

**Himachal Pradesh  
Public Service Commission**

**No.04-23/2024-PSC (R-III)**

**Dated: 15.05.2025**

Syllabus for Paper-II i.e. Descriptive Subject Aptitude Test (SAT) for recruitment to the post of Deputy Manager (General) (on contract basis) in H.P. State Industrial Development Corporation Limited under the Department of Industries, H.P. The SAT shall be of 03 hours duration having 120 Marks. The SAT paper shall have two parts i.e. Part-I and Part-II and cover the following topics of MBA with specialization in Human Resource Management level.

**PART-I (60 MARKS)**

**1. Introduction to Management**

Definition of management: its nature and purpose, Functions of management, Goals of all managers and organizations, Definition of productivity, effectiveness and efficiency, Managing: science or art, The evolution of management thought: Frederick Taylor and Scientific Management, Henri Fayol, & Peter F. Drucker the father of modern Management theory, Mintzberg's managerial roles and skills, International Management: Cultural and country differences (Japan, Korea, America, China and India), Definition of planning, types of plans, management by objectives, Strategies, Policies and Planning Premises, Strategic Planning Process (TOWS Matrix, Porters Generic Competency), Forecasting, Decision Making, Models, Managerial decision-making process, Concept, Importance and elements of Directing, Direction Process, Principles of effective direction, Definition of Staffing, an overview of Staffing Function, Concept and Process of Control, Control Techniques, Human Aspects of Control, Control as a Feedback System, Profit and Loss Control, Control Through Return on Investment, Major Controlling Techniques: Budgetary and Non-Budgetary Control Devices, The Use of Computer for Controlling and Decision Making, The Challenges, Created by IT as a Control Tool, Cross cultural issues in management-Diversity and the new work force.

**2. Organization Behaviour**

**2.1 Individual**

Definition of attitude, components of attitudes, important job attitudes, consequences of job attitudes, definition of personality, the Myers Briggs type indicator, the five-personality model, define values, the importance of values at workplace, terminal versus instrumental

values, and generational values. Definition of perception, factors that influence the perception, attribution theory, common shortcuts in judging others, the link between perception and individual decision making, the rational model, bounded rationality, and intuition, common biases and errors in decision-making, role of ethics in decision making, role of individual and organizational factors in individual decision-making, difference between emotions and mood, the functions of emotions, sources of emotions and moods, emotional labor, affective events theory, emotional intelligence, applications of emotions and moods. Defining motivation, early motivation theory Hierarchy of needs theory, theory X and theory Y, two factor theory, McClelland's theory of needs, contemporary theories of motivation, self determination theory, goal setting theory, self-efficacy theory, reinforcement theory, equity theory, expectancy theory

## **2.2 Group**

Defining and classifying groups, stages of group development, group properties, roles, norms, status, size, and cohesiveness, group decision making, difference between groups and teams, types of teams, problem-solving teams, self-managed teams, cross-functional teams, virtual teams, turning individuals into team players, creating effective teams, context, team composition, team processes, Define leadership, trait theory, behavioral theories, contingency theories, leader-member exchange theory, charismatic leadership, transactional and transformational leadership, authentic and ethical leadership, define power, difference between leadership and power, bases of power, power tactics, define workplace politics, causes and consequences of political behavior, Definition of conflict, traditional view of conflict, interactionist view, the conflict process, bargaining strategies, negotiation process, functions of communication, communication process, direction of communication, interpersonal communication, organizational communication, barriers to effective communication.

## **2.3 Organization**

Define organizational structure, Work specialization, Departmentalization, Chain of command, Span of control, Centralization and decentralization, and Formalization, Common organizational designs, The simple structure, the bureaucracy, the matrix structure, The virtual organization, The boundaryless Organization, the learner organization and organization downsizing, Definition of organization culture, strong versus weak culture, culture versus formalization, culture's function, creating and sustaining the culture, how employees learn the culture, spirituality and organization culture, creating an ethical organizational culture, creating a positive organizational culture, Definition of organizational

change, forces for change, planned change, resistance to change, overcoming resistance to change, the politics of change, the approaches to managing the organizational change, the Lewin's three step model, Kotter's eight step plan for implementing change, action research, organizational development, What is stress, potential sources of stress, consequences of stress, managing stress.

### **3. Managerial Economics**

Incremental reasoning, Marginal analysis, Equi marginal utility, time perspective, consumer surplus, opportunity cost, time value of money, Theories of Firm – Managerial theories – Baumol and Williamson, Behavioral theories – Simon, Cyert and March, Concept, Determinates & Types of Demand. Utility and its types, law of Diminishing Marginal utility, Demand Function, Law of Demand. Elasticity of Demand Price, Income, Cross, Advertising & price expectation. Demand Forecasting, Meaning of production, production function, short run and long run production analysis, Isoquant curves and Isocost lines, Ridge lines, Equilibrium production, expansion path, Cost – meaning and types of cost, cost function, short run and long run cost function, Economies and diseconomies of scale, Law of supply, Price determination under perfect competition, Monopoly and Price Discrimination, Monopolistic Competition, Oligopoly – kinked demand curve, cartel formation, price leadership, Meaning, types and theories of profit, profit planning – break even analysis, National Income Concepts - Models of National Income Determination - Economic Indicators - Technology and Employment - Issues and Challenges – Business Cycles – Phases Management of Cyclical Fluctuations - Fiscal and Monetary Policies.

### **4. Business Environment**

Components and Significance of Business Environment, Factors effecting environment of Business, Economic factors and its Components, Cultural factors and its impact on business, Social Environment and its impact on Purchasing and Consumption, Political Stability, Sovereignty and its impact on the returns of Business, Technological and its impact on internationalizing the business activities, Legal environment and External Factors Influencing Business Environment, Dimensions of International Business Environment, Challenges. Liberalization and Privatization in India, Impact of Globalization in India, India's Export and Imports, Private and Public Sector in India, Foreign Direct Investment in India, Multinational enterprises in India, Impact of WTO n Indian Business, NGO sector in India, Balance of Payments, Concepts, Disequilibrium in BOP: Methods of Correction, Tread Barriers and

Tread Strategy, Free Trade vs. Protection, World Financial Environment: Foreign Exchange Market Mechanism, Exchange Rate Determination, and Euro Currency.

## **5. Indian Ethos and Business Ethics**

The Nature and Purpose of Ethical Reflections: Introduction, Definition of Ethics, Moral Behavior, Characteristics of Moral Standards, Business Ethics: Mediating between Moral Demands and Interest, Relative Autonomy of Business Morality, Role of Ethics in Business, Theory of Voluntary Mediation, Participatory Ethics, Moral Responsibility: Introduction; Balanced Concept of Freedom, Individual Responsibility, Implications related to Modern Issues, Public Accountability and Entrepreneurial Responsibility, Moral Corporate Excellence, Corporate Responsibility, Business Ethics and Individual Interest: Interest based Outlook, Impact of Interest on Moral Goals and Moral Principles, Utilitarian Views on Business Ethics, Enlightened Egoism, Duty ethics in the Business Environment, Theories of Virtue: Productive Practices and Team Motivation, Prospects of Virtues in Business Ethics and Management Theory, Management, Culture and Ethos - Role and Significance of Ethos in Managerial Practices, Sources of Indian Ethos in Management: Vedas, Shastras, Smrities, Puranas, Upnishads, Ramayan, Mahabharat, Arthashastra, Ramcharitamanas, Panchatantra, Hitopadesh, Guru Granth Sahib, Teachings of Buddha and Mahaveer, the Holy Bible, the Holy Quran etc, Human Behaviour – Indian Thoughts, Guna Theory, Sanskara Theory. 5. Karma Theory, Nishkama Karma Yoga and Professionalism.

## **6. Accounting for Managers**

Accounting Evolution, Significance, Accounting Principles, Concepts & Conventions, GAAP, International Accounting Standards, Accounting Equation, Concept of Capital and Revenue, Types of Accounts, Rules of Debit and Credit, Recording of Transactions – Preparation of Journal, Ledger, Trial Balance and Closing Entries including Numerical, Preparation of Financial Statements: Trading and P & L Account and Balance Sheet- Concepts, Format of P&L A/C and Balance Sheet with Adjustments (Vertical & Horizontal Formats), including Numerical, Concept, Meaning, Nature, Causes of Depreciation. Methods of Depreciation: SLM and WDV Methods including Numerical, Understanding and Classifying Cost, Elements of Cost, Component of Total Cost, Classification of Costs and Format, Preparation of Cost Sheet and Tender including Practical and Numerical, Meaning of Standard Cost & Variance, Cost Variance – Determination of Direct Material Variance, Direct

Labor Variance, Sales Variance and Control of Variance, including Numerical, Types of Budgets, Relationship of Standard Costing and Variance Analysis with Budgetary System including Numerical, Concept of Inflation Accounting, Human Resources Accounting.

## **7. Financial Management**

Meaning and Objectives of Financial Management, Scope and Functions of Financial Management, Wealth Maximization v/s Profit Maximization, Short Term and Long-Term Sources of Finance in India, Liquidity Ratios, Profitability Ratios, Leverage Ratios, Activity Ratios, Calculation and Interpretation of Ratios, Concept of Time Value of Money, DCF and Non DCF Methods for Evaluating Projects, Relationship between Investment and Financing Decisions, Cost of Debt & Bonds, Cost of Preference Share, Cost of Equity, Weighted Average Cost of Capital, Determination of operating leverage, financial leverage and total leverage, Leverage and Financial Distress, Net Income Approach, Net Operating Income Approach, Traditional Approach, MM Approach, EBIT --- EPS Analysis, ROI --- ROE Analysis, Dividend Theories, Factors Affecting the Dividend Policy, Alternative Forms of Dividend, Dividend Discount Model, Cash and Liquidity Management, Credit Management, Determination of Working Capital and its Financing.

## **8. Operations Management**

Define operation management, Nature of Production / Operations Management, Production Function and its Environment, Functions of Production/Operations Manager, Organization of Production Function, Product Selection and Design, Service Design, Process and Technology Selection, Location of Manufacturing / Service Facility Quantitative and Qualitative Models, Product layout, process layout, fixed position and group layout, Layout design: Relationship based and Load Distance cost matrix, Materials handling concepts, Capacity Planning, Concept and Application of Learning Curve, Aggregate Production Planning Chase strategy, Level production, Mixed strategy, Materials Requirement Planning, Importance and Scope, selective inventory control, cost concept in inventory, types of inventory, types of inventory problems, Inventory Models: General Economic Order Quantity (EOQ); Economic Batch Quantity (EBQ) (Single and Multi-products); EOQ with Discounts, Quality Control Function, Acceptance sampling Statistical Process Control, Operating Characteristics Curve and its Applications Quality Circles, Meaning of Linear programming, General Mathematical Formulation of LPP, Graphical Analysis, Simplex Method and Big-M Method, Advantage

and limitations of LPP, Concepts and Applications of Dynamic Programming, Quadratic Programming, Integer Programming and Nonlinear Programming (Concepts and applications only), Transportation Problem as a particular case of LPP Mathematical Formulation Initial Basic Feasible Solution, Vogel's Approximation Method, Optimization (Minimization and Maximization) using Modified Distribution Method and Stepping Stone Method. Assignment Model as a particular case of transportation model, Formulation of assignment problems, Solution of assignment problems using Hungarian Method (Minimization and Maximization), Introduction to Games, Maximin and Minimax Principles, Pure and Mixed Strategies, Rule of dominance, Solutions of Games using –Algebraic and Graphical Methods, Game theory and linear programming, Queuing Models.

## **PART-II (60 MARKS)**

### **1. Marketing Management**

Understanding and Defining Marketing, Customer Value, Satisfaction, Customers Delight, and Loyalty, Conceptualizing Tasks and Philosophies of Marketing Management, Value chain, Scanning the Marketing Environment, Marketing Information System, Marketing Research Process, Applications of Marketing Research, Understanding Consumer Behavior - Concept and Applications, Factors Influencing Buying Behavior, Buying Decision Process, Market segmentation, Levels of market segmentations, Patterns, procedures, requirement for effective segmentation, Market Targeting, Developing a positioning strategy, Developing Marketing Strategies, Understanding Marketing Mix, Product-Mix, Product life cycle strategies, Promotion Concept, Advertising-Concept, Media, Messages, Money, Measurement; Sales Promotion-Offers; Personal Selling- Salesmanship, Steps in Selling, Types of Salespersons; Publicity- Concept, Types, Market Intermediaries, Middlemen- Types, Channels of Distribution, Retailing-Types of Retail Stores -Store Retailing and Non-Store Retailing; Wholesaling-Types of Wholesalers, Pricing Techniques, Price Discounts and Allowances, Special Pricing Techniques, Price Discrimination, Significance of Services, Characteristics of Services, Service Quality- The Gap Model of Service Quality, Marketing Mix of Services- Product, Price, Place and Promotion, Relationship marketing in Services, e-Marketing, Social Media Marketing- Concept, Social Media Tools Blogs, Micro Blogs, Media Sharing sites, social networks, Social Media and mobile Technology.

## **2. Research Methodology**

Role and objectives of business research, Types of research, Research process, Defining research problem, objectives and Hypothesis development, Need for research design, Features of a good research design Different research designs and types of research design (exploratory, descriptive, experimental and diagnostic research), Data collection methods, Census Vs Sample Enumerations, Objectives and Principles of Sampling, Types of Sampling, Sampling and Non-Sampling Errors. Measurement in research, Measurement scales, Sources of errors in measurement, Techniques of developing measurement tools, Classification and testing (reliability, verification and validity) scales, Designing questionnaires, Report Writing and Presentation: graphs, charts, diagrams of presentation, layout of research report, types of reports, precautions for writing report.

## **3. Business Statistics**

Define statistics, descriptive statistics, Inferential statistics, Frequency distribution, Percentile and percentile ranks, central tendency, properties of mode, median and mean, variability and standard scores, standard scores and normal curve, correlation, regression, interpretive aspects of correlation and regression, probability, define hypothesis, steps of hypothesis testing, T-test – one tail and two tail, Type – I error, Type – II error, Chi-square, One way ANOVA, Two way ANOVA, Exploratory factor analysis, and logistic regression.

## **4. Entrepreneurship Development**

Evolution of concept of Entrepreneur, Functions of Entrepreneur, Characteristics of Successful Entrepreneurs, Types of Entrepreneurs, Concept of Entrepreneurship, Growth of Entrepreneurship in India, Role of Entrepreneurship in Economic Development, Theories of Entrepreneurship: Innovative theory, Theory of social change, Theory of model personality, Theory of Social behavior, Creativity and entrepreneurship; Steps in Creativity; Innovation and inventions; Using left brain skills to harvest right brain ideas; Legal Protection of innovation; Skills of an entrepreneur; Decision making and Problem Solving (steps in decision making), Process of Innovation- Social & Commercial Entrepreneurial environment: Political, Economic, Technical, Social, Cultural, International, Small Business : meaning, role, Strengths and weaknesses Defining an entrepreneur- entrepreneurial traits – Developing, Entrepreneurs New ventures: Acquiring an Established venture: Advantages and disadvantages

of acquiring established business, considerations for evaluation business opportunities, Methods of valuing a business - Franchising and franchisee's perspective, Need for a Business plan - Steps in the preparation of Business plan, Need for marketing research, Operating plans and financial plan, Dynamics of small business environment, Causes for small business failure, Success factors for small business, Planning paradigm for new ventures - Stages of growth model, Fundamental of a good feasibility plan, components of feasibility plan, Relevance of marketing concept to new ventures, Marketing research of pre-start-up planning , Sources of marketing research information , Implication of market research, Marketing functions that new ventures must address Establishing marketing and sales promotion infrastructure, Concept of pricing - Growth strategies - Marketing plan Financing and its effects on effective asset management –Alternate methods of financing Venture capital and new venture financing, working out working capital requirement, Government agencies assisting in financing the project. Commercial banks, Financing institutions (IDBI, IFCI, ICICI, IRBI, LIC UTI, SFC, SIDC, SIDBI and EXIM Bank), Micro Finance, Role of entrepreneur during various transition 7.2 Requirements for successful patent grants: steps in obtaining a patent, Registration of trademark, copyright and the concept off air use, protection of intellectual property, Entrepreneurship Strategies & Policies: concept of Entrepreneurial Strategies.

## **5. Human Resource Management**

HRM and its Functions, Evolution of Human Resource Management, Models for excellence, HRM Models, Formulation and Essentials of Sound HR Policies, Factors Influencing Personnel Policy of the Organisation, Job Analysis, Job Description and Job Specification, Job Evaluation, Recruitment & Selection, Orientation and Induction, Training and Development Determining Training Needs, Placement Promotion and Transfer, Performance Appraisal, Career and Succession Planning, Retirement, Layoff, Discharge, VRS, performance management and appraisals, compensation management, pay for performance, and financial incentives, coaching and careers, Hybrid organization, hybrid work spaces, Future Challenges for HRM, Maintenance and Discipline the Employees: quality of work life, health & safety measures, social security & welfare practices in India, grievance handling and grievance procedure, managing discipline, disciplinary action, employee separation & retention techniques, International Human Resource Management: International Human Resource Management- concept & importance, Expatriate- definition & roles,

Domestic vs. International Human Resource Management, Selection Approaches in IHRM, Repatriation- concept, importance and process.

## **6. Industrial Relations**

Industrial Relations: Concepts and aspects of Industrial Relations, Functions of Industrial Relations, Objectives of Industrial Relations, Significance of Industrial Relations, Evolutionary shift in Industrial Relations, Approaches to Industrial Relations, Trade Unionism: Concept of Trade Union, Objectives and Functions of Trade Unions, Types of Trade Union, Significance for Trade Unions, Labour Movement and Trade Unions, Rise and Growth of Trade Unionism. Government policies regarding Trade Unionism, Industrial Disputes, Prevention & Settlement: Concept of Industrial Disputes, forms and types of Industrial Disputes, Causes of Industrial Disputes, Impact of Industrial Disputes, Statutory and non-statutory measures to deal with industrial disputes. Prevention and settlement of industrial disputes, Collective Bargaining: Concept of Collective Bargaining, functions, objectives and significance of Collective bargaining, Process of Collective Bargaining, Approaches to collective bargaining, Extent and scope of Collective bargaining in India, Collective bargaining agreement and its application, Workers Participation in Management: Meaning, Objectives of Workers participation, Essentials of workers participation in management, Forms and Methods of workers participation in Management, Concept of Labour Welfare, Labour Welfare in India, I.L.O. and its role in Industrial Relations.

## **7. Labour Legislation**

The Factories Act, 1948, The Employees Provident Funds and Misc. Provisions Act, 1952, The Workmen Compensation Act, 1923, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Industrial Disputes Act, 1947, Misconduct/Dismissal/discharge and Domestic Enquiry, The Equal Remuneration Act, 1976, The Maternity Benefit Act, 1961, The Employees State Insurance Act, 1948, The Trade Union Act, 1926, The Payment of Gratuity Act, 1972.

## **8. Farming System and Sustainable Agriculture**

Farming System-scope, importance, and concept, Types and systems of farming system and factors affecting types of farming, Farming system components and their maintenance, Cropping system and pattern, multiple cropping system, Efficient cropping system and their

evaluation, Allied enterprises and their importance, Tools for determining production and efficiencies in cropping and farming system; Sustainable agriculture-problems and its impact on agriculture, indicators of sustainability, adaptation and mitigation, conservation agriculture strategies in agriculture, HEIA, LEIA and LEISA and its techniques for sustainability, Integrated farming system-historical background, objectives and characteristics, components of IFS and its advantages, Site specific development of IFS model for different agro-climatic zones, resource use efficiency and optimization techniques, Resource cycling and flow of energy in different farming system, farming system and environment, Visit of IFS model in different agro-climatic zones of nearby states University/ institutes and farmers field.

*Sd/-*  
**Under Secretary**  
**H.P. Public Service Commission**