

- c) Differentiate between micro and macro economics.
- d) Explain role of method study and time study to increase plant productivity.

OR

Explain lean manufacturing principles to improve productivity and reduce cycle time.

Roll No

EE-505

B.E. V Semester

Examination, June 2016

**Principles of Management And
Managerial Economics**

Time : Three Hours

Maximum Marks : 70

- Note:** i) Answer five questions. In each question part A, B, C is compulsory and D part has internal choice.
- ii) All parts of each questions are to be attempted at one place.
 - iii) All questions carry equal marks, out of which part A and B (Max.50 words) carry 2 marks, part C (Max.100 words) carry 3 marks, part D (Max.400 words) carry 7 marks.
 - iv) Except numericals, Derivation, Design and Drawing etc.

1. a) What is the importance of Management to technical persons? What is meant by scarce resources?
- b) Differentiate between top management and administration. Write name of any three posts between the supervisor and the president / board of directors.
- c) What is meant by "Management is pervasive"? Write any four other characteristics of management.
- d) What is meant by "Jungle of management theories"? Write name of any two theories in the categories of classical, neo-classical and modern management theories. Explain any one theory.

OR

What is meant by conceptually HRM and technical skills? Draw a figure to explain the extent of these skills required for top, middle and supervisory (first level) managements. What is HR theory of management? Draw a figure to explain Maslow's need hierarchy.

2. a) Define scientific management theory. Who is credited for this theory?
- b) Write any six principles of administrative management by H. Fayol.
- c) Write functions of management. Explain any two in two lines each.
- d) Define a project and project management. How does it differ from operations management? Give three examples of each.

OR

What is system theory of management? Draw a figure of system and write characteristics of system.

3. a) Define decision theory of management. Write in short importance of decision theory.
- b) Write at least five steps in decision making and group them in three categories of Simon decision theory.
- c) What is payoff matrix? What are similarities and differences between the decision theory and the game theory?

- d) Solve following decision payoff matrix, applying the Laplace criteria of maximizing expected value.

Events →	E1	E2	E3
Strategies ↓			
S1	12	18	15
S2	17	10	14
S3	22	16	10
S4	14	14	14

OR

What is regret matrix? What is Hurwitz criteria of decision making? What is Expected Value of Perfect Information. (EVPI)?

4. a) Define managerial Economics. Define economics and list factors (resources) of production.
- b) Make a list of short term and long term decisions, four each.
- c) Write formula for surplus maximization. What is meant by constrained maximization?
- d) Draw a figure of production process and recycling of resources. What are two major reasons for existence of firms as per Ronald coase.

OR

What is theory of production? Write Cobb-Douglas production function and elasticity of labor or capital.

5. a) Define productivity, P. If I stands for input then prove surplus, $S = (P-1)*I$.
- b) Define labor productivity and capital productivity.