

AD298 Midterm – Spring 2002

**This is a closed book examination. It will last for 90 minutes.
100 points are available in two sections. Write your answers in the blue books.**

Section A: Short answer questions

Answer any SIX of the eight questions in this section. Each is worth 10 points, for a total of 60 points. Bullet points or tables are acceptable as answers to these questions, and will be the best way to answer most of them. Extra credit may be available for particularly fine answers,

1. Lowell and Lynn were two distinctive sites of early American industrialization during the pre-Civil War era. Compare the two industrial communities, showing differences (and any important similarities that come to mind). Possible areas of comparison many include goods produced, scale of business, ownership, sources of funding, organization of work, pattern of development, and so on. (2 points for each pair of characteristics)
2. Imagine a fairly large business in the year 1890, with a number of large factories in different towns. It would likely make use of the telephone, the telegraph and the mail. For each of these three different communications technologies, list at least the characteristics that suited it to particular kinds of communication (cost, speed, distance, message length, etc) and suggest one kind of message it might have routinely been used to transmit. (1 point for each characteristic -- max 3 per technology – plus 1 point for each of the message types).
3. According to Chandler (and paraphrased by Blackford and Kerr) the railroads served as the cradle of modern management. During a fairly short period, the Western, Baltimore & Ohio, Erie, and Pennsylvania railroads (in that order – I'm being nice here) established many of the crucial principles of management and of organizational structure still used today. Identify at least five of these specific principles or innovations, giving the railroad at which each was pioneered or perfected. (1 point for each innovation, plus 1 point for getting the source right).
4. Cronon discusses attempts by speculators of the 1860s in Chicago to “corner the market” in grain. (a) How would one go about doing this – give simple steps to follow (6 points). (b) How could you make money doing this (2 points). (c) What risks did one run in making the attempt? (2 points)
5. William Henry Leffingwell was the most famous of the office management reformers, and was discussed in my paper. List at least five of the main ideas for improvement in office efficiency put forward by Leffingwell and other fans of scientific office management. (2 points per idea – for each idea include a one sentence explanation of why it would boost efficiency).
6. Mass production reached its peak with the perfection of Ford's Model T assembly plant in the 1920s. Yet in this extreme form it ultimately proved limiting and it was always a mixed blessing for workers.
 - (a) Give six characteristics of mass production as practiced at Ford. (1 point each)
 - (b) Give four disadvantages of Ford's approach – from the viewpoint of either Ford workers or from the handicaps they imposed when Ford tried to compete with GM. (1 point each)

7. The department store marked an enormous step forward for the development of retail practices.
- (a) How did department stores differ from traditional general stores of the mid-nineteenth century. (You can mention merchandise, physical environment, sources of economic advantage, etc). (5 points – 1 per difference)
 - (b) Much of the modern role of “consumer” evolved in the department store environment. What was different about the rights, expectations and behavior of department store customers of the 1920s from those frequenting traditional retailers. (5 points – one per difference)
8. According to Hughes, systems engineering as practiced on the Atlas project marked a distinct shift from earlier practices for both the Air Force itself and for the manufacturing firms involved in the project. Identify at least five key characteristics of the new approach, and for each say how this was different from earlier practices. (1 mark for each characteristic, 1 marks for how it was different).

Section 2. Essay Questions:

Answer **EITHER ONE** of these two questions. Each is worth **40 points**.

A) The emergence of the first large industrial corporations in the 1880s and the spread of this form of organization through much of the economy by the 1910s represented a major transition in the history of American business. Discuss these processes. The best answers will include discussion of as many of the following as possible

- the differences between these firms and traditional industrial businesses
- the broad shifts in post-civil war America that made their rise possible (social, technological, cultural, etc)
- the processes by which they were formed
- the industries in which large corporations were successful, and why
- the sources of their advantage over smaller businesses (economic and otherwise)
- the managerial challenges posed by these new firms and the means by which they were overcome

B) The relationship of technology to business has been a major theme of this class. Select **either** the railroads **or** the new office technologies of the 1880s and 1890s **or** the telegraph & telephone and discuss its/their relationship to the development of American business. The best answers will include discussion of as many of the following as possible (you don't know all of these for all the technologies, but do your best)

- the factors influencing the shape of the technology concerned
- the development and practices of the companies operating/producing it
- social trends and cultural ideas related to the technology
- how the technology was used in practice (including any subtle or unexpected results, and relationships with other technologies)
- what effects the technology ultimately had on other businesses or the economy as a whole