



**PROGRAM** : NATIONAL DIPLOMA  
*MINING ENGINEERING AND MINE SURVEYING*

**SUBJECT** : **ENGINEERING MANAGEMENT 3**

**CODE** : **MGN32-1**

**DATE** : FINAL SUMMATIVE ASSESSMENT  
21 NOVEMBER 2019

**DURATION** : 3 HOURS

**WEIGHT** : 60% OF FM

**TOTAL MARKS** : 100

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**NUMBER OF PAGES** : 11 PAGES (including cover page)

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**INSTRUCTIONS TO CANDIDATES:**

1. THIS PAPER HAS **THREE** SECTIONS
2. ANSWER EACH SECTION IN A **SEPARATE** ANSWER BOOK
3. READ INSTRUCTIONS IN EACH SECTION CAREFULLY
4. WRITE YOUR LECTURER'S NAME ON YOUR ANSWER BOOK
5. PLAN YOUR TIME CAREFULLY

## **SECTION A: BUSINESS MANAGEMENT**

### **QUESTION 1**

Read the passage entitled “African leaders urge China to balance flow” before answering the questions

Choose the most correct answer. Write down the question number and correct letter only.

#### **AFRICAN LEADERS URGE CHINA TO BALANCE FLOW**

*Investment and trade a blessing and curse*

1. China has brought cheap consumer goods, roads and schools to many parts of Africa over the past decade, but the continent’s leaders are increasingly pushing for it to provide more of what many Africans want most: jobs. From Pretoria to Abuja, governments have begun voicing frustration that China’s use of Africa as a source of natural resources and a market for its goods may be hindering the continent in hauling its billion people out of poverty.
2. A recent report by the UN’s Economic Commission for Africa (ECA) highlighted the risk that the continent’s relationship with the second largest economy could strangle its attempts to industrialise. But 85 percent of China’s imports from Africa are raw materials, such as oil and ores. The African Development Bank says most minerals mined in Africa are exported raw so the jobs and wealth from processing them are created elsewhere.
3. A flood of Chinese goods, meanwhile, has accelerated the decline in industrialization since the 1980’s. Africa’s textile industry alone lost 750 000 jobs over the past decade, according to the Johannesburg- based Brenthurst Foundation. Even in the continent’s manufacturing powerhouse, South Africa, an estimated 40 percent of footwear and fabrics come from China. Expressing the concerns of many African governments, President Jacob Zuma bluntly warned last year that such an unbalanced pattern of trade was “unsustainable”.
4. With the world’s youngest and fastest growing population, the main pressure on governments in Africa is to provide jobs. Having the Chinese take those jobs doesn’t help. It is true China’s boom has brought many benefits to Africa. Beijing has won fulsome praise from many governments for its willingness to finance massive infrastructure projects without conditions relating to democracy, governance and human rights- the “strings” Africa has often criticized in aid from the West.
5. Chinese economic growth rates averaging 10 percent a year for almost a decade fuelled a commodities “upper-cycle”, which has lifted Africa’s own growth to unprecedented rates. And the cheap Chinese goods being imported help make everyday living more affordable and develop the consumer sector across the continent. But in many countries, China’s demand for ore, timber and oil was forcing African states to specialize at the bottom of the value chain in areas with low productivity gains, the ECA said.
6. With Africa supplying a third of China’s oil, much of it from Angola, the UN institution highlighted the risk of so called Dutch Disease, whereby demand for raw materials inflates a currency, making other sectors uncompetitive against foreign competition.

## **Section A (Continues)**

7. Even in Senegal, an arid West African country not usually associated with the resource curse, domestic peanut processing factories face the threat of being driven out of business as Chinese exporters buy up the crop to ship home. Attempts to legislate for industrialisation, such as bans on the export of unprocessed logs from Gabon and Mozambique, have often proved fruitless. In Gabon, where Beijing has broken French dominance over logging, an estimated 60 percent of timber is exported illegally to China.
8. Respected Central Bank of Nigeria governor Lamido Sanusi said in March that China's extraction of resources from Africa had all the attributes of "colonialism". In an apparent response to such criticism, Chinese President XI Jinping took pains during a six-day African tour in March to stress his country was seeking a win-win partnership.
9. "The development of China will be an unprecedented opportunity for Africa, and the continent's development will be the same for my country", he told legislators in the Republic of Congo. Beijing has provided much needed capital to a continent starved of investment. The China Import-Export Bank is the continent's largest creditor and Beijing has promised \$20bn more in loans over the next three years.
10. But Beijing's money comes with its own strings; it must be spent on Chinese goods or Chinese-built infrastructure. And Chinese firms often source their supplies and workers back home. The number of Chinese in Africa has increased 10-fold over the past 20 years to an estimated 1 million. From shopkeepers in Malawi to prostitutes in Cameroon, Africans complain that Chinese competition is making life tougher.
11. Unlike Western immigrants, the Chinese diaspora comes from the poorest section of society and competes directly for work with Africans, some 80 percent of who are in "vulnerable employment", according to the International Labour organization. In Ghana, tensions flared into violence last month when police and residents attacked Chinese gold miners, claiming they were driving locals out of the industry. Many Chinese were brutally beaten and about 200 were deported. Frustration has also emerged with the operating practices of some Chinese firms.
12. In Gabon, Chinese refiner Sinopec's Addax Petroleum is embroiled in a \$1bn legal dispute over an oil licence after the government alleged it failed to pay customs duties and respect other laws. Zambia, where Chinese have a record of violent labour disputes, revoked three licences for the Collum coal mine, alleging non-payment of royalties, and poor environmental and safety records. "Now more countries are engaging with Africa, there are more options. Several countries are looking at Chinese investment with a more critical eye", Razia Khan, the head of Africa research at Standard Chartered Bank said.

### **Section A (Continues)**

13. Responding to the criticism from Nigeria and South Africa, China's commerce ministry has encouraged firms to increase investment in Africa. China is launching special economic zones for manufacturing companies on the continent. Nigerian Finance Minister Ngozi Okonjo-Iweala has urged African countries to woo Chinese manufacturing firms into offshoring production as their domestic labour costs rise.

*Adapted from The Star, Business Report, 23/07/2013*

1. According to the article, Africa's relationship with China is:
  - A. Damaging
  - B. Productive
  - C. A romanticized equal partnership
  - D. Both damaging and productive
2. The writer's main concern is that Chinese products:
  - A. Are inferior in quality
  - B. Are cheap for the consumer
  - C. Are not creating employment opportunities
  - D. Are cribs on real brands
3. "Dutch Disease" means that:
  - A. Local industries are unable to compete with China
  - B. Holland controls the economy
  - C. Consumers experience a high death rate
  - D. China's currency is the strongest in the world
4. The Chinese President's visit to Africa stressed:
  - A. China is the second largest world economy
  - B. An equally beneficial partnership between Africa and China
  - C. China's ability to provide investment to Africa
  - D. The need for Africa's economic development
5. "But Beijing's money comes with its own strings": This statement conveys the writer's:
  - A. Optimism
  - B. Skepticism
  - C. Excitement
  - D. Anger
6. The Ghana violence was a result of:
  - A. Competition for jobs
  - B. Competition for goods
  - C. Competition for land
  - D. Competition for citizenship

7. Many African countries prefer to trade with China as:
  - A. Other countries are more rigid in their demands
  - B. Other countries are more expensive partners
  - C. Other countries are more democratic
  - D. Other countries are more racist
8. Our president's viewpoint on the relationship with China :
  - A. Supports the present trade situation
  - B. Demands an end to the relationship
  - C. Insists on transformation in the relationship
  - D. Wishes to boycott Chinese manufacturing goods
9. Consumers have mainly benefitted from Chinese imports in that:
  - A. Goods are more varied
  - B. Goods are more fashionable
  - C. Goods are more available
  - D. Goods are more affordable
10. The word "woo" means to:
  - A. Invite
  - B. Exclude
  - C. Partner
  - D. Isolate

The following questions are from your syllabus

11. The sum of all the factors which occur internally in the enterprise refers to:
  - A. The micro environment
  - B. The task environment
  - C. The market environment
  - d. The macro environment
12. The micro environment of an enterprise includes:
  - A. The mission statement and consumers
  - B. Economic and political variables
  - C. Suppliers of resources and competitors
  - D. Functions of the enterprise and production factors
13. Goods and services which are used for the manufacture of products to end consumers are part of the:
  - A. Resale market
  - B. International market
  - C. Industrial market
  - D. Government market

14. Periods of prosperity and periods of recession refer to:
- A. Interest rate
  - B. Inflation
  - C. Trade cycles
  - D. Statutory environment
15. In locating an enterprise, infrastructure may refer to:
- A. Water and power supplies
  - B. International investment
  - C. Availability of labour
  - D. Size and composition of the population
16. Middle management in an enterprise is essentially concerned with:
- A. Strategic planning
  - B. Functional planning
  - C. Daily tasks
  - D. Restructuring of the organization
17. First level managers' skills are largely:
- A. Analytical
  - B. Interpersonal
  - C. Technical
  - D. Decision making
18. According to Blake and Mouton's findings on leadership, managers who are both effectively people and task oriented are:
- A. Middle of the road managers
  - B. Autocratic managers
  - C. Team managers
  - D. Country club managers
19. Laissez faire managers according to Blake and Mouton are:
- A. Ineffective at both levels
  - B. Effective in task oriented management
  - C. Effective in people orientated management
  - D. Moderately effective at both levels
20. Evaluating an enterprise's performance against set standards is part of:
- A. The planning process
  - B. The organizing process
  - C. The leading process
  - D. The control process

[20]

## **QUESTION 2**

Write a mini essay of  $\pm 1$  page on one of the topics below. Marks will be awarded for both content and style. Do not make vague statements but justify with facts.

1. Select one of South Africa's greatest entrepreneurs that you have studied and discuss how this entrepreneur responded to elements in the macro environment in establishing his/her enterprise.

(20)

OR

2. Select two of South Africa's greatest entrepreneurs and compare their enterprises in terms of production factors.

[20]

[SECTION A=40]

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## **SECTION B: LABOUR RELATIONS**

### **QUESTION 1**

- 1.1 Which one of the following is not an advantage of sound employment relations?

- A. Better performance
- B. High labour turnover
- C. Improvement in quality
- D. Reduction in throughput time

- 1.2 Which one of the role players in employment relations offers secondary relationship?

- A. The state
- B. Union
- C. Employees
- D. Employers

- 1.3 Which one of the following is not a requirement on the contract of employment according to BCEA?

- A. The full name and address of the employer
- B. How frequently remuneration will be paid
- C. List of documents that form part of employment

D. Union which is going to represent you

1.4 How many days is employee entitled to for family responsibility leave per annum?

- A. 2 days
- B. 3 days
- C. 4 days
- D. 5 days

1.5 What is the time limit required to resolve grievance from informal procedure to formal procedure?

- A. One day
- B. Two days
- C. Five days
- D. A week

1.6 How long does it takes for verbal warning to expire?

- A. 3 months
- B. 6 months
- C. 12 months
- D. 9 months

1.7 How long does it takes for written warning to expire?

- A. 6 months
- B. 9 months
- C. 12 months
- D. 3 months

1.8 Which one of the following is not example of serious offences?

- A. Absenteeism
- B. Sleeping on duty
- C. Sexual harassment
- D. Forging time cards

1.9 Which one of the following is the second step in disciplinary procedure?

- A. Process of the proceeding
- B. Confirm the allegations
- C. Opening letter of the proceeding
- D. Level of disciplinary action

1.10 Which one of the following is not employee's right during disciplinary hearing?

- A. The right to consideration of his/her record of service
- B. Right to address to address tribunal on mitigating circumstances prior to a decision on punitive action



- C. The right to address the tribunal prior to a decision on guilt
- D. Right to plead not guilty

[10]

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## **QUESTION 2**

- 2.1. Define unfair labour practice in terms of section 186 of Labour Relations Act. (4)
- 2.2. List 3 grounds that justify dismissal. (3)
- 2.3. Explain conciliation process. (4)
- 2.4. List first 5 steps to be taken by employee when referring a case to CCMA. (5)
- 2.5. Briefly describe the functions of CCMA (4)

[20]

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[SECTION B=30]

## **SECTION C: RISK MANAGEMENT**

### **QUESTION 1**

1.1 Which one of the following best describe risk mitigation?

- A. Is any step taken to remove risk?
- B. Is any step taken to reduce risk?
- C. Is any step taken to minimize risk?
- D. Is any step taken to assess risk?

1.2 Risk Management is defined as:

- A. The process concerned with management, measurement, control and minimization of risks assessed.
- B. The process concerned with identification, control, measurement and minimization of risks assessed
- C. The process concerned with identification, measurement, control and minimization of risks assessed

- D. The process concerned with management, control, measurement and minimization of risks assessed

1.3 Which one of the following is the third step in risk management?

- A. Implement risk management actions
- B. Assess the risks
- C. Re-evaluate the risks
- D. Develop risk management plan

1.4 Which one of the following is the correct sequence of risk management?

- A. Identify possible risk, analyse each risk, rank the risk and Develop contingency plan
- B. Identify possible risk, rank the risk, develop contingency plan and analyse each risk
- C. Identify possible risk, rank the risk, analyse each risk and Develop contingency plan
- D. Identify possible risk, analyse each risk, Develop contingency plan and rank the risk

1.5 Pure risk

- A. Concerns the likelihood and magnitude of gain or loss
- B. Concerns the likelihood and severity of harm
- C. Concerns the likelihood and magnitude of gain
- D. Concerns the likelihood and severity of harm or gain

1.6 Which one of the following is an example of predisposing factor?

- A. Nutrition
- B. Exposure
- C. Smoking
- D. None of the above

1.7 Which one of the following is not example of pure risk?

- A. Personal risk
- B. Legal risk
- C. Property risk
- D. Liability risk

1.8 Which one of the following is not example of physical hazard?

- A. Radiation
- B. Magnetic field
- C. Slipping/tripping
- D. High pressure

1.9 Risk assessment is the process where you:-

- A. Identify hazards, analyze or evaluate the risk associated with that hazard, and determine appropriate ways to provide PPE

- B. Identify hazards, analyze or evaluate the risk associated with that hazard, and determine appropriate ways to minimize hazard.
  - C. Identify hazards, analyze or evaluate the risk associated with that hazard, and determine appropriate ways to eliminate or control the hazard.
  - D. Identify hazards, analyze or evaluate the risk associated with that hazard, and determine appropriate ways to treat the hazard.
- 1.10 Which one of the following examples doesn't lead to issue based risk assessment been conducted?
- A. New machinery
  - B. New manager
  - C. New info
  - D. Incident/accident

[10]

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## **QUESTION 2**

- 2.1. List five major barriers to human performance in safety (5)
- 2.2. List five accidents not to be included on mine statistics (5)
- 2.3. What is the difference between pure risk and speculative risk? (4)
- 2.4. Give four examples of continuous risk assessment (4)
- 2.5. List two components of risk assessment with their percentages (2)

[20]

[SECTION C=30]

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**GRAND TOTAL= 100**