1. Please compare the contrast in the following terms (50%, 10 points each)
   (1) social capital vs. human capital
   (2) human relation school vs. human resources school of managerial thoughts
   (3) core purpose vs. core competence of a company
   (4) stakeholders vs. stockholders
   (5) efficiency vs. effectiveness of performance

2. In a *Harvard Business Review* article titled *The Leadership Journey*, Leonard D. Schaeffer, the Chairman and CEO of WellPoint Health Networks in California, one of the largest publicly traded health care companies in the States, recounted how he progressed through three very different styles of management because of the challenges he faced during different periods of time. According to Schaeffer, an autocratic leader is the managerial equivalent of an emergency room surgeon, forced to do whatever it takes to save a patient’s life. Being a participative leader isn’t always easy, because it requires letting go and trusts all the people who work for him/her to make wise management decisions. A reformer demonstrates what is possible. He/she defies convention and stubbornly tries to make the world a better place.

   Please take an educated guess regarding the key point(s) of this article, and elaborate your answer. (25%)

3. According to M. Walton (1990), one of W. Edwards Deming’s most enduring legacies for management is his 85-15 rule. Specifically, when things go wrong in the organization, there is roughly an 85% chance the system (e.g., company rules, policies, formal structures, and work procedures) is at fault. Only about 15% of the time, the problem can be contributed to the individual employee. However, as Deming observed, most of the managers spend too much of their time wrongly blaming and punishing individual employees for system failures.

   Please answer the following questions:
   (1) Who is W. Edwards Deming? (5%)
   (2) Please translate the above paragraph into Chinese. (10%)
   (3) Please elaborate and provide examples of Deming’s observation. (10%)