

**THE OPEN UNIVERSITY OF SRI LANKA**  
**MASTER OF BUSINESS ADMINISTRATION IN HUMAN RESOURCES**  
**MANAGEMENT**



**FINAL EXAMINATION – 2015 – SEMESTER I**

**MCP 2139 – EMPLOYEE RELATIONS AND LAWS GOVERNING EMPLOYMENT**

**DURATION THREE (03) HOURS**

**DATE: 02<sup>nd</sup> August 2015**

**TIME: 9.30 am – 12.30 pm**

*Instructions: Answer four (04) questions only, including 2 questions each from parts 1 and 2*

**Part 1**

- 1 'Walk in Style' is a shoe manufacturing company located in the Moneragala district. It is an area in which it is difficult to obtain jobs and there is a high level of unemployment. The working conditions of the factory are very unsatisfactory and also the wage rates are very low. However the employees are afraid to confront the employer as 'Walk in Style' terminates the services of anyone who attempts to do so.

The employees of 'Walk in Style' seek your advice on the matters below. Advise them.

- a. Whether they can improve their position by organizing themselves into a union and if so the steps they should take to establish such a union. (10 marks)
- b. The various types of actions a union can take to win the rights of the employees, which actions are most suitable and at what time those should be adopted. (15 marks)
- 2 Amal is planning to open a factory to manufacture fireworks. He is aware that there are laws which have to be complied with when running a business and that some of these are more likely to be relevant to him due to the nature of his business. However, Amal does not know the details of these requirements and therefore he is seeking your advice on this matter. Advise Amal on the points below;

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- a. The legal provisions governing health and safety in Sri Lanka (10 marks)
  - b. How compensation is determined in cases of injury or illness at work (10 marks)
  - c. How to design a health and safety programme for his factory (05 marks)

3 'Paper Clips' is a stationary company in which employs over 100 employees. Consider that you have been appointed as the Human Resource Manager of 'Paper Clips' and discuss how you would solve the problems given below. Your answer should include an explanation of the nature of the issues involved.

- a. Gayathri a secretary has complained that her boss Mr. Ranjan followed her into the female toilet when she was working late one day and tried to forcibly kiss her. Several other female employees have also complained that he is constantly trying to touch and pet them. (8 marks)
- b. Nuwan has been accused of stealing stationery, and passing it on to his brother who runs a stationary shop. (8 marks)
- c. Nadeesha a sales executive has complained that though she has done all the work given to her and received satisfactory performance appraisals, her increment this year is less than that given to other sales executives. (9 marks)

## Part 2

4 'The end of a contract of employment maybe brought about by either party to the contract. However the law has adopted a position which is more protective towards the employee, and has set out a framework which the employer must follow, in the case of both disciplinary and non-disciplinary transfers. Therefore it is easier for an employee to bring about the end of the contract than it is for the employer'.

Comment on the above passage. Your answer should include examples of how employers and employees can bring about the end of the contract as well as a discussion of the laws governing termination. (25 marks)

5. a. 'All female employees in Sri Lanka enjoy equal maternity benefits'

Critically evaluate the validity of the above statement, supporting your answer with relevant legal provisions. (10 marks)

- b. 'An employer cannot arbitrarily lay down the terms and conditions of his/her employee's contracts. The law itself sets out certain terms and conditions within which every employer is bound to comply'.

Discuss the validity of the above statement in the light of the Shop and Office Employees Act and the Wages Board Ordinance. (15 marks)

6. Write short notes on any two (2) of the following

- a. Dispute settlement mechanisms under the Industrial Disputes Act
- b. Strategies for improving employee relations
- c. The contract of employment

(12.5 x 2)

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