THE OPEN UNIVERSITY OF SRI LANKA
ADVANCED CERTIFICATE IN HUMAN RESOURCE MANAGEMENT
LEVEL: 02
HRC 2404: DECISION MAKING TOOLS FOR HRM
FINAL EXAMINATION- 2024/2025
DURATION – THREE (03) HOURS

DATE: 19/10/2024   **TIME: 01.30 pm to 04.30 pm**

INSTRUCTIONS:

- **This paper comprises seven (07) questions. All questions carry equal marks. Answer any four (04) questions out of the seven (07) questions.**
- **Answer in the answer booklet given.**
- **Illegible Handwriting will be penalized.**

Question 1

Suppose you are conducting a survey to determine the average annual salary of employees in a large corporation with a total workforce of 1,000 employees. The annual salary values (in thousands) for a sample of 50 employees obtained for the above scenario are listed below: ('000s)

26	64	34	72	34	24	41	27	77	27
40	52	73	25	63	53	75	46	56	33
63	73	80	79	34	34	30	75	67	54
55	80	41	28	74	33	33	49	41	31
71	40	50	52	31	22	65	26	44	67

a) Construct the following for the above data.

   i.   Frequency Distribution Table
       (Consider the equal size class intervals as 0 up to 10, 10 up to 20 etc.)   (6 marks)
  ii.   Histogram   (5 marks)
 iii.   Frequency Polygon   (2 marks)

b) Estimate the following measures for the frequency distribution table you have obtained in part a – (i).

   i.   Mean   (3 marks)
  ii.   Median   (4 marks)
 iii.   Mode   (3 marks)
 iv.   Range   (2 marks)
                         (Total 25 marks)

Question 2

a) An HR manager at a company has a budget of LKR 8000 to distribute as bonuses among three employees based on their performance. The bonuses are to be allocated such that the second employee receives twice as much as the first, and the third employee receives LKR 500 less than the second. Determine the amount of bonus each employee will receive.

(10 marks)

b) A company is trying to determine the cost of training sessions and workshops for its employees. They know that 3 training sessions and 4 workshops together cost Rs. 25700, while 4 training sessions and 3 workshops together cost Rs. 32400. Find the cost of one training session and the total cost for 10 workshops.

(15 marks)

(Total 25 marks)

Question 3

a) A company wants to inspect the quality of the raw material purchased in a month and it has decided to test 25% of the material from each category. The company is currently using 3 materials (A, B, C), and the available stocks are 400 units, 320 units, and 480 units from A, B and C respectively.

   i.   What is the population size and the sample size?   **(4 marks)**
  ii.   Explain how you can pick a simple random sample of raw material.   **(6 marks)**
 iii.   Explain how you can select a stratified sample of raw material.   **(9 marks)**

b) Classify the following variables as numerical/ categorical and identify their scales of measurements. **(6 marks)**

   i.   Hair color
  ii.   Grade received for examination
 iii.   Monthly income in Rupees

(Total 25 marks)

Question 4

a). Why are intangible assets important for a business's overall value?   **(10 Marks)**

b). Discuss some strategies for managing a business's wealth?   **(15 Marks)**

(Total 25 marks)

Question 5

a). Why is customer satisfaction crucial for wealth creation, and what is the role of human resources
in a business?   **(10 Marks)**

b). Discuss the importance of effective strategy execution by human resources?   **(15 Marks)**

(Total 25 marks)

Question 6

a). Why is it important to prioritize HR initiatives when building a budget?   **(10 Marks)**

b). Discuss the importance of effective budget communication and monitoring?   **(15 Marks)**

(Total 25 marks)

Question 7

Human resource accounting (HRA) is a specialized field that focuses on measuring the value of an organization's human capital. Differentiate HRA from traditional accounting and discuss the approaches used to value human capital. Also, explain the key challenges of implementing HRA in an organization.

(Total 25 marks)

(25 marks* 04 questions = Total 100 marks)

Appendix

Mean = $\quad \bar{x} = \dfrac{\Sigma f x}{\Sigma f}$

Median $\quad L + \dfrac{n/_2 - F}{f} * c \quad =$

Mode = $\quad L + \dfrac{d_1}{d_1 + d_2} * c$