Total marks for this paper is 100 marks.

There are two parts in this question paper. All questions in **Part One are compulsory**.

It includes a mini case.

Part Two includes **6 Essay Type Questions. Answer 03 questions** from this part.

**Instructions to candidates**

1. State your Registration Number on the front cover of the answer book and on each and every additional paper attached to it. Your name must not appear anywhere in the answer book or answer scripts.
2. Always start answering a question on a new page.
3. You are reminded that answers should not be written in pencil or red pen except in drawing diagrams.
4. Answer the questions using:
   - Effective arrangement and presentation
   - Clarity of expression
   - Logical and precise arguments
   - Clear diagrams and examples where appropriate
5. Illegible handwriting and language errors will be penalised.
PART ONE

Answer all questions

Question 01: Case Study

No one is wrong

Surya is the Assistant Director of Enterprise Development Services (Pvt.) Ltd, which provides assistance to entrepreneurs. He is leading the department that focuses on evaluating entrepreneurial skill-building programs the organization provides for youth. He directly reports to the organization leadership committee. As a whole, the organization has been cautious in hiring this year, due to the current economic condition of the country which is beyond the control of the organization. However, the organization has also suffered a high staff turnover. Two directors, three key research staff, and one staff person from the finance department have left.

Surya has a demanding schedule that requires frequent travel; however, he supervises two senior employees who in turn are responsible for three staff members each. Both senior employees are playing a supervisory role although they are not formally appointed as supervisors.

Kamal, one of the senior employees has a specific background in research. He provides research support to another department that delivers entrepreneurial information services to youth. Kamal is very organized; however, he often takes a very black and white view of issues. Kamal is very motivated and driven and expects the same from other staff members.

Lakshani has a strong background in project management and evaluation. She works on different projects within the organization. She is known as a problem solver and is extremely supportive of others. She is very organized and has a wealth of experience in the evaluation of small businesses. Lakshani is very capable and can sometimes take on too much.

Further, the employees are sensing that they are being overworked as everyone takes on increased responsibilities due to high staff turnover. The staff also believes that Surya’s conversation style which focuses on negativity leaves them feeling depressed.

In addition, Surya has not shared budgets with his leaders, making it difficult for people to allocate work to staff. Surya said he has not received sufficient information from the finance department to complete the budgets. However, the finance department has stated that all available information has been sent to him.

Employees are becoming distressed and frustrated. They feel like they are unable to advocate for their leaders or solve problems without key information like the departmental budget.

Surya decided to appoint Janith who is a junior staff member from his team to assist him in key decision-making activities. However, Surya rejected his thoughts of having Kamal or Lakshani in this role, assuming that they will be loaded with additional work. Surya continued to maintain his assumption for a long period of time and the situation in the unit became unfavourable.

Kamal and Lakshani being well experienced employees of the organization did not like this
arrangement of appointing a junior staff member to assist Surya in key decision-making activities. Kamal and Lakshani were assuming that the ideal person would have been one of them instead of Janith.

Kamal and Lakshani started to show their displeasure at all times. Staff meetings were dragged unnecessarily beyond its length as these two experienced employees were eternally opposing the decisions made by Surya about upcoming activities of the organization.

Surya recently released new memos on procedural changes to minimize man hours spent on certain activities of the organization with a view to reduce pressure on the two experienced managers. These memos were issued post discussions with his junior assistant.

Lakshani and Kamal went into Surya’s office and openly said that they do not agree with the new procedural changes released. Surya was astonished and asked for reasons. Kamal and Lakshani went on to explain the possible breaches in governance requirements of the organization and reminded the fact that they failed the last audit due to the very same reason where process items were eliminated per the memo and how in turn that played a major role in the auditor’s decision to fail the audit.

Surya then realized his mistake. Yet, he thought that the two managers were becoming a threat to him especially based on how they behaved when they rejected the memo.

Surya’s assumption was further established in his mind when he concluded a staff meeting last evening on the new computer system conversion. Surya began the meeting by bringing everyone up to date on the status of the conversion project. After Surya answered a few questions, he then announced the changes he is going to initiate for various procedures. Surya believed his proposed changes would be right on target, and he had decided on these changes, in part, because they were just slight modifications to current practices.

Almost as soon as Surya had finished, Lakshani announced: “Those changes will never work. If we do that, things will be chaos around here.”

Even the other employees who were used to Lakshani’s behaviour were surprised and looked at her.

“T mean,” Lakshani continued, “think about it for a minute. If we start following those steps, that’s what will happen.” She spent the next three or four minutes reading out a list of potential problems and difficulties.

“I think we just ought to continue doing things as we have been. Then, after the new system is operational, we can see whether we need to do anything differently.” She concluded.

Surya looked at the other employees, who seemed to agree with this view. Surya realized that some of Lakshani’s ideas were in fact valid and that she did have a worthwhile point of view. Not wanting to let the meeting get too far out of hand, Surya said something about it being late and that he appreciated everyone’s response. He said he would get back to them with the final decision as soon as possible.
a) “Surya is a major failure in his communication as a leader of the organization”. Evaluate this statement using available evidence.  
(08 Marks)

b) “Open communication climate” can help Enterprise Development Services (Pvt.) Ltd to overcome its two key challenges, namely the existing unfavourable economic conditions and the high staff turnover and employee unrest. Briefly justify this statement considering the concept of open communication climate.  
(08 Marks)

c) Justify as to why Level 5 Leadership would be the best suited approach for Surya in the current situation of the organization.  
(12 Marks)

d) What do you understand by the term “engagement” in the context of employee management? Further, what engagement activities do you propose Surya to initiate? Justify your answer by highlighting at least three issues stated in the case study and how they can be resolved through engagement.  
(12 Marks)  
(Total 40 Marks)
PART TWO

This part includes SIX (06) Essay Type Questions

Answer THREE (03) questions

Question 02

Sri Lanka cricket's peak performance occurred during the period before and after the 1996 cricket world cup. Even thereafter the team showed extremely good performance in several cricket challenges both local and overseas. However, since of late the majority of Sri Lankan cricket fans have lost interest in cricket due to the continuous poor performance of the team.

Assume that you have been appointed as the manager of the cricket team with adequate authority to make decisions.

   a) Discuss the importance of taking a deep dive approach to revisit the components identified under “Team Composition” in the Work Team Effectiveness Model to improve team effectiveness of Sri Lanka cricket.

      (15 Marks)

   b) If you believe in innovative management how would you incorporate this element into your role as the new manager of the Sri Lanka cricket team with a view to increase the number of victories?

      (05 Marks)

      (Total 20 Marks)

Question 03

Nimal Perera is an entrepreneur who started his business eight years ago. He has been a hard worker since its inception and has made sufficient profits over the years. Nimal is now thinking of balancing his personal life and work.

   a) Successful entrepreneurs have many different motivations and they measure rewards in different ways. Accordingly, they are classified into five different categories. Describe three (03) categories of successful entrepreneurs. Which category would Nimal be in?

      (10 Marks)

   b) Any entrepreneur would like to minimize costs and improve customer value. What do you understand by lean thinking? Discuss two (02) challenges faced by small business owners when implementing lean thinking.

      (10 Marks)

      (Total 20 Marks)
Question 04

For long-term survival and sustainability of business it is important for the managers to use a feedback control model.

a) Consider yourself as a Managing Director of a multinational pharmaceutical manufacturing company that produces a range of medical drugs for global distribution. Explain why it is important to compare standards of performance in the manufacturing process of medical drugs.

   (10 Marks)

b) Define moral-rights approach for ethical decision making and discuss the applicability of the approach in the drug manufacturing business.

   (10 Marks)

   (Total 20 Marks)

Question 05

Denver is a long-standing assistant vice president of a computer programming firm who develops and deploys software systems to multinational companies. The company is currently going through a restructuring process and Denver is worried that he will face resource constraints to perform his job accurately and comfortably.

a) If you are the change leader of the restructuring process, how would you apply the Expectancy Theory of Motivation to ensure to retain Denver and continue to be a valuable employee of the company?

   (10 Marks)

b) All employees of an organization will not get motivated by a standard set of benefits. The reason is that each individual has a different expectation of what they should receive as rewards. This is a challenging situation for employers when it comes to motivating employees. Moreover, employee expectations also often change. Make three (03) proposals to an employer to overcome this problem.

   (06 Marks)

c) Why does Denver have a mental resistance to change assuming that he will face resource constraints? What do you propose to correct this status?

   (04 Marks)

   (Total 20 Marks)
Question 06

You as an employee or owner of a business that might have made bad decisions. It is very rare that a human being makes good decisions all the time. Sometimes the individual will never realize if he/she has made the right decision in his/her lifetime.

a) State and explain briefly three (03) reasons as to why managers make bad decisions.
   (12 Marks)

b) Uncertainty is a known element of a business. A well driven business can fail in a few hours if appropriate contingency plans have not developed. Elaborate the meaning of scenario building and justify how this can be helpful for businesses.
   (08 Marks)
   (Total 20 Marks)

Question 07

Businesses often use social media as a communication tool. It is said that majority of businesses use social media without having a proper understanding of its utility. Some organizations have already faced reputational damages owing to incorrect use of social media.

a) Define the term “social media”. List three (03) applications within the definition of social media.
   (05 Marks)

b) Discuss four (04) disadvantages of social media in a business with specific reference to the risks that a business can incur.
   (08 Marks)

c) Explain the meaning of “communication with candour”. Discuss two (02) techniques that can be used to make a manager’s communication candid.
   (07 Marks)
   (Total 20 Marks)
   (Total 60 Marks)
   (Total 100 Marks)

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