



UNIVERSITY OF RUHUNA – FACULTY OF MEDICINE

ALLIED HEALTH SCIENCES DEGREE PROGRAMME

THIRD BPHARM PART II EXAMINATION – SEPTEMBER 2014

PH 3242: MANAGEMENT AND ECONOMICS (SEQ)

TIME: TWO (02) HOURS

INSTRUCTIONS

- Answer **four(04)** questions including question no.01
- No paper should be removed from the examination hall.
- Do not use any correction fluid.
- Use illustrations where necessary.

Question1

“There are many markets in which the number of firms is small enough that some of them have the ability to affect the market price.”

- I. How do you differentiate the “**Market**” from “**Competitive Market**”? (4 Marks)
- II. Briefly explain the determinants of demand and determinants of supply (6 Marks)
- III. The following table shows a quantity supplied and quantity demanded of a product “X” at different price levels in a hypothetical economy.

Price (Rs)	Qdx	Qsx
5	900	00
10	800	200
15	700	400
20	600	600
25	500	800
30	400	1000

Answer the following questions using the demand and supply schedule of the product “X”.

- a. Draw the demand and supply curves (2 marks)
- b. What is the equilibrium price and quantity of the market? (2 marks)
- c. What is the shortage quantity of supply at the price Rs. 10.00? (2 Marks)

- d. What is the shortage quantity of demand at the price Rs.25.00? (2 Marks)
- e. When the price is below than the equilibrium price, what type of pressure for price can be seen in that economy? Briefly explain your answer. (2 marks).

(Total Marks 20)

Question2

“Successful organizations know how to manage people and resources efficiently to accomplish organizational goals and to keep those goals in tune with changes in the external environment”

- I. You are asked to define the term “Management” (4 Marks)
- II. “Management process consists with four functions and they are treated as mutually interrelated”. Briefly explain (6 Marks)
- III. “Management is a universal concept and it can be used to any person, organization or group”. Explain with examples? (10 Marks)

(Total Marks 20)

Question3

“Members of an organization need a stable, understandable framework within which they can work together toward organizational goals”

- I. What do you mean by the term Organizing? (4 Marks)
- II. Briefly explain the Max Weber’s principles of bureaucracy? (6 Marks)
- III. Explain the six building blocks of organizing that help to decide how best to group organizational activities and resources? (10 Marks)

(Total Marks 20)

Question4

“Managers must be prepared to encourage and support the people who carry out the plans and work within the structures where such managerial effort to keep people focused on the goals for an organization is the process of leading.”

- I. What do you mean by the term “Motivation”? (4 Marks)
- II. Why the leading function is important for managers in an organization? (6 Marks)
- III. How do you compare the Abraham Maslow’s Hierarchy of Needs Theory with Clayton Alderfer’s ERG Theory and Frederick Herzberg’s Two Factor Theory? (10 Marks)

(Total Marks 20)

Question5

Write short notes about 4 of the followings

- I. Trait Theory of Leadership and Behavioral Theory of Leadership
- II. Communication Process and Grapevine Communication
- III. Classical Model(Rational Perspectives on Decision Making) and Administrative Model (Behavioral Aspects of Decision Making)
- IV. Feed Forward control and Feedback control
- V. Copy Right and Industrial Property

(Each carries 5 marks)

(Total Marks 20)