



Strathmore
UNIVERSITY

STRATHMORE BUSINESS SCHOOL

MASTER OF BUSINESS ADMINISTRATION IN HEALTHCARE MANAGEMENT

END OF SEMESTER EXAMINATION

HCM 8201: DECISION ANALYSIS FOR HEALTHCARE MANAGERS

Date: Friday, 23rd March 2018

Time: 3 hours

Instructions

1. This examination consists of **FIVE** questions.
2. Answer Question **ONE** and **ANY OTHER TWO** questions.
3. Be as precise and concise as possible

Question 1(Compulsory) (40 Marks)

Please read carefully the case attached and answer the following Questions: (**Guroo Bringing the Price Transparency to US Healthcare Consumers?**) and then answer the following questions.

Required:

- a) What is the problem in this case facing GUROO? **(1 Mark)**
- b) Demonstrate at least FOUR ways in which you can prove that the chosen Problem is the problem facing GUROO Project team in the case above **(5 Marks)**
- c) Price Transparency in Healthcare in Kenya is also an issue that has eluded the Healthcare System in Kenya till now. Under the circumstances in Kenya, in your opinion, learning from this case, can the ministry come triumphant, in case they wish to, in removing the blindfold of healthcare pricing in Kenya? **(2 Marks)**
- d) In our Learning, it's become clear that a decision not executed is not a decision but just an expression of good intention. For instance, when the government talks of improving health outcomes through capacity building in healthcare yet they do not do it, it's just good intention but not a decision. When Michuki said he wants to see all seated in Matatus belted, he executed it and that was a decision. In the case here, when Guroo

promised price transparency, they could not deliver it within the circumstances. That means they did not think clearly how to execute their intended decision. Use the five steps in implementing a decision, illustrate how, Guroo or the government good intentions in healthcare could be executed. **(10 Marks)**

- e) Suppose you are to be asked by the Permanent Secretary for health to advise the Ministry as a consultant on how to implement a price transparency into Kenyan Healthcare Consumers, what would be the key criteria you will build in developing that kind of system or platform. Please illustrate how guided by the Principles of Decision Making you will succeed in coming up with this system or plan. **(8 Marks)**
- f) State and explain the four conditions of Decision-making and how the use of the understanding of these conditions would have saved the GURROO Project **(4 Marks)**

Question 2(15 Marks)

During one of our class discussions, it was not concluded whether we as executives make decisions in freedom or our decisions are already pre-determined. We could not agree that the career we have is something we chose freely, where we live, who we fall in love with and marry, whether how we perceive beauty or handsomeness is something our intellect reaches freely without any other external circumstances like our socialization, education, environmental milieu among others. But we agreed that there are cognitive biases at the individual and group levels.

Required:-

- a) Taking an example of a decision you submitted for consideration in your syndicate assignment, please illustrate how the four cognitive biases could affect your judgment **(10 Marks)**
- b) Illustrate also how you would overcome each of these biases in your future decisioning **(5 Marks)**

Question 3 (15 Marks)

You have been asked by your organization to determine a way forward in means of growing your hospital's revenues. The problem is very clear that if the revenues do not come, the hospital may have to close.

Required:-

- a) Which step in the decision making process is the most important **(3 Marks)**
- A) Generating alternatives
 - B) Choosing an alternative
 - C) Evaluating alternatives

D) Learning from feedback

- b) With the help of a clear Explanation of the Decision making process Justify your answer

(12 Marks)

Question 4 (15 Marks)

As Executive in health Management, you are faced with decision-making that either makes or destroys life. These are very critical decisions since you have to do diagnostics, make inferences and recommend treatment. This is how critical your role is hence high need for critical thinking.

Required:

Using Lexical of Decision Making (Thinkers Lexical), please explain different levels of Knowledge and how by knowing them you improve your level of critical thinking **(15 Marks)**

Question 5 (15 Marks)

It has been noted that Executives believe that the more decisions they make the more Effective they are yet that is not true since Executives should instead focus on making the most important decisions for the organization. This is a big problem so much so that most executives cannot even go on leave because the fear is that their subordinates will usurp their power. The executives want to be on top of everything and they need to be involved in every decisions including very routine ones like delivery of supplies to their premises. This keeps them so busy that they are constantly on the urgent and important box with no room for creativity since they are always reactive, not proactive.

Required:-

- a) Give at least 2 differences between having proactive and Reactive agents in an organization **(4 Marks)**
- b) Explain two ways in which you would determine the effectiveness of any Decision you have ever taken **(1 Mark)**
- c) According to Peter Drucker, there are six Sequential steps in making an effective Decision, Using a problem that you have ever solved, please illustrate these steps.

(10 Marks)