

**II B.Tech II Semester Supplementary Examinations,
November/December 2005
MANAGEMENT SCIENCE
(Common to Electronics & Communication Engineering and Electronics &
Telematics)**

Time: 3 hours

Max Marks: 80

**Answer any FIVE Questions
All Questions carry equal marks**

1. What is an organization? What are the principles of a sound organization? Distinguish the change between the traditional and modern organizations. [4+4+6]
2. What types of environment are to be considered in strategy formulation? How will you diagnose the results of environmental analysis? [8+8]
3. What do you understand by
 - (a) Inspection by variables
 - (b) Inspection by attributes. [8+8]
4. Compare and contrast Job evaluation Vs. Merit rating. [8+8]
5. Given the following information concerning a business unit: [16]

item	Unit price (Rs)	annual usage
A	20	200 units
B	50	72
C	100	400
D	10	1000

Acquisition cost per order = Rs20

Inventory carrying cost = 20%

Calculate EOQ for all the four items individually.

6. Differentiate between:
 - (a) Job order production and batch production system.
 - (b) Mass production and flow production. [4+4+4+4]
7. Define “Critical path”, “slack time” and “Dummy Activity” with reference to PERT and CPM. How uncertainty can be incorporated in PERT models ? [4+4+4+4]
8. What do you understand by optimum cost and optimum duration? Draw a typical cost duration curve and show on it optimum cost and optimum duration. [4+4+8]
