



# SLIATE

SRI LANKA INSTITUTE OF ADVANCED TECHNOLOGICAL EDUCATION

(Established in the Ministry of Higher Education, vide in Act No. 29 of 1995)

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**Higher National Diploma in Information Technology**  
**Second Year, First Semester Examination – 2017**  
**HNDIT 2303 Principles of Management and Applied Economics/**  
**Fundamental of Management and Economics**

**Instructions for Candidates:**  
**Answer only four (04) questions**

No. of questions : 05  
No. of pages : 02  
Time : Two (02) hours

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**Question 01**

- ✓✓ (i) What is “Management”? (03 Marks)
- ✓✓ (ii) What are the basic functions of management? (04 Marks)
- ✓✓ (iii) Mention key features of an organization. (03 Marks)
- ✓✓ (iv) State down the challenges faced by managers in an organization at present. (06 Marks)
- ✓✓ (v) Briefly explain the types of skills that a manager has to perform in his duties. (09 Marks)

**[Total 25 marks]**

**Question 02**

- ✓✓ (i) What are the different types of decision making models? (02 Marks)
- ✓✓ (ii) Name two (02) major activities involved in planning. (02 Marks)
- ✓✓ (iii) List out characteristics of objectives. (05 Marks)
- ✓✓ (iv) What are the two (02) types of decisions and explain how they are related with managerial level of the organization. (08 Marks)
- ✓✓ (v) SWOT analysis is a useful technique for understanding all sort of situations in business and organizations. Select any industry that you prefer and explain the strengths, weaknesses, opportunities and threats. (08 Marks)

**[Total 25 marks]**

### Question 03

- ✓✓ (i) Define the term “Organizing”. (04 Marks)
- ✓✓ (ii) What do you mean by “Leadership”? (04 Marks)
- ✓✓ (iii) What is unity of command? (04 Marks)
- ✓✓ (iv) Motivation is important to satisfy employees in an every organization. Briefly explain different methods of motivation in an organization. (05 Marks)
- ✓✓ (v) “The average span of control used in an organisation determines whether the organisational structure is **tall** or **flat**.” Explain. (08 Marks)

**[Total 25 Marks]**

### Question 04

- ✓✓ (i) What do you mean by “Controlling”? (03 Marks)
- ✓✓ (ii) What are the different types of controlling? (04 Marks)
- ✓✓ (iii) “Scarcity is the major problem of all economics.” Briefly explain. (04 Marks)
- ✓✓ (iv) Distinguish between *Microeconomics* and *Macroeconomics*. (06 Marks)
- ✓✓ (v) Briefly explain factors of production. (08 Marks)

**[Total 25 Marks]**

### Question 05

- ✓✓ (i) Define quantity demand. (04 Marks)
- ✓✓ (ii) What are the determinants of household demand? (05 Marks)
- ✓✓ (iii) What is “Law of Supply”? (04 Marks)
- ✓✓ (iv) What are the different types of unemployment? (04 Marks)
- ✓✓ (v) Briefly explain market disequilibria by drawing the demand and supply curve. (08 Marks)

**[Total 25 Marks]**