



**SCHOOL OF ACCOUNTING AND BUSINESS**  
**BSc. (APPLIED ACCOUNTING) GENERAL / SPECIAL DEGREE**  
**PROGRAMME**

**YEAR I SEMESTER II – INTAKE VIII (GROUP A)**  
**END SEMESTER EXAMINATION – JANUARY 2018**

**MGT 10125 Principles of Management**

Date : 19th January 2018  
Time : 1.00 p.m. - 3.30 p.m.  
Duration : Two and a half (02 ½) hours

**Instructions to Candidates:**

- Write the Index Number in the space provided at the top of this sheet. Do not write your name anywhere in this question paper.
- This paper consists of three sections (A, B and C).
- Section A – Answer **all** the questions on this question paper itself.  
Section B – Answer **three** questions out of the four questions given.  
Section C – Answer **one** question out of the three questions given.
- The total marks for the paper is 100.
- The marks for each question are shown in brackets.
- Answers should be written neatly and legibly.

## Section A

Answer **ALL** questions

### **Question No. 01**

The most suitable answer to the relevant question should be crossed completely and properly, against the relevant question number

1. Which group of statements, adequately explains the definition of management?

- a. I. Getting the most out of limited resources  
II. Achieving organisational goals  
III. Working with and through others  
IV. Balancing effectiveness and efficiency
- b. I. Getting the most out of limited resources  
II. Reasonable profits for the owners  
III. Working with and through others  
IV. Balancing effectiveness and efficiency
- c. I. Getting the most out of limited resources  
II. Reasonable profits for the owners  
III. A clear vision and a mission statement  
IV. Balancing effectiveness and efficiency
- d. I. Getting the most out of limited resources  
II. Reasonable profits for the owners  
III. A clear vision and a mission statement  
IV. A clearly defined work setup
- e. I. Reasonable profits for the owners  
II. A clear vision and a mission statement  
III. A clearly defined work setup  
IV. Adherence to the managerial functions

<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>
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2. The universality of management concept suggests that \_\_\_\_.
- a. Management theories can be applied in all types of organizations and at all situations
  - b. All managers play similar roles as they manage people
  - c. Technical, human, and conceptual skills are necessary for the success in management
  - d. Irrespective of the size and the type, all organisations use all management functions
  - e. One theory cannot be applied to manage all organizations.

<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>
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3. The type of plan that is specifically designed to meet the needs of a unique situation can be referred to as a/an;
- a. Operational plan
  - b. Strategic plan
  - c. Multipurpose plan
  - d. Single use plan
  - e. Standing plan

<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>
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4. Corporate Social Responsibility (CSR) includes all of the following **except**;
- a. Discretionary responsibility
  - b. Ethical responsibility
  - c. Economic responsibility
  - d. Political responsibility
  - e. Legal responsibility

<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>
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5. Which one of the following can be identified as higher order needs?
- a. Social needs
  - b. Existence needs
  - c. Affiliation needs
  - d. Relatedness needs
  - e. Esteem needs

<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>
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6. The type of leaders who possess the ability to inspire others to act in a way, which is required to realise the leader's vision and motivating them is known as;
- a. Inspirational leaders
  - b. Transactional leaders
  - c. Transformational leaders
  - d. Charismatic leaders
  - e. Situational leaders

<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>
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7. The productivity can be increased mostly by;
- a. Decreasing inputs
  - b. Increasing inputs while decreasing output
  - c. Increasing the quality of input and output
  - d. Decreasing inputs while increasing output
  - e. Both decreasing inputs and outputs

<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>
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8. When Mali prepares budgets and makes schedules, she is fulfilling \_\_\_\_.
- a. Decisional role
  - b. Interpersonal role
  - c. Informational role
  - d. Liaison role
  - e. Disseminator role

<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>
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9. Which of the following explains the hierarchy of planning sequentially?
- a. Functional plans, Tactical plans and Corporate Plans
  - b. Corporate Plans, Tactical Plans, Operational Plans
  - c. General Manager's Plans, Divisional manager's Plans, Line Manager's Plans
  - d. Operational Plans, Tactical Plans, Corporate Plans
  - e. Corporate Plans, Operational Plans, daily Plans

<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>
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10. All of the followings are characteristics of Japanese management approach except ----.

- a. Lifetime employment
- b. Non- specialization of career path
- c. Holistic concern for employee as a person
- d. Individualistic decision making
- e. Promotions based on seniority

<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>
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## **Section B**

Answer **any Three (03)** Questions

### **Question No. 02**

One of the main tasks of a manager is identifying problems and making decisions.

- a. Define a problem, a decision and decision making.

(03 marks)

- b. Identify three characteristics of program and non-program decisions in organizations

(03 marks)

- c. Discuss how the rational decision making process could be applied in the above situation.

(06 marks)

- d. Managers encounter list of constraints when trying to arrive at decisions under rational decision making process.

Illustrate these constraints a manager would encounter when trying to make decisions under rational decision making process

(08 marks)

**(Total 20 marks)**

**Question No. 03**

“Communication is a complex process which is essential in organizations to carry out their activities and it is also an important part of manager’s work”.

a. State the elements of communication process.

(02 marks)

b. What is the importance of communication in management?

(02 marks)

c. Compare and contrast the written and verbal communication.

(03 marks)

d. Identify three barriers for effective communication.

(03 marks)

e. Evaluate the significance of effective communication matching that with the 10 roles to be played by a manager in an organisation.

(10 marks)

**(Total 20 marks)**

**Question No. 04**

- a. List two Content Theories and two Process Theories of motivation  
(02 marks)
- b. Identify the basic characteristics of the;  
i. Content theories of motivation  
ii. Process theories of motivation  
(02 marks)
- c. What similarities do you see among these characteristics, you mentioned under these two types of motivational theories  
(04 marks)
- d. What dissimilarities do you see among these characteristics you mentioned under these two types of motivational theories  
(04 marks)
- e. You are a newly appointed factory manager in a large-scaled business organization and you have observed that there is a high; absenteeism, late attendance, tardiness, and employee turnover among machine operators in the factory. According to further investigations you have realized that this is due to machine operators' de-motivation.

Which type of motivational theory (Content or Process), you would suggest to motivate the employees in this organisation. give reasons.

(08 marks)

**(Total 20 marks)**



**Question No. 05**

“Control is an essential part of effective management in an organization because non availability of a system of control may result in failing all the efforts”.

a. List the steps involved in a controlling process.

(02 marks)

b. State the types of controls that can be applied in an organization.

(03 marks)

c. Briefly explain the importance of controlling for effective management.

(03 marks)

d. Illustrate the relationship you see between planning and controlling functions in management.

(06 marks)

e. Discuss the benefits that

i. an organisation and

ii. a society would enjoy by having effective control systems in an organisation

(06 marks)

**(Total 20 marks)**

### **Section C**

Answer **any Two (02)** Questions

#### **Question No. 06**

Critically discuss the following statements.

- a. “The necessity of management arises due to the scarcity of resources”.

(05 marks)

- b. “Conceptual skills become more important than human skills and technical skills as managers move up of the managerial hierarchy in an organization”.

(05 marks)

**(Total 10 marks)**

#### **Question No. 07**

“Many managers may dream of working in organizations where it could operate relatively calm, orderly and predictable manner. However, the reality is increasing turbulence and disorder”.

Under these circumstances, explain the major challenges faced by managers in managing their organizations in the present day context.

**(Total 10 marks)**

#### **Question No. 08**

There is a general opinion among Sri Lankan managers that people oriented leadership style is more effective than the task- oriented leadership style”.

Critically evaluate this statement.

**(Total 10 marks)**