

IE 256
Engineering Management
Fall 1423

Midterm Exam

November 23rd, 2002

Computer Number: _____

A. Indicate whether the following statements are True or False: (1 point each)

1. **T** **F** In a Partnership, the owners have limited liability
2. **T** **F** Middle Management is more concerned with short-term planning
3. **T** **F** The Mission Statement is defined by First-line managers
4. **T** **F** First-line managers need a lot of conceptual skills
5. **T** **F** We “Lead” people when we influence their behavior
6. **T** **F** The simple regression model of forecasting assumes a linear relationship between the “Periods” and actual values.
7. **T** **F** Larger spans of control require more training for all levels of personnel.
8. **T** **F** The Mission Statement is an outline of a company’s long-term objectives
9. **T** **F** “Market Share” can be a strategic objective
10. **T** **F** Forecasting helps us predict what a certain future event will be.

B. Make the proper choice from the following: (2 points each)

1.	When a manager is solving problems, he is probably assuming the
A	Interpersonal role
B	Leader role
C	Informational role
D	Decisional role
2.	Technical skills are mostly needed by
A	Top Management
B	Middle Management
C	First-line Management
D	All of the above
3.	First-line managers are responsible for:
A	Carrying out plans
B	Developing short-range plans
C	Supervising workers and technicians
D	All of the above
4.	The most important managerial function is:
A	Leading
B	Organizing
C	Controlling
D	Planning
5.	The first step in any Planning process is:
A	Defining the problem
B	Gathering needed information
C	Recognize there is a problem
D	None of the above
6.	Planning Horizon is:
A	The level of planning
B	The required details in a plan
C	How far into the future a plan is developed for
D	All of the above
7.	Which of the following is one of the key areas to establish strategic objectives
A	Information Revolution
B	Key Technology
C	Strategic Management
D	Market Share
8.	Plan details are defined by the ---
A	Planning Horizon
B	Innovation
C	Management Performance
D	Market Share
9.	Which of the following is a qualitative forecasting method?
A	Exponential Smoothing
B	Regression
C	Sales Force Composite
D	Project Planning
10.	What is the case when making decisions under risk?
A	Both future states of nature and corresponding probabilities with different amounts are known
B	Both future states of nature and corresponding probabilities with different amounts are unknown
C	Future states of nature are known but probabilities are not known
D	Both future states of nature and corresponding probabilities with different amounts are known. One of the probabilities is set to 1 and the others are set to "0"

D. For a steel manufacturing company, the amount of steel production for each year is given below. Forecast the amount of steel production for year 2005 using a simple regression model. (30 points)

Year (t)	Actual Steel Production Value (A_t)
2000	3000
2001	3500
2002	3700
2003	4500