

National Exams December 2002

**98-CS-3-Management Concepts for Engineers
3 hours duration**

Notes:

1. If doubt exists as to the interpretation of any question, the candidate is urged to submit with the answer paper, a clear statement of any assumptions made.
2. This is a Closed Book exam. No calculators are allowed for this exam.
3. Any five questions constitute a complete paper. Only the first five questions as they appear in your answer book will be marked.
4. All questions are of equal value.
5. Write your answers in point-form whenever possible, but fully.

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1. (i) In a competitive world market, explain the areas of endeavour, in which worker, unions, managements and governments can cooperate to make progress.
(ii) Discuss the situation of generous benefits, such as stock options, pensions and bonuses given to the senior executives, despite doing poorly or incurring substantial losses as a corporation.
(iii) What are the main problems facing the middle managers to-day in industry?
2. (i) What are the problems of motivating employes in small businesses? Discuss the problems in the context of small businesses that have grown from a small beginning from the endeavour of the owner/founder.
(ii) Douglas McGregor observed that managers had two different attitudes that led to entirely different management styles. Discuss the assumptions of people made by McGregor in Theory X and Theory Y.
(iii) What are the major elements of Theory Z, proposed by Ouchi?
3. (i) During the process of moving goods from producers to customers, marketing adds four types of utility (value) to goods and services. Discuss briefly the four types of utility.
(ii) Explain the concept of target or bull's-eye marketing, especially for small business.
(iii) State the factors that make the difference between industrial marketing and consumer marketing.
4. (i) Explain the concepts of: (a) lean manufacturing and (b) modular construction (practiced at General Motors or GM).
(ii) Why is site selection for manufacturing industry so important? What criteria is used to evaluate different sites?
(iii) State the nature of education and constant updating of skills needed to deal with manufacturing facilities in the future.
5. (i) State the four major areas of financial needs that must be met during the course of a business's life.
(ii) In setting long-term financing objectives, what are the three major questions the company generally asks? Where does the initial long-term financing usually come from?
(iii) What are the advantages and disadvantages of issuing bonds?
6. (i) What are the challenges and problems being encountered in the human resources area presently?
(ii) Explain the concept of job simulation, as a fast-growing means of training. Give examples.
(iii) What is performance appraisal? State the steps followed in the performance appraisal.

7. In the case of Phillips Cable Ltd., in Brockville, Ontario, 350 workers lost their jobs when the plant was closed. This occurred despite drastic worker concessions in 1991 that were supposed to be “the miracle cure to keep the operations afloat.” Brian McDougall, president of Local 510 of the Communications Energy and Paperworkers Union of Canada, said that everyone was devastated, in shock and disbelief. Answer the following questions:
- (i) What would you recommend to union workers whose employer is threatening to close down unless they agree to wage or other concessions?
 - (ii) Is there some alternative to cutting wages or closing down? What is it?
 - (iii) Union workers often feel that the company is bluffing when it threatens to close. How can such doubts be settled so that more open negotiations can take place?
 - (iv) Laws have been passed that require plants with more than a certain number of employees to give up to six months’ notice of intention to close. Do you think that such legislation helps businesses to show employees that they are serious about closing a plant and thus get concessions from labour? Are such tactics ethical? Do these laws have any effect on investment decisions?