



PROGRAM : NATIONAL DIPLOMA
MINING ENGINEERING AND MINE SURVEYING

SUBJECT : **ENGINEERING MANAGEMENT 3**

CODE : **MGN32-1**

DATE : SUPPLEMENTARY SUMMATIVE ASSESSMENT
09 JANUARY 2020

DURATION : 3 HOURS

WEIGHT : 60% OF FM

TOTAL MARKS : 100

EXAMINER : MR P MALATJI
DR R SIBANDA

MODERATOR : MRS P NELWAMONDO
DR C RAMHURRY

NUMBER OF PAGES : 11 PAGES (including cover page)

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

Read the article “We require real leadership in the mining sector” by Adriaan Groenewald then answer the questions that follow. Write down the question number and the most correct letter only.

1. We have to realise that there is a trust of note between most leaders at the top and their followers-be it in politics, business or labour. And this most certainly applies to mining bosses and their thousands of employees. It also includes relationships between union leaders and their members. When any leader makes promises and does not deliver; the trust relationship is damaged. In today’s unpredictable world, over the last decade or two, leaders collectively have made promises on which they could not deliver-to their electorate, employees, the market place, shareholders, to name a few.
2. Our world is much more visible and leaders more exposed than ever before. When their behaviour does not match their professed values and words this incongruence spreads like wild fire. The old hierarchical ‘power’ is crumbling, just because someone is at the top does not mean he or she can exert power. The ‘bottom’ of the pyramid now has the means to challenge the ‘top’ the advent of the social media and interconnected networks. Most leaders depend on their position in order to influence and when they do this they damage the trust relationship because by default followers perceive that they are not treated with sufficient respect. These factors and more have resulted in a massive trust deficit and chasm between leaders and followers.
3. Leaders of mining houses approach the negotiation table from a vastly different context than a couple of years ago, and so do the leaders of different unions. The labour landscape is different. There has been a shift in ‘player power’ and similarly also in politics that serve as backdrop to labour negotiations. Mines are struggling with escalating costs, which in today’s world will probably remain par for the course. This may be the new reality until leaders somehow do something radically different.
4. Employee involvement has intensified and they are more connected and aware of all these dynamics than in the past. Their ability to mobilise has increased dramatically. They do not just accept union or corporate leaders based on title.
5. Soon neither union nor corporate managers will be in a position to manipulate their followers for their own selfish or short – sighted agendas. Employees or members will require one thing and one thing only-authenticity. They need to feel that leaders are truly open, not condescending, honestly concerned with the wellbeing, with the big picture and future in mind.
6. Another standard wage settlement following back and forth grand standing, possibly protracted strikes with losses, including life, will end up as a short term solution with no positive impact on the trust deficit, which will never be restored by simply offering handsome increases. Leaders must do something in the form of real, realistic and tangible actions for long-term solutions. The industry – South Africa- needs inspired leadership, someone to step up to the plate with not only a broader solution that involves more than a fair wage increase, but also some symbolic, authentic, surprising act that goes a long way to bridge the gap.

Business Report, Wednesday, 29 July 2015

SECTION: A

QUESTION 1: Multiple Choice

1. The word 'deficit' mostly likely means:
 - A. Loss
 - B. Glut
 - C. Little
 - D. Absence
2. According to the author, when a 'trust relationship' is damaged it is mostly likely to result in:
 - A. A vote of no confidence
 - B. Lack of respect
 - C. Suspicion
 - D. Violence
3. In the context the word 'incongruence' means:
 - A. Difference
 - B. Opposite
 - C. Compromise
 - D. Incompatible
4. The characteristic of a 'hierarchical power' model approach is:
 - A. High authority
 - B. Top-down
 - C. Down-top
 - D. Laissez faire
5. In a mining environment, who are at the 'bottom' of the organisation pyramid?
 - A. CEOs
 - B. Suppliers
 - C. Employees
 - D. Unions
6. According to the article, social media has empowered workers with the ability to be:
 - A. Confrontational towards their leaders
 - B. Rebellious against their leaders
 - C. Critical of their leaders
 - D. Informed about their leaders
7. Which option explains what 'escalating costs' could likely result in?
 - (i) Rising salaries of workers
 - (ii) Hefty bonuses of CEOs
 - (iii) Operational costs
 - (iv) Lost salaries due to strikes
 - A. i and ii
 - B. iv only

- C. i, ii and iii
 - D. All of the above
8. The 'intensified' employee involvement has affected the workplace negatively as it leads to:
- A. Militancy
 - B. Advocacy
 - C. Complacency
 - D. Democracy
9. According to the writer, nowadays workers cannot be 'manipulated' because they are:
- A. Educated
 - B. Politicised
 - C. Organised
 - D. Informed
10. Which option describes the long-term results of 'protracted strikes'?
- (i) Violence
 - (ii) Tensions
 - (iii) Retrenchments
 - (iv) Mine closures
- A. i and ii
 - B. iii and iv
 - C. All of the above
 - D. None of the above

Question 11-20 relate to the syllabus

11. A key environmental factor critical to the success of a business is:
- A. Taxes and regulation
 - B. Improvement in technology
 - C. New companies being established
 - D. Investor confidence
12. In order to stay competitive a business has to do the following:
- A. Delight the customer
 - B. Meet the needs of employees
 - C. Meet the needs of the community
 - D. All of the above
13. Which of the following option is true about a free market system?
- (i) Individuals have a right to keep all business' profits
 - (ii) Individuals have the right to establish a business anywhere
 - (iii) Businesses have a right to produce any product
 - (iv) Businesses have a right to employ anyone
- A. i and ii
 - B. iii and iv

- C. All of the above
 - D. None of the above
14. South Africa's economic system is a:
- A. Free market system
 - B. Completely communist
 - C. Controlled free market
 - D. An ANC controlled system
15. Which of the following could be having a negative effect on the value of the South African currency?
- A. EFF
 - B. ANC
 - C. Corruption
 - D. High fuel prices
16. Currently, Mining jobs are scarce because of:
- A. Marikana
 - B. Union disputes
 - C. Load shedding
 - D. General unemployment
17. The market environment includes:
- A. Consumers and competitors
 - B. Social and cultural forces
 - C. Political and statutory variables
 - D. Production factors
18. Which of the following is NOT a variable found in the micro environment?
- A. Objectives of the enterprise
 - B. An increase in salaries
 - C. Changes in technology
 - D. Functions of the enterprise
19. Which of the following options is the most correct relating to the market environment when establishing the location of an enterprise?
- (i) Absence of competitors
 - (ii) Personal considerations
 - (iii) Sufficient water and power
 - (iv) The market and availability of labour
- A. ii only
 - B. iii only
 - C. i only
 - D. iii and iv

20. Which option is true about the role of the middle management?

- (i) To implement policy on dividends
- (ii) To implement strategic plans
- (iii) To implement the policy on overtime
- (iv) To market the products of the company

- A. i only
- B. ii, iii and iv
- C. I, ii and iv
- D. All of the above

[20]

QUESTION 2: Essay

Write a mini essay of ONLY ONE page long, on one of the topics below. Marks will be awarded for both content and style. Do not make vague statements that are not supported with facts.

2.1 Describe the effective role that one could play in first-level management of a mining enterprise. Justify your answer by citing examples from your experiences in the mines.

[20]

OR

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

[20]

[SECTION A = 40]

SECTION B: LABOUR RELATIONS

QUESTION 1

- 1.1. Identify the role players active in employment relations and describe briefly the role allocated to each one. (9)
- 1.2. Explain the provisions set out in the BCEA with regard to the following:
- a) Sick leave (3)
 - b) Termination of employment (3)

[15]

QUESTION 2

- 2.1. What is the difference between conciliation and arbitration processes? (4)
- 2.2. Define dismissal in terms of Labour Relations Act. (6)
- 2.3. Define strike in terms of Labour Relations Act (2)
- 2.4. Briefly describe the functions of Labour Court. (3)

[15]

[SECTION B=30]

SECTION C: RISK MANAGEMENT

QUESTION 1

Define the following terms:

- 1.1. Risk (2)
 - 1.2. Hazard (2)
 - 1.3. Significant Risk (2)
 - 1.4. Residual Risk (2)
 - 1.5. Risk Measure (2)
- [10]**
-

QUESTION 2

- 2.1. Contrast between risk assessment and risk mitigation (4)
 - 2.2. Describe three different types of risk assessment. (6)
 - 2.3. Define risk management. (2)
 - 2.4. List at least five examples of health hazards at the mines. (5)
 - 2.5. List at least three examples of safety hazards at the mines. (3)
- [20]**

[SECTION C=30]

GRAND TOTAL= 100