALUE TABLE

Present value of \$1, that is $(1+r)^{-n}$ where r = interest rate; n = number of periods until payment or receipt.

Periods (n)	Interest rates (r)									
	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%
1	0.990	0.980	0.971	0.962	0.952	0.943	0.935	0.926	0.917	0.909
2	0.980	0.961	0.943	0.925	0.907	0.890	0.873	0.857	0.842	0.826
3	0.971	0.942	0.915	0.889	0.864	0.840	0.816	0.794	0.772	0.751
4	0.961	0.924	0.888	0.855	0.823	0.792	0.763	0.735	0.708	0.683
5	0.951	0.906	0.863	0.822	0.784	0.747	0.713	0.681	0.650	0.621
6	0.942	0.888	0.837	0.790	0.746	0.705	0.666	0.630	0.596	0.564
7	0.933	0.871	0.813	0.760	0.711	0.665	0.623	0.583	0.547	0.513
8	0.923	0.853	0.789	0.731	0.677	0.627	0.582	0.540	0.502	0.467
9	0.914	0.837	0.766	0.703	0.645	0.592	0.544	0.500	0.460	0.424
10	0.905	0.820	0.744	0.676	0.614	0.558	0.508	0.463	0.422	0.386
11	0.896	0.804	0.722	0.650	0.585	0.527	0.475	0.429	0.388	0.350
12	0.887	0.788	0.701	0.625	0.557	0.497	0.444	0.397	0.356	0.319
13	0.879	0.773	0.681	0.601	0.530	0.469	0.415	0.368	0.326	0.290
14	0.870	0.758	0.661	0.577	0.505	0.442	0.388	0.340	0.299	0.263
15	0.861	0.743	0.642	0.555	0.481	0.417	0.362	0.315	0.275	0.239
16	0.853	0.728	0.623	0.534	0.458	0.394	0.339	0.292	0.252	0.218
17	0.844	0.714	0.605	0.513	0.436	0.371	0.317	0.270	0.231	0.198
18	0.836	0.700	0.587	0.494	0.416	0.350	0.296	0.250	0.212	0.180
19	0.828	0.686	0.570	0.475	0.396	0.331	0.277	0.232	0.194	0.164
20	0.820	0.673	0.554	0.456	0.377	0.312	0.258	0.215	0.178	0.149

Periods (n)	Interest rates (r)									
	11%	12%	13%	14%	15%	16%	17%	18%	19%	20%
1	0.901	0.893	0.885	0.877	0.870	0.862	0.855	0.847	0.840	0.833
2	0.812	0.797	0.783	0.769	0.756	0.743	0.731	0.718	0.706	0.694
3	0.731	0.712	0.693	0.675	0.658	0.641	0.624	0.609	0.593	0.579
4	0.659	0.636	0.613	0.592	0.572	0.552	0.534	0.516	0.499	0.482
5	0.593	0.567	0.543	0.519	0.497	0.476	0.456	0.437	0.419	0.402
6	0.535	0.507	0.480	0.456	0.432	0.410	0.390	0.370	0.352	0.335
7	0.482	0.452	0.425	0.400	0.376	0.354	0.333	0.314	0.296	0.279
8	0.434	0.404	0.376	0.351	0.327	0.305	0.285	0.266	0.249	0.233
9	0.391	0.361	0.333	0.308	0.284	0.263	0.243	0.225	0.209	0.194
10	0.352	0.322	0.295	0.270	0.247	0.227	0.208	0.191	0.176	0.162
11	0.317	0.287	0.261	0.237	0.215	0.195	0.178	0.162	0.148	0.135
12	0.286	0.257	0.231	0.208	0.187	0.168	0.152	0.137	0.124	0.112
13	0.258	0.229	0.204	0.182	0.163	0.145	0.130	0.116	0.104	0.093
14	0.232	0.205	0.181	0.160	0.141	0.125	0.111	0.099	0.088	0.078
15	0.209	0.183	0.160	0.140	0.123	0.108	0.095	0.084	0.079	0.065
16	0.188	0.163	0.141	0.123	0.107	0.093	0.081	0.071	0.062	0.054
17	0.170	0.146	0.125	0.108	0.093	0.080	0.069	0.060	0.052	0.045
18	0.153	0.130	0.111	0.095	0.081	0.069	0.059	0.051	0.044	0.038
19	0.138	0.116	0.098	0.083	0.070	0.060	0.051	0.043	0.037	0.031
20	0.124	0.104	0.087	0.073	0.061	0.051	0.043	0.037	0.031	0.026

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Cumulative present value of \$1 per annum, Receivable or Payable at the end of each year for n

years $\frac{1-(1+r)^{-n}}{r}$

Periods (n)	Interest rates (r)									
	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%
1	0.990	0.980	0.971	0.962	0.952	0.943	0.935	0.926	0.917	0.909
2	1.970	1.942	1.913	1.886	1.859	1.833	1.808	1.783	1.759	1.736
3	2.941	2.884	2.829	2.775	2.723	2.673	2.624	2.577	2.531	2.487
4	3.902	3.808	3.717	3.630	3.546	3.465	3.387	3.312	3.240	3.170
5	4.853	4.713	4.580	4.452	4.329	4.212	4.100	3.993	3.890	3.791
6	5.795	5.601	5.417	5.242	5.076	4.917	4.767	4.623	4.486	4.355
7	6.728	6.472	6.230	6.002	5.786	5.582	5.389	5.206	5.033	4.868
8	7.652	7.325	7.020	6.733	6.463	6.210	5.971	5.747	5.535	5.335
9	8.566	8.162	7.786	7.435	7.108	6.802	6.515	6.247	5.995	5.759
10	9.471	8.983	8.530	8.111	7.722	7.360	7.024	6.710	6.418	6.145
11	10.368	9.787	9.253	8.760	8.306	7.887	7.499	7.139	6.805	6.495
12	11.255	10.575	9.954	9.385	8.863	8.384	7.943	7.536	7.161	6.814
13	12.134	11.348	10.635	9.986	9.394	8.853	8.358	7.904	7.487	7.103
14	13.004	12.106	11.296	10.563	9.899	9.295	8.745	8.244	7.786	7.367
15	13.865	12.849	11.938	11.118	10.380	9.712	9.108	8.559	8.061	7.606
16	14.718	13.578	12.561	11.652	10.838	10.106	9.447	8.851	8.313	7.824
17	15.562	14.292	13.166	12.166	11.274	10.477	9.763	9.122	8.544	8.022
18	16.398	14.992	13.754	12.659	11.690	10.828	10.059	9.372	8.756	8.201
19	17.226	15.679	14.324	13.134	12.085	11.158	10.336	9.604	8.950	8.365
20	18.046	16.351	14.878	13.590	12.462	11.470	10.594	9.818	9.129	8.514

Periods (n)	Interest rates (r)									
	11%	12%	13%	14%	15%	16%	17%	18%	19%	20%
1	0.901	0.893	0.885	0.877	0.870	0.862	0.855	0.847	0.840	0.833
2	1.713	1.690	1.668	1.647	1.626	1.605	1.585	1.566	1.547	1.528
3	2.444	2.402	2.361	2.322	2.283	2.246	2.210	2.174	2.140	2.106
4	3.102	3.037	2.974	2.914	2.855	2.798	2.743	2.690	2.639	2.589
5	3.696	3.605	3.517	3.433	3.352	3.274	3.199	3.127	3.058	2.991
6	4.231	4.111	3.998	3.889	3.784	3.685	3.589	3.498	3.410	3.326
7	4.712	4.564	4.423	4.288	4.160	4.039	3.922	3.812	3.706	3.605
8	5.146	4.968	4.799	4.639	4.487	4.344	4.207	4.078	3.954	3.837
9	5.537	5.328	5.132	4.946	4.772	4.607	4.451	4.303	4.163	4.031
10	5.889	5.650	5.426	5.216	5.019	4.833	4.659	4.494	4.339	4.192
11	6.207	5.938	5.687	5.453	5.234	5.029	4.836	4.656	4.486	4.327
12	6.492	6.194	5.918	5.660	5.421	5.197	4.988	4.793	4.611	4.439
13	6.750	6.424	6.122	5.842	5.583	5.342	5.118	4.910	4.715	4.533
14	6.982	6.628	6.302	6.002	5.724	5.468	5.229	5.008	4.802	4.611
15	7.191	6.811	6.462	6.142	5.847	5.575	5.324	5.092	4.876	4.675
16	7.379	6.974	6.604	6.265	5.954	5.668	5.405	5.162	4.938	4.730
17	7.549	7.120	6.729	6.373	6.047	5.749	5.475	5.222	4.990	4.775
18	7.702	7.250	6.840	6.467	6.128	5.818	5.534	5.273	5.033	4.812
19	7.839	7.366	6.938	6.550	6.198	5.877	5.584	5.316	5.070	4.843
20	7.963	7.469	7.025	6.623	6.259	5.929	5.628	5.353	5.101	4.870



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Year 2 Semester II
FINAL EXAMINATION
Human Resource Management- MGHR/MGBM2416

- This paper consists of EIGHT(08) questions on EIGHT (08) pages.
- Answer Any FIVE (05) questions including Question 01.
- Only non-programmable calculators are allowed.
- You may use appropriate graphs, diagrams, equation/s to prove or justify the answers.
- If you have any doubt as to the interpretation of the wording of a question, make your own decision, but clearly state it on the script.

Date: 2022.09.16

Pass mark: 40%

Time: 03 Hours

Question 01:(Compulsory)

SELECT MOST APPROPRIATE ANSWER OUT OF THE GIVEN CHOICES.

1. Main goal of Human Resource Management (HRM) is
 - (a) provide and maintain a qualified work force which gives the maximum contribution to the attainment of primary goals of the organization
 - (b) provide and maintain an appropriate work force which gives the maximum contribution to the attainment of primary goals of the organization
 - (c) provide and maintain a sufficient work force which gives the maximum contribution to the attainment of primary goals of the organization
 - (d) provide and maintain an efficient work force which gives the maximum contribution to the attainment of primary goals of the organization
2. One of the strategic goals of HRM is
 - (a) Employee Development
 - (b) To procure right people at the right time to do the right jobs
 - (c) To motivate employees



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- (d) To control the cost of employees
3. Why is HR Management Important to All Managers
- (a) To evaluate job
 - (b) To improve performance
 - (c) To improve job performance
 - (d) To evaluate job performance
4. Job context means;
- (a) Factors that are inside the job and describes the environment within which the job is performed
 - (b) The tasks, duties and responsibilities require to perform a job
 - (c) The activities require to perform a job
 - (d) Factors that are outside the job and describes the environment within which the job is performed
5. One of the main Job Designing responsibility of a staff manager is;
- (a) Monitors need for job redesign organisation-wide
 - (b) Researches and provides information on effect of various designs on employee performance, satisfaction, and health
 - (c) Actually design jobs with help from HR department and employees
 - (d) May identify experts in various kinds of redesign to help when needed
6. Alternative Job Designing methods for Job Specialisation;
- (a) Scientific Method, Job Rotation, Job Enrichment
 - (b) Job Enlargement, Job Rotation, Job Enrichment



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- (c) Scientific Method, Job Rotation, Job Enlargement
 - (d) Scientific Method, Job Enlargement, Job Enrichment
7. First step of Job analysis process is;
- (a) Familiarize with the nature and the type of the organization
 - (b) Identify jobs available and select the job(s) to be analyzed
 - (c) Develop Job Analysis Information Format
 - (d) Identify the method to Collect Data
8. A deeper understanding about the job can be taken through;
- (a) Interview
 - (b) Questionnaire
 - (c) Observation
 - (d) Examination
9. Job Specification is a
- (e) Job Profile
 - (f) Profile of the Human Characteristics of a particular job
 - (g) Profile of a Job Position
 - (h) Profile of the Human Characteristics of a particular job Position
10. Two consequences of poor HRP
- (a) Over staff, High productivity
 - (b) Law productivity, Optimum level of staff
 - (c) Over staff, Law productivity
 - (d) High productivity, Optimum level of staff



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11. Human Resource planning involves

- (a) Forecasting number of employees needed for a certain future period
- (b) Forecasting number and types of employees needed currently
- (c) Forecasting number and types of employees needed for a certain future period
- (d) Forecasting number of employees needed for a certain future period

12. One of the factors affecting future demand for human resources is;

- (a) Demand for the product concerned
- (b) Supply for the product concerned
- (c) Sales for the product concerned
- (d) Marketing for the product concerned

13. Recruitment process starts from

- (a) Ascertain Job Requirement
- (b) Identify Job Vacancies
- (c) Consider Factors affecting Recruitment
- (d) Receive Applications

14. Main two methods of recruitment

- (a) Demand, Supply
- (b) Proactive, Corrective
- (c) Internal, External
- (d) Long term, Short term



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15. Recruitment is a method of finding qualified people for job vacancies

- (a) Most
- (b) Suitably
- (c) Correctly
- (d) Timely

16. Inputs and Requirements to selection

- (a) High Standards, High Selection Ratio
- (b) High Selection Ratio, Low Budget
- (c) High Selection Ratios, Good Selectors
- (d) Good Selection Ratio, Good Selectors

17. makes selection methods good

- (a) Reliability
- (b) Effectiveness
- (c) Efficiency
- (d) Honestly

18. Observational selection method is

- (a) Application
- (b) Exam
- (c) Interview
- (d) Background search

19. Three stages of Schein's Socialization Model



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- (a) Commencement, Socialization, Mutual Acceptance
- (b) Entry, Induction, Mutual Acceptance
- (c) Entry, Socialization, Mutual Acceptance
- (d) Entry, Socialization, Agreement

20. First step of Hiring is

- (a) Notification of the job offer
- (b) Identify the most suitable person
- (c) Evaluate the candidates
- (d) Preparation of the Appointment Letter

(01 Mark*20 = 20 Marks)

Question 02

Sri Lankan Airlines is facing a major crisis after 30 out of about 300 pilots have joined other airlines, making the national carrier's task to operate its daily flights difficult. Sri Lankan Airlines' Corporate management Head Chandana de Silva told the Sunday Times yesterday the national carrier found it difficult to run long hold flights given the shortage of pilots, but the pilot exodus had not affected flights to close destinations.

The crisis, which is likely to continue for a few more weeks, has forced Sri Lankan Airlines to cancel two London-bound flights on Thursday and Friday. Mr. de Silva said they took steps to reroute the passengers of the two flights in other carriers. He said that the airline was making all efforts to maintain the normal schedule despite the pilot shortage. He said that they are in the process of recruiting new pilots but added that it would take same



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time for the situation to return to normalcy. Mr. de Silva said that it was not unusual for pilots to leave for other airlines seeking better prospects.

The Sunday Times learns that pilots have been leaving at regular intervals with a few more due to leave in the next few months. Among some of the senior pilots to leave was Captain Ramesh Jayasinghe who left after citing reasons of harassment. Mr. Jayasinghe with 15 years of experience was an instructor as well.

- (a) What is the main reason for the crisis of the national carrier? (10 Marks)
 (b) What is your course of solutions for the crisis? (10 Marks)

Source: Adapted from the main news appeared in the Sunday Times, February 26, 2006

Question 03

- (a) Define the term "Job Designing". (02 Marks)
 (b) Identify the two components of the Job. (03 Marks)
 (c) It is more likely that making the job more productive by using more efficiency elements causes productive by using more efficiency elements causes it to be less satisfying. Contradictorily, making the job more satisfying by using more behavioral elements more likely proves to be less productive. It means that more likely proves to be less productive. It means that attempting to achieve both productivity and employee satisfaction to the highest extent is mutually exclusive (contradictory).

What should the Human Resource Specialist do? (15 Marks)

Question 04

- (a) Define the term "Job Analysis." (02 Marks)



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- (b) Identify the 2 main outputs of Job Analysis. (03 Marks)
 (c) Briefly explain benefits of Job analysis process. (15 Marks)

Question 05

- (a) Define the Human Resource Planning (HRP). (02 Marks)
 (b) Briefly explain two importance of HRP. (06 Marks)
 (c) Identify the steps of HRP and briefly explain each. (12 Marks)

Question 06

- (a) Define the term "Recruitment." (02 Marks)
 (b) Briefly explain the internal sources of recruitment. (06 Marks)
 (c) Briefly explain the recruitment process. (12 Marks)

Question 07

- (c) Define the term "Selection" (02 Marks)
 (d) Briefly explain the 3 importance of Selection. (06 Marks)
 (c) Briefly explain the Selection process. (12 Marks)

Question 08

- (a) Define the term "Hiring" in HRM. (02 Marks)
 (b) Briefly explain the importance of Induction. (06 Marks)
 (c) Briefly explain three steps of "Induction" programme. (12 Marks)

-----END OF THE PAPER-----