FBCE – Long Answer Questions

**How to use this document:** These long answer questions may be used as is, or adapted at will. We have not suggested the number of marks that each question might be worth, as that will likely depend on your own grading rubric and expectations. Some instructors may choose to turn these questions into lengthier essays, while others may require that students answer the question in a few sentences.

# Chapter 1

1. George is the Director of Operations for an international SME based in Ontario. He is a quiet man who has over 20 years of experience in the management of large departments. George has rarely had to be hands-on with a project; rather he usually oversees a team of leaders and has his assistant update him on the progress of the team.

George has been assigned five team members from different departments within the company to complete a project. To complete work under the tight deadline, all five team members need to work collaboratively.

The team members include:

* Jose from Finance — on site
* Muhammad from Marketing — satellite office
* Sarah from IT — on site
* Mark from Design — satellite office
* Eli from Legal — on site

Because the team members are all in different cities and departments, they have never worked together as one team, although some have interacted with each other on smaller projects. Additionally, some have never met face- to-face.

This project must be delivered in fourth quarter, giving the team only 12 weeks to complete it. George has been hearing rumours that Jose and Muhammad are frustrated with being put on the team and say they are too busy to help out. However, this project requires input from all departments, so they are both needed.

Although George has significant management experience, he is unsure how to approach this situation.

Your job is to answer these questions:

* What type of team is George leading?
* What approach do you think George should take with this new team?
* What would be a good starting strategy for George?

# Chapter 2

* 1. Bubblemania is a bubble tea shop brand in several provinces of Canada, selling upwards of one million drinks per year in plastic containers. Part of its commitment to customers is to be the most ecofriendly bubble tea purveyor in Canada. Consumer criticism is brewing about the recyclable nature of Bubblemania’s cups, straws, and bags. As a result, the brand has been forced to reanalyze its commitment to the environment and prepare a revised business plan to its stakeholders to repair the situation.

Based on what we know of macroeconomic forces, what should Bubblemania’s call to action be to ease environmental concerns by consumers?

Which company stakeholders should the research team connect with to secure their buy-in?

# Chapter 3

1. The price that a supplier assigns to a product is closely related to both the quantity of the product demanded by the market and the quantity of the product the supplier places in the market. Consider the example of Phantom Inc., which sells tablet computers.

Phantom Inc. determines that if they price the tablet at $1,600, they will be able to sell 1,500 tablets per day. If they price it at $1,200, they will be able to sell 2,000 per day, and if they price it at $800, they will be able to sell 2,500 per day. However, Phantom Inc. is willing to sell only 1,000 tablets at the $800 price, 2,000 tablets at the $1,200 price, and 3,000 tablets at the $1,600 price.

Using the information provided:

* + - 1. Construct a demand chart for the numbers given.
			2. Construct a supply chart for the numbers given.
			3. Construct an equilibrium price chart based on supply and demand and explain what the results mean.

# Chapter 4

1. Jane is a Senior Marketing Manager for Media Buy, and in that role she has been buying media for over 15 years. She is proud of the transparent system she has developed with the procurement team, which requires vendors to submit proposals based on a consistent request for proposal process. Jane is respected throughout the industry, and she has developed that reputation by working hard, being fair, and being honest.

Before Jane left for vacation in August she ensured that all her buys and contracts were complete. Her budget was balanced, production for creative had been ordered, and her to-do list was complete. Jane does not have a subordinate to replace her while she is on vacation; rather all emergency calls are forwarded to her director, Ben.

In Jane’s absence, James, a sales rep for Media Buy, called on Ben to indicate that he had an opportunity for the company and would like to meet Ben to catch up and fill him in. Ben and James had attended high school together, and it had been a long time since they had seen one another.

When Jane returned from vacation, she noticed a new media contract on her desk. It was a buy for much more that she had spent on three other media partners. In fact, it was a signed contract for a type of media that she was not using during this buying season, and for a buy Jane had not made. When Jane started to read the contracts, she noted that her director, Ben, had done the buy. Additionally, she discovered that there was an expense for lunch for Ben and James, the sales rep. One month later, Jane found out that James was treating Ben to an NHL game and dinner.

Jane is wondering what to do.

If you were Jane what would you do? Do you see concern for unethical behaviour?

# Chapter 5

1. Brainstorm a new product idea or concept (for example, sunglasses for dogs). Assume that the product will be manufactured and packaged for sale in Canada.

Detail the challenges you would encounter when you decide to begin marketing and selling this product in Australia. Would you face different challenges if you decide to market and sell in Spain and Portugal? What would be the same? What would be different?

# Chapter 6

1. The Government of Quebec has a strategic initiative to increase the number of small businesses (1 to 99 employees) exponentially over the next year. As a result of recent legislation, the province is able to offer short-term tax incentives to help businesses get started.

Because of a recent study, the province has identified a few key sectors that it would like to attract: agriculture, consulting, and social service organizations.

The province has set up specific spokespeople in larger cities to address questions related to setting up a business. Thinking of the sectors noted above, which business types should the province emphasize to potential business owners? Why would these business types be the best options for the province’s target sectors?

# Chapter 7

1. You are looking at opening Cookie PATH, a small business along the PATH in Toronto. The PATH is located in a network of underground pedestrian tunnels, elevated walkways, and at-grade walkways connecting the office towers of downtown. You have a dream of selling an all-vegan assortment of custom-made cookies that can be sold individually or in boxes, catering mostly to the weekday businesses that work in the area. To save on employee costs, you are envisioning a completely automated purchasing system, free of salespeople. The only employee on staff would be the baker who would work in the back, out of sight of the customers. You plan to institute an automated kiosk and website to facilitate payment of individual and bulk orders. All order delivery will be completed by punching a code and opening a glass box after purchase is confirmed.

What advantages do you see to this method of running the business? Do you see any challenges that Cookie PATH should watch out for before beginning installation? Describe at least three advantages and disadvantages to the described method of entrepreneurship in business.

# Chapter 8

* 1. Prepare a one-page summary about a famous leader of your choice. Discuss who they are, what is/was their leadership style, and how it contributed to their success.

# Chapter 9

1. In the text, the company Notes-4-You is used as an example to explain the importance of structuring an organization. Taking what you have learned, draw an organizational chart detailing how you would shape Notes-4-You. Justify your chart.

# Chapter 10

* 1. In the text, you learned about the trials and tribulations of PowerSki. Now that you have a better understanding of operations management, outline the pros and cons of each production process as it relates to PowerSki. Which production process would be best for the firm?

# Chapter 11

1. Choose one of the four main theories of motivation. Putting yourself in the position of a manager, explain how you would apply the theory in your own company (the company can be real or made up).

Justify your choice of theory by giving some background information on the industry and company. Why did you choose the theory that you did? What could the long-term impacts of this implementation be for the company?

# Chapter 12

1. Make-it-Known is a marketing company where the culture is centred on hard work. While there is positive motivation at Make-it-Known, the lack of work-life balance is a concern. Describe some of the more flexible arrangements that Make-it-Known can offer its employees as a benefit to help establish it as a great place to work.

# Chapter 13

1. In small groups, research the largest labour and trade unions in Canada. How many members does each have? What is their mission statement? Present your findings to the class.

1. Employees at Can-Steel manufacturing company are on strike because they feel that they are not being paid fairly. Management needs to defend themselves with a message to their employees. How can management go about doing this effectively?

# Chapter 14

* 1. Working in teams of three to five, design a new candy bar and determine the marketing program and points of difference as well as the target market for your new product. Complete all of the information below and then get ready to pitch your new product to the class!

|  |
| --- |
| What is your NEW product?Specify features, benefits, form, size, etc. and why you believe this is a GREAT new product. |
| Where will your product be sold (i.e. What is the geographic location)?  |
| Who is the target market (age, gender, income, health-consciousness, etc.)?Provide a rationale for your market segment. |
| How much will it cost (PRICE), and why do you think this is a good price point? |
| How will your consumers find out about it (PROMOTION)? Specify the methods to provide information and generate interest. |
| Where will consumers buy it (PLACE)? Specify types of retailers and why.  |
| How is it different from others (POINTS OF DIFFERENCE)? Why is it better than the competition?  |

# Chapter 15

* + 1. A hamburger truck company has hired you to build out their three basic financial statements for them for the past year. In the past year they sold 100,000 hamburgers at a price of $5 each.

Cost of goods sold is 20% of revenue.

Operating expenses are 15% of revenue.

What is the net profit? Build out a simple income statement to show your understanding. The company would also like to you to build out their balance sheet. They have assets worth $150,000. Liabilities are 60% of assets. What is the owner’s equity?

# Chapter 16

* + - 1. Calculate your Latte Factor as explained in the textbook. Extrapolate this factor and apply it to two other discretionary consumables that you purchase regularly. What does your financial scenario look like if you were to cut out these expenses? How can you apply the Latte Factor to better implement a cost-savings strategy?