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Management, Cdn. Ed., 12e **(Robbins et al.)**
Chapter 2 Organizational Culture and the Organizational Environment

2.1 Compare and contrast the actions of managers according to the omnipotent and symbolic views

1) The omnipotent view of management means _____.
A) the top manager is the only person in charge
B) managers are directly responsible for an organization's success or failure
C) managers have little or no responsibility for an organization's success or failure
D) outside forces have the most influence on organizational outcomes
Answer: B
Diff: 1 Type: MC Page Ref: 36
Skill: Recall
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

2) The _____ view of management is consistent with the stereotypical picture of the take-charge business executive who can overcome any obstacle in carrying out the organization's objectives.
A) dynamic
B) symbolic
C) omnipotent
D) sovereign
Answer: C
Diff: 2 Type: MC Page Ref: 36
Skill: Applied
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

3) The symbolic view of management means that _____.
A) managers are directly responsible for an organization's success or failure
B) managers have only a limited effect on organizational outcomes
C) successful managers become role models for employees
D) employees are directly responsible for an organization's success or failure
Answer: B
Diff: 3 Type: MC Page Ref: 37
Skill: Recall
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

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4) The reality in management theory suggests that _____.
A) an organization's success or failure is due to external forces outside managers' control
B) managers are directly responsible for an organization's success or failure
C) managers operate with internal and external constraints that influence an organization's performance
D) employees have more influence on success than managers
Answer: C
Diff: 2 Type: MC Page Ref: 37
Skill: Recall
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

5) Internal constraints that restrict a manager's decision options arise from _____.
A) the organization's environment
B) the activities of industry competitors
C) the laws and regulations governing workplace practices
D) the organization's culture
Answer: D
Diff: 3 Type: MC Page Ref: 37
Skill: Recall
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

6) Which of the following views of managerial impact is useful in explaining the high turnover among college/university and professional sports coaches who are often fired or replaced when their teams perform poorly?
A) symbolic
B) omnipotent
C) reflective
D) dynamic
Answer: B
Diff: 2 Type: MC Page Ref: 36
Skill: Applied
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

7) Managers operate within the internal and external constraints imposed by _____.
A) federal and provincial governments
B) the employees of the organization
C) the organization's culture and environment
D) the organization's board of directors
Answer: C
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8) Despite the existence of both internal and external constraints, managers can still improve organizational performance by _____.
A) delegating more responsibility to employees
B) influencing the organization's culture and environment
C) redesigning the organization's structure
D) introducing new rules and procedures
Answer: B
Diff: 3 Type: MC Page Ref: 37
Skill: Recall
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

9) Which of the following most accurately reflects the symbolic view of management?
A) Managers are directly responsible for an organization's success or failure.
B) Managers have to ensure that every obstacle is overcome on the way to achieving the organization's goals.
C) External forces are responsible for an organization's success or failure.
D) Employees are directly responsible for an organization's success or failure.
Answer: C
Diff: 1 Type: MC Page Ref: 37
Skill: Recall
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

10) Elmo Research & Development has been going through a rough patch lately. Turnover has been high and employee morale is at an all-time low. Though employees and competitors hold management responsible for the decline, the CEO does not let the managers go or change the management style. Which of the following could explain this attitude?
A) As the organization has an autocratic management style, the employees are responsible for organizational policies.
B) The organization has a participative management style and decisions are guided by consensus.
C) The CEO holds the view that managers have only a limited role in organization success or failure.
D) The CEO does not have the authority to let the managers go or change the management style.
Answer: C
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11) The soccer league in England is notorious for the number of team managers fired over the course of a single season, which stands at no fewer than eight managers on average, owing to poor team form and consequently, poor results. It is evident from this information that the league endorses a(n) _____ view of management.
A) symbolic
B) omnipotent
C) democratic
D) autocratic
Answer: B
Diff: 2 Type: MC Page Ref: 36
Skill: Applied
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

12) In the symbolic view of management, managers are seen as being directly responsible for an organization's success or failure.
Answer: FALSE
Diff: 1 Type: TF Page Ref: 37
Skill: Recall
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

13) The view of managers as omnipotent is consistent with the stereotypical picture of the take-charge business executive who can overcome any obstacle in carrying out the organization's objectives.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 36
Skill: Applied
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

14) The symbolic view of management helps to explain the high turnover among college/university and professional sports coaches, who are often fired and replaced when their teams perform poorly.
Answer: FALSE
Diff: 3 Type: TF Page Ref: 37
Skill: Applied
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

15) In the omnipotent view of management, much of an organization's success or failure is due to forces outside management's control.
Answer: FALSE
Diff: 1 Type: TF Page Ref: 36
Skill: Recall
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

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16) If an organization subscribes to the symbolic view of managers, it is unreasonable to expect managers to have a significant effect on the organization's performance.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 37
Skill: Applied
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

17) The symbolic view of management impact is useful in explaining the high turnover among sports coaches, who can be considered the "managers" of their teams.
Answer: FALSE
Diff: 1 Type: TF Page Ref: 37
Skill: Applied
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

18) A manager's role in the omnipotent view of management is to create meaning out of randomness, confusion, and ambiguity.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 36
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Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

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19) In a short essay, differentiate between the symbolic view and the omnipotent view of management. Include specific examples of each view to support your answer.
Answer: a. The view of managers as omnipotent is consistent with the stereotypical picture of the take-charge business executive who can overcome any obstacle in carrying out the organization's objectives. This omnipotent view isn't limited to business organizations. It can also be used to help explain the high turnover among college/university and professional sports coaches, who can be considered the "managers" of their teams. Coaches who lose more games than they win are seen as ineffective. They are fired and replaced by new coaches who, it is hoped, will correct the inadequate performance. In the omnipotent view, when organizations perform poorly, someone has to be held accountable regardless of the reasons why, and in our society, that "someone" is managers. Of course, when things go well, someone needs to be praised. So managers also get the credit—even if they had little to do with achieving positive outcomes.b. The symbolic view says that a manager's ability to affect outcomes is influenced and constrained by external factors. In this view, it is unreasonable to expect managers to significantly affect an organization's performance. Instead, an organization's results are influenced by factors outside the control of management. These factors include the economy, market changes, governmental policies, competitors' actions, conditions in the particular industry, control over proprietary technology, and decisions made by the previous manager. For example, when Blue Mantle, Home Hardware, and Army and Navy all decided to close in downtown Regina, it was not due to anything that their managers did but instead was due to forces beyond their control.
Diff: 2 Type: ES Page Ref: 36-37
Skill: Applied
Learning Outcome: 2-1 Compare and contrast the actions of managers according to the omnipotent and symbolic views.

2.2 Discuss the characteristics and importance of organizational culture

1) Organizational culture is most similar to an individual's _____.
A) knowledge
B) motivation
C) ability
D) personality
Answer: D
Diff: 1 Type: MC Page Ref: 38
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

2) An organization's culture is _____.
A) represented in organizational meetings by the top manager of the organization
B) represented by a common perception held by interest groups that watch the organization
C) represented by a common perception held by the organization's members
D) changed when the organization is purchased by new owners
Answer: C
Diff: 2 Type: MC Page Ref: 38
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

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3) _____ has been described as the shared values, principles, traditions, and ways of doing things that influence the way an organization's members act.
A) Corporate stability
B) Business orientation
C) Organizational culture
D) Organizational psychology
Answer: C
Diff: 1 Type: MC Page Ref: 38
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

4) Strong cultures _____.
A) are found in organizations with strong leaders
B) have a minimal influence on employee decision making
C) have a greater influence on employees than do weak cultures
D) always yield positive business results
Answer: C
Diff: 2 Type: MC Page Ref: 39
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

5) The degree to which employees are expected to exhibit precision in their work relates to which dimension of organizational culture?
A) outcome orientation
B) stability
C) innovation and risk-taking
D) attention to detail
Answer: D
Diff: 2 Type: MC Page Ref: 39
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

6) Which of the following phrases is associated with the definition of organizational culture?
A) individual response
B) unique vision
C) diversity of thought
D) shared meaning
Answer: D
Diff: 1 Type: MC Page Ref: 38
Skill: Recall
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7) The degree to which managers focus on results rather than how the results are achieved relates to which dimension of organizational culture?
A) attention to detail
B) innovation and risk-taking
C) outcome orientation
D) aggressiveness
Answer: C
Diff: 2 Type: MC Page Ref: 39
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

8) Sony Corporation focuses on which of the following dimensions of organizational culture?
A) attention to detail
B) people orientation
C) outcome orientation
D) innovation and risk-taking
Answer: D
Diff: 2 Type: MC Page Ref: 39
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

9) Google has often been cited as a model for employee satisfaction. Google takes extensive care to ensure employees have the best available conditions to perform, ranging from free snack bars, free massages, innovation rooms, spas-on-site, and many more such measures. Which dimension of organizational culture is Google said to emphasize through such measures?
A) attention to detail
B) aggressiveness
C) people orientation
D) innovation and risk-taking
Answer: C
Diff: 2 Type: MC Page Ref: 39
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

10) Most organizations have _____ cultures.
A) strong
B) weak to moderate
C) moderate to strong
D) very strong
Answer: D
Diff: 1 Type: MC Page Ref: 39
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

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11) Which of the following is a disadvantage of having a strong organizational culture?
A) decreased organizational performance
B) low loyalty towards the organization
C) inability to respond to rapidly changing conditions
D) restraints on individual creativity
Answer: C
Diff: 2 Type: MC Page Ref: 40
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

12) Which of the following statements highlights the shared aspect of culture?
A) Organizational culture is concerned with how members perceive the culture and describe it, not with whether they like it.
B) The original source of the culture of an organization reflects the vision of the organization's founders.
C) Even though individuals may have different backgrounds or work at different organizational levels, they tend to describe the organization's culture in similar terms.
D) The dominant source of the culture of an organization reflects the vision of the organization's most prominent managers.
Answer: C
Diff: 3 Type: MC Page Ref: 38
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

13) The original source of an organization's culture usually _____.
A) is shared among the first workers hired into the organization
B) is formulated by the board of directors when the organization is formed
C) identifies what the organization is successful at doing
D) reflects the vision or mission of the organization's founders
Answer: D
Diff: 2 Type: MC Page Ref: 41
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

14) The process that adapts employees to the organization's culture is called _____.
A) indoctrination
B) assimilation
C) socialization
D) cooperation
Answer: C
Diff: 1 Type: MC Page Ref: 42
Skill: Recall
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15) Corporate _____ are repetitive sequences of activities that express and reinforce the values of the organization, what goals are most important, and which people are most important.
A) themes
B) rituals
C) agendas
D) stories
Answer: B
Diff: 1 Type: MC Page Ref: 43
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

16) Which of the following is an example of a corporate ritual?
A) Employees swapping stories about the company's history and past heroes who have made significant contributions to the company.
B) Company executives using company-specific jargon or slogans intended to inspire other employees to perform better.
C) Companies hosting annual parties to commemorate employee contributions and reward outstanding performance.
D) The assortment of material artifacts that characterize an organization, including the layout of its facilities, how its employees dress, and the types of automobiles provided to top executives.
Answer: C
Diff: 2 Type: MC Page Ref: 43
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

17) Which of the following dimensions of organizational culture refers to the degree to which organizational decisions and actions emphasize maintaining the status quo?
A) stability
B) attention to detail
C) people orientation
D) outcome orientation
Answer: A
Diff: 1 Type: MC Page Ref: 39
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

18) When employees at Microsoft use words such as: *work judo, eating your own dog food,* and *flat food*, they are using organizational _____.
A) language
B) rituals
C) symbols
D) stories
Answer: A
Diff: 1 Type: MC Page Ref: 44
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19) Organizational _____ typically contain(s) a narrative of significant events or people.
A) stories
B) rituals
C) meetings
D) histories
Answer: A
Diff: 1 Type: MC Page Ref: 43
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

20) A good example of an organizational _____ is Mary Kay Cosmetics' annual award ceremony for its sales representatives.
A) story
B) material symbol
C) ritual
D) agenda
Answer: C
Diff: 1 Type: MC Page Ref: 44
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

21) The size of offices, the elegance of furnishings, and executive perks such as health club memberships are all examples of corporate _____.
A) themes
B) agendas
C) material symbols
D) rewards
Answer: C
Diff: 1 Type: MC Page Ref: 44
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

22) By learning organizational language, members _____.
A) can communicate with the shareholders of the organization
B) show their commitment to the organization and their willingness to accept responsibility
C) attest to their acceptance of the culture and their willingness to help preserve it
D) can provide explanations and legitimacy for current practices
Answer: C
Diff: 3 Type: MC Page Ref: 44
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23) In an organizational culture that values cost cutting and steady but slow growth, managers _____.
A) make short-term strategic plans and change them often
B) are likely to pursue new but unproven ventures to increase profits
C) rely increasingly on employee feedback
D) are unlikely to implement innovative ventures that could be profitable
E) focus all their efforts on employee job satisfaction
Answer: D
Diff: 3 Type: MC Page Ref: 49
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

Refer to the scenario below to answer the following questions.

Dimensions of Culture (Scenario)
Todd works for SeaLan Tech, a small environmental consulting firm that has just been purchased by Zerex, Inc., a large biomedical research organization. The work environment at SeaLan had always been friendly and cooperative; people worked in teams and were encouraged to take risks. However, after meeting with the management of the new parent company, Todd believes there are considerable differences between the organizational cultures of Zerex and SeaLan. He is concerned that the new company will eliminate SeaLan's old culture, and he does not like the prospects.

24) If you asked Todd to define the term *organizational culture,* he would probably say it is _____.
A) the formal rules of an organization
B) a system of shared meaning
C) a system that reflects diversity and respect for differences
D) the strategic focus of an organization
Answer: B
Diff: 1 Type: MC Page Ref: 38
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

25) Todd is concerned that the managers at Zerex focus more on results than the methods used to achieve those results. This relates to which dimension of organizational culture?
A) aggressiveness
B) team orientation
C) attention to detail
D) outcome orientation
Answer: D
Diff: 2 Type: MC Page Ref: 39
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26) Todd believes that the managers at Zerex are not very concerned about how their decisions affect other people in the organization. This relates to which dimension of organizational culture?
A) aggressiveness
B) team orientation
C) people orientation
D) outcome orientation
Answer: C
Diff: 3 Type: MC Page Ref: 39
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

27) Managers at Zerex have informed Todd that they will require a higher standard of precision and accuracy in his monthly reports. This relates to which dimension of organizational culture?
A) aggressiveness
B) team orientation
C) outcome orientation
D) attention to detail
Answer: D
Diff: 2 Type: MC Page Ref: 39
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

28) The organizational culture at SeaLan is best described as _____.
A) low on team orientation, low on risk-taking, and low on aggressiveness
B) high on team orientation, low on risk-taking, and low on aggressiveness
C) high on team orientation, high on risk-taking, and low on aggressiveness
D) high on team orientation, high on risk-taking, and high on aggressiveness
Answer: C
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Refer to the scenario below to answer the following questions.

Changing Organizational Culture (Scenario)
Jenna has been asked by the company president to change the organizational culture to reflect the company's new organizational goals. As executive vice-president, she certainly understands the goals but is really not sure that she understands what to do about the culture.

29) Jenna asked employees if they knew what constituted "good employee behaviour." She found that very few understood, and most had a variety of ideas. This is one indication that her company has _____.
A) a strong culture
B) a weak culture
C) high employee turnover
D) unproductive employees
Answer: B
Diff: 2 Type: MC Page Ref: 41
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

30) Jenna was surprised to discover that most organizations have _____ cultures.
A) weak to moderate
B) moderate to strong
C) strong
D) very strong
Answer: B
Diff: 1 Type: MC Page Ref: 39
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

31) Jenna observed that some departments have developed their own way of doing things based on the shared values and common situations experienced by their members. She has found evidence of _____ in the organization.
A) dominant cultures
B) subcultures
C) innovative cultures
D) competing cultures
Answer: B
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32) To help establish a dominant culture that is committed to the core values, Jenna suggests they hire individuals who will fit into the culture and strengthen the _____ processes that help new employees learn the organization's way of doing things.
A) storytelling
B) ritual
C) developmental
D) socialization
Answer: D
Diff: 2 Type: MC Page Ref: 42
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

33) Jenna wants to ensure that her organization's culture will help shape high ethical standards for all employees and managers. She proposes that it be high in risk tolerance, low to moderate in aggressiveness, and focused on _____.
A) means
B) outcomes
C) freedom
D) both means and outcomes
Answer: D
Diff: 3 Type: MC Page Ref: 46
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Refer to the scenario below to answer the following questions.

Manifestations of Culture (Scenario)

Jacob is vice-president of human resources at Z-Mart, a large chain of department stores with 120 locations across Canada. He is developing a short orientation video to help new employees learn about the organization's culture. The video will begin with the story of Z-Mart's founder, Ziggy Zigwig, and how he started the company with one small store in Hamilton in 1960 and eventually built it into a national chain based on a simple philosophy: "cheaper is better." Today, Ziggy's founding values continue to guide employees and managers as they continually look for ways to reduce prices and pass the savings along to customers. Next, the video will discuss the daily Z-Mart chant, and how each morning the store managers lead all the employees in a rousing store anthem that ends with everyone shouting, "CHEAPER IS BETTER!" The chant usually takes place in the comfortable employee lounges located at the back of every store. Finally, the video will explain some of the key terminology used at Z-Mart. For example, all sales clerks are called "associates," managers are called "partners," and a price reduction is affectionately called a "ziggy" as a nod to the company's founder!

34) If successful, Jacob's orientation video should help the _____ process that adapts employees to Z-Mart's culture.
A) culturalization
B) association
C) socialization
D) assimilation
Answer: C
Diff: 2 Type: MC Page Ref: 42
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

35) The part of the orientation video that introduces Ziggy and describes his founding philosophy is an example of a(n) _____.
A) ritual
B) story
C) material symbol
D) article
Answer: B
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36) The daily Z-Mart chant is as an example of _____.
A) a ritual
B) a story
C) a material symbol
D) cultural language
Answer: A
Diff: 2 Type: MC Page Ref: 43
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

37) The comfortable employee lounges in each store are examples of _____.
A) stories
B) rituals
C) material symbols
D) employee benefits
Answer: C
Diff: 2 Type: MC Page Ref: 44
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

38) Calling a price reduction a "ziggy" is an example of _____.
A) a ritual
B) a story
C) a material symbol
D) cultural language
Answer: D
Diff: 2 Type: MC Page Ref: 44
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

39) Organizational culture is a system of shared meaning and beliefs held by organizational members.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 38
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

40) The organizational culture has very little influence on the way employees analyze and resolve work-related issues.
Answer: FALSE
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41) Organizational culture is a perception, not a reality.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 39
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

42) Strong cultures have a greater influence on employees' behaviours than weak ones.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 41
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

43) Aggressiveness and attention to detail are two key dimensions of organizational culture.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 39
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

44) An increasing body of evidence suggests that strong cultures are associated with high organizational performance.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 39
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

45) Organizations help employees adapt to the culture through socialization.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 42
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

46) The shared aspect of culture implies that all employees in an organization approve of the culture.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 38
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

47) The degree to which employees are expected to exhibit precision and attention to detail is called "outcome orientation."
Answer: FALSE
Diff: 1 Type: TF Page Ref: 39
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48) In "aggressive" cultures, employees exhibit competitiveness.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 39
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

49) The degree to which managers focus on results rather than on how the results are achieved is typical of innovative cultures.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 39
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

50) Subcultures give the organization its distinct personality.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 41
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

51) An organization's founder has little influence on its culture.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 41
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

52) Corporate rituals are repetitive sequences of activities that express and reinforce the key values of an organization.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 43
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

53) Organizational stories typically contain a narrative of significant events or people.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 43
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

54) A good example of an organizational story is the process that college/university faculty members go through in their quest for tenure.
Answer: FALSE
Diff: 3 Type: TF Page Ref: 43
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

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55) Material symbols include the size of offices, the elegance of furnishings, and executive perks such as health club memberships.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 44
Skill: Applied
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

56) In a short essay, define organizational culture and discuss the three implications of culture presented in the textbook. Give examples of companies that you feel have strong cultures.
Answer: Organizational culture is a system of shared meaning and beliefs held by organizational members that determines, in large degree, how they act. It represents a common perception held by the organization's members. In every organization, there are systems or patterns of values, symbols, rituals, myths, and practices that have evolved over time. These shared values determine, to a large degree, what employees see, and how they respond to their world. When confronted with problems or work issues, the organizational culture influences what employees can do and how they conceptualize, define, analyze, and resolve these issues.

This definition of culture implies several things. First, culture is a *perception*. Individuals perceive the organizational culture on the basis of what they see, hear, or experience within the organization. Second, even though individuals may have different backgrounds or work at different organizational levels, they tend to describe the organization's culture in similar terms. That is the *shared* aspect of culture. Finally, organizational culture is a *descriptive* term. It's concerned with how members perceive the organization, not with whether they like it. It describes rather than evaluates.
Diff: 2 Type: ES Page Ref: 39
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

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57) In a short essay, describe the factors that influence the strength of an organization's culture and discuss the impact of a strong organizational culture on employees and the organization.
Answer: Organizational culture has been described as the shared values, principles, traditions, and ways of doing things that influence the way organizational members act. In most organizations, these shared values and practices have evolved over time.

Strong cultures have shared values through consistent messages about what is important. Employees tell stories about the company. They identify with the culture and exhibit strong connections between shared values and behaviours.

The more employees accept the organization's key values and the greater their commitment to those values, the stronger the culture is. Strong cultures have a greater influence on employees than do weak cultures.

One study found that employees in organizations with strong cultures were more committed to their organization than were employees in organizations with weak cultures. The organizations with strong cultures also used their recruitment efforts and socialization practices to build employee commitment. And an increasing body of evidence suggests that strong cultures are associated with high organizational performance. It's easy to understand why a strong culture enhances performance. After all, when values are clear and widely accepted, employees know what they're supposed to do and what's expected of them so they can act quickly to take care of problems, thus preventing any potential performance decline. However, the drawback is that the same strong culture also might prevent employees from trying new approaches especially during periods of rapid change.
Diff: 2 Type: ES Page Ref: 41
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

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58) How is culture transmitted to employees of an organization? In a short essay, explain the four primary forms of transmission and provide an example of each.
Answer: Culture is transmitted to employees in a number of ways. The most significant are stories, rituals, material symbols, and language.
a. *Stories*: Organizational "stories" typically contain a narrative of significant events or people including such things as the organization's founders, reactions to past mistakes, and so forth. For instance, managers at Nike feel that stories told about the company's past help shape the future. Whenever possible, corporate "storytellers" (senior executives) explain the company's heritage and tell stories that celebrate people getting things done.
b. *Rituals*: Corporate rituals are repetitive sequences of activities that express and reinforce the values of the organization, what goals are most important, and which people are important. The "Passing of the Pillars" is an important ritual at Boston Scientific's facility near Minneapolis, for example. When someone has a challenging and tough project or assignment, they're "awarded" a small two-foot high plaster-of-Paris pillar to show that they've got support from all their colleagues.
c. *Material Artifacts and Symbols*: Material symbols convey to employees who is important, the degree of equality desired by top management, and the kinds of behavior that are expected and appropriate. Examples of material symbols include the layout of an organization's facilities, how employees dress, the types of automobiles provided to top executives, and the availability of corporate aircraft. At WorldNow, a provider of Internet technology to local media companies, an important material symbol is an old dented drill that the founders purchased for $2 at a thrift store. The drill symbolizes the company's culture of "drilling down to solve problems."
d. *Language*: Many organizations and units within organizations use language as a way to identify and unite members of a culture. By learning this language, members attest to their acceptance of the culture and their willingness to help preserve it. For instance, Microsoft employees have their own unique vocabulary: the term *work judo* is used to mean "the art of deflecting a work assignment to someone else without making it appear that you're avoiding it."
Diff: 2 Type: ES Page Ref: 43-44
Skill: Recall
Learning Outcome: 2-2 Discuss the characteristics and importance of organizational culture.

2.3 Describe what kinds of cultures managers can create

1) An organizational culture most likely to shape high ethical standards is one that is _____.
A) high in risk tolerance, low to moderate in aggressiveness, and focuses on both means and outcomes
B) low to moderate in risk tolerance, high in aggressiveness, and focuses on both means and outcomes
C) low in risk tolerance, high in aggressiveness, and focuses primarily on outcomes
D) high in risk tolerance, high in aggressiveness, and focuses on means rather than outcomes
Answer: A
Diff: 3 Type: MC Page Ref: 46
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

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2) Which type of culture would most likely include characteristics such as openness, freedom, debate, and risk-taking?
A) ethical
B) customer-responsive
C) innovative
D) diversity-focused
Answer: C
Diff: 1 Type: MC Page Ref: 47
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

3) Which type of culture would most likely include characteristics such as friendliness, attentiveness, good listening skills, and widespread empowerment?
A) ethical
B) customer-responsive
C) innovative
D) diversity-focused
Answer: B
Diff: 2 Type: MC Page Ref: 47
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

4) _____ contributes more creative solutions and enhances employee morale in support of a strong culture.
A) Role clarity
B) Language
C) Diversity
D) Stability
Answer: C
Diff: 2 Type: MC Page Ref: 48
Skill: Recall
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

5) Organizations today recognize that diversity in the workplace _____.
A) is good for business
B) causes conflict due to cultural differences
C) applies only for global organizations
D) is less effective than homogeneous culture
Answer: A
Diff: 1 Type: MC Page Ref: 48
Skill: Recall
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

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6) A culture in which organizational values promote a sense of purpose through meaningful work taking place in the context of community is promoting _____.
A) strong culture
B) diversity
C) innovation
D) spirituality
Answer: D
Diff: 1 Type: MC Page Ref: 48
Skill: Recall
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

7) Organizations with spiritual culture _____.
A) recognize that employees seek meaning and purpose in work
B) promote innovation and risk-taking to satisfy employee needs
C) focus on workforce diversity to introduce different cultural values to the workplace
D) use specific rules to encourage employees to be more customer focused
Answer: A
Diff: 2 Type: MC Page Ref: 48
Skill: Recall
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

8) Organizations promote _____ in order to provide employees with ways to cope with stress and pressures of life.
A) role clarity
B) workplace spirituality
C) use of rituals
D) few rules and regulations
Answer: B
Diff: 2 Type: MC Page Ref: 48
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

9) Critics of spirituality in the workplace argue that _____.
A) strong cultures do not need to worry about employee stress
B) weak cultures need to focus on rules not spirituality
C) businesses should not be imposing spiritual values on employees
D) workplace is no place to search for meaning and purpose in life
Answer: C
Diff: 3 Type: MC Page Ref: 49
Skill: Recall
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

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10) A study has shown that introducing spirituality in the workplace _____.
A) distracted employees from their jobs
B) improved productivity significantly
C) decreased productivity significantly
D) led to rules that decreased empowerment
Answer: B
Diff: 2 Type: MC Page Ref: 49
Skill: Recall
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

Refer to the scenario below to answer the following questions.

Focusing on Contemporary Lifestyles at Mario's Morsels (Scenario)
Mario Milano finished closing his busy upscale restaurant after another very late night. He had just sent the last of his exhausted employees home and sank gratefully into the deep easy chair in the small back office. He felt that he had been running on empty for the last four months since the restaurant reviews had come out and rated Morsels as the best new restaurant in town. He could feel his fatigue and noticed that his loyal employees felt the same. In fact he had heard some of them discussing how they had been running ragged with not enough time off or even a chance to enjoy the work. With several of his kitchen staff dealing also with families, the situation was becoming untenable. Mario pulled out a business magazine that had caught his eye earlier with the word "spirituality" on the cover. Brought up in a strongly religious home he understood the concept. But what did spirituality have to do with any workplace? He was intrigued and decided to read though focusing on the cultural characteristics of an organization that related to spirituality.

11) Mario had noticed that some of his employees seemed to stifle their emotions whenever he questioned whether they were coping with the workload and life in general. He decided that he would encourage all employees to open up about their moods and feelings which would relate to the _____ characteristic of spiritual organizational culture.
A) tolerance of employee expression
B) socialization
C) ethical work ethic
D) risk-taking and freedom
Answer: A
Diff: 2 Type: MC Page Ref: 49
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

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12) Because the last four months had been so hectic, Mario felt that he had not provided an environment where his employees could grow and learn. He decided that from now on he would value his employees with _____.
A) providing role clarity
B) more socializing opportunities
C) focus on individual development
D) flexible work arrangements
Answer: C
Diff: 2 Type: MC Page Ref: 49
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

13) Mario recognized that he was personally also exhausted because he was trying to manage everyone too closely. His next step in reinforcing a spiritual culture would be to _____.
A) focus more on customer needs
B) to implement new, clear work processes
C) empower employees to make decisions
D) hire more Baby Boomers to boost morale
Answer: C
Diff: 2 Type: MC Page Ref: 49
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

14) Mario recognized that he wanted to provide a workplace where _____ is based on meaningful work taking place in the context of the restaurant community.
A) customer satisfaction
B) display of playfulness by employees
C) attention to detail
D) a strong sense of purpose
Answer: D
Diff: 2 Type: MC Page Ref: 49
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

15) Mario had always felt that he should be the one to carry the full responsibility of the restaurant operation and thus had often been afraid to admit mistakes in front of the employees. He now decided that to set an example of _____ he would be up-front with the employees in all operational matters.
A) role clarity
B) trust and openness
C) excellence in customer service
D) risk taking
Answer: B
Diff: 2 Type: MC Page Ref: 49
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

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16) After finishing the article on the five cultural characteristics of a spiritual organization Mario understood that the lack of community employees feel at the workplace is mostly based on _____.
A) contemporary stressful lifestyles
B) low pay and lack of benefits
C) changing external environment
D) reliance on control by managers
Answer: A
Diff: 2 Type: MC Page Ref: 48
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

17) An organizational culture that is most likely to shape high ethical standards is one that is low in risk tolerance and focused primarily on outcomes.
Answer: FALSE
Diff: 3 Type: TF Page Ref: 46
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

18) A degree of playfulness and a sense of humour are often characteristics of innovative cultures.
Answer: TRUE
Diff: 3 Type: TF Page Ref: 47
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

19) Giving employees the discretion to make day-to-day decisions on job-related activities is instrumental in creating in a customer-responsive culture.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 47
Skill: Applied
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

20) The mix of people in an organization in terms of differences in characteristics reflects the growing interest in spiritual culture.
Answer: FALSE
Diff: 1 Type: TF Page Ref: 48
Skill: Recall
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

21) Culture in which organizational values promote a sense of purpose reflects workplace spirituality.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 48
Skill: Recall
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

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22) Cultures that tolerate employee expression are most closely related to ethical culture.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 49
Skill: Recall
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

23) In a short essay, describe how creating an ethical, innovative and customer-responsive culture impacts the manager's job.
Answer: Strong cultures support high ethical standards and have a positive influence on employee behaviour. A culture most likely to shape high ethical standards is one where managers support high risk tolerance, low to moderate aggressiveness, and focus on means as well as outcomes. In such cultures managers must be visible role models and communicate ethical expectations.

Creative an innovative culture requires managers to provide employees with challenge and involvement, freedom, trust and openness, idea time, playfulness, proper conflict resolution, debates and opportunities for risk-taking.

A customer-responsive culture starts with employee selection and training. The six characteristics of a successful, customer-responsive culture support outgoing and friendly employees, focus less on rigid rules, procedures and regulations, use empowerment, promote good listening skills, ensure role clarity and make sure employees are attentive to customer needs. Managers need to communicate the elements of the culture and model the appropriate behaviours as well as provide support for employees to carry out the new actions.
Diff: 2 Type: ES Page Ref: 45-47
Skill: Recall
Learning Outcome: 2-3 Describe what kinds of cultures managers can create.

2.4 Describe the features of organizational environments

1) Which of the following guidelines should managers follow while building a customer-responsive culture?
A) precisely defining employees' normal job requirements and ensuring they perform those actions alone
B) giving front-line employees continual training on product knowledge, listening, and other behavioral skills
C) designing jobs with rules and procedure that employees can refer to in order to satisfy customers
D) preserving the discretion to make day-to-day decisions on job-related activities at the top level of management
Answer: B
Diff: 2 Type: MC Page Ref: 47
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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2) Assume the global economy rebounds rapidly from the "Great Recession." What constraint is this likely to have on decisions managers make?
A) The number of qualified candidates available for hire will become smaller.
B) Managers will be asked to eliminate positions to cut labor costs.
C) The hourly compensation average will have to fall; managers will be asked to offer less to job candidates.
D) Positions will be easier to fill as college graduates settle for lower paying jobs.
Answer: A
Diff: 3 Type: MC Page Ref: 52
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

3) Business leaders recognize that there is a growing social discontent over _____.
A) increasing diversity in the workplace
B) strict policies and rules governing employee behaviour
C) distinct limits on business expansion globally
D) increasing income gap between the rich and the poor
Answer: D
Diff: 2 Type: MC Page Ref: 51
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

4) The World Economic Forum has identified two significant risks facing business leaders over the next decade: _____ and chronic fiscal imbalances.
A) shortage of skilled labour
B) severe income disparity
C) falling profits for companies
D) lack of investment capital
Answer: B
Diff: 2 Type: MC Page Ref: 50
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

5) As economic growth has languished, social discontent over _____ has increased.
A) technology use
B) fiscal irresponsibility
C) job growth
D) growing income gaps
Answer: D
Diff: 2 Type: MC Page Ref: 51
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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6) The _____ component of an organization's external environment is concerned with trends in population characteristics such as age, race, gender, education level, geographic location, income, and family composition.
A) economic
B) diversity
C) socio-cultural
D) demographic
Answer: D
Diff: 1 Type: MC Page Ref: 51
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

7) Managers pay attention to demographics because _____.
A) people at certain stage of life cycle can constrain business decisions
B) more people are retiring early leaving businesses short of employees
C) frontline employees complain more about having to deal with aggressive customers
D) company policies usually determine which age groups are more valuable employees
Answer: A
Diff: 3 Type: MC Page Ref: 51
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

8) Which of the following groups includes individuals who were born between the years 1946-1964?
A) the Gen X
B) the Gen Y
C) the Pre-Millennials
D) the Baby Boomers
Answer: D
Diff: 1 Type: MC Page Ref: 51
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

9) _____ is/are called the iGeneration, because they've grown up with technology that customizes everything to the individual.
A) Post-Millennials
B) Generation X
C) Generation Y
D) Millennials
Answer: A
Diff: 1 Type: MC Page Ref: 51
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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10) As more consumers have become aware of the use of rendered feed and the poor treatment of chickens in many large-scale poultry farms, some farm managers have switched to all-natural feed and "free range" breeding methods. This is an example of how changing _____ conditions can affect an organization.
A) demographic
B) economic
C) technological
D) political/legal
E) socio-cultural
Answer: E
Diff: 3 Type: MC Page Ref: 52
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

11) For most organizations, the most rapidly changing factor has been _____ conditions.
A) global
B) economic
C) socio-cultural
D) technological
E) political/legal
Answer: D
Diff: 2 Type: MC Page Ref: 53
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

12) One significant factor that will impact the size of the workforce for businesses in Canada in the future is _____.
A) immigrants not being able to speak English fluently
B) aging of the population resulting in labour shortages
C) universities focusing on wrong kinds of knowledge and skills
D) brain-drain to the U.S. and Europe
Answer: B
Diff: 2 Type: MC Page Ref: 51
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

13) The composition of a society is generally known as _____.
A) culture
B) population
C) diversity
D) demographics
Answer: D
Diff: 1 Type: MC Page Ref: 51
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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14) One of the most powerful constraints on managers from the impact of changes in external environments is about _____.
A) changing tastes of customers
B) jobs and employment
C) the need for internal culture changes
D) increase in government regulation in all industries
Answer: B
Diff: 2 Type: MC Page Ref: 52
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

15) Changes in external conditions affect _____.
A) the rituals carried out regularly
B) the size of the board of directors
C) the types of jobs that are available
D) attention to detail in completing work
Answer: C
Diff: 2 Type: MC Page Ref: 52
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

16) Constraints from the external environment has led many organizations to _____.
A) implement flexible work arrangements
B) employ more Baby Boomers
C) accept increasing business losses
D) increasing use of technology instead of hiring new employees
Answer: A
Diff: 1 Type: MC Page Ref: 52
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

17) A significant challenge for managers is how to balance work demands and _____.
A) use technology effectively
B) terminate low performing employees
C) have the right types of people with the right skills
D) allow employees the freedom to be innovative
Answer: C
Diff: 3 Type: MC Page Ref: 52
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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18) Which of the following are the two dimensions of environmental uncertainty?
A) degree of change and degree of complexity
B) degree of change and degree of flexibility
C) degree of complexity and degree of impact
D) degree of risk and degree of complexity
Answer: A
Diff: 3 Type: MC Page Ref: 53
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

19) Since the emergence of digital music formats, the recorded music industry has been operating in an environment that is best described as _____.
A) stable
B) static
C) dynamic
D) flexible
Answer: C
Diff: 2 Type: MC Page Ref: 53
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

20) D&B Designs has been in the landscape design business in Pleasantville for the past 20 years. As the "first mover" in the market, the company has built a strong market share over the years and is the best-known firm in the area. The company size increased steadily, and now stands at 50 employees. Which of the following, if TRUE, would make the company's business environment more uncertain?
A) Homeowners in the area take pride in their gardens and are avid do-it-yourself gardeners.
B) Demand for landscaping services dips every autumn and winter.
C) A long-time competitor quit the landscape design business last year.
D) Zoning laws in the area change as each new city council comes into power.
Answer: D
Diff: 3 Type: MC Page Ref: 53
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

21) Which of the following is a characteristic of a dynamic environment?
A) high level of predictability of changes in environmental conditions
B) few technological breakthroughs by current competitors
C) the presence of new competitors in the market
D) stagnant economic growth
Answer: C
Diff: 2 Type: MC Page Ref: 53
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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22) Managers try to minimize _____ because it is a threat to an organization's effectiveness.
A) product development
B) uncertainty
C) inflation
D) efficiency
Answer: B
Diff: 1 Type: MC Page Ref: 54
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

23) Given a choice, most managers would prefer to operate in environments that are _____.
A) simple and stable
B) simple and dynamic
C) dynamic and flexible
Answer: A
Diff: 3 Type: MC Page Ref: 53
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

24) In which of the following environments do managers in an organization have the greatest influence on organizational outcomes?
A) stable and complex environments
B) dynamic and simple environments
C) stable and simple environments
D) specific and general environments
Answer: C
Diff: 2 Type: MC Page Ref: 54
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

25) _____ are any constituencies in the organization's external environment that are affected by the organization's decisions and actions.
A) Stockholders
B) Suppliers
C) Stakeholders
D) Consumers
Answer: C
Diff: 1 Type: MC Page Ref: 55
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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26) The degree of _____ refers to the number of components in an organization's environment and the extent of the knowledge that the organization has about those components.
A) stability
B) flexibility
C) change
D) complexity
Answer: D
Diff: 3 Type: MC Page Ref: 53
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

27) The first step in managing external stakeholder relationships is to identify who the stakeholders are. The second step is to determine _____.
A) how critical each stakeholder is to the organization
B) what particular interests or concerns the stakeholders might have
C) how many stakeholders there are in each stakeholder group
D) how to manage the different stakeholder relationships
Answer: B
Diff: 3 Type: MC Page Ref: 56
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

28) Managers need to establish explicit stakeholder partnerships _____.
A) when the environment is highly uncertain
B) if the internal culture is undergoing a major change
C) in case competition in the industry becomes stagnant
D) to ensure organizational structure remains stable
Answer: A
Diff: 2 Type: MC Page Ref: 55
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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Refer to the scenario below to answer the following questions.

Environmental Uncertainty (Scenario)
It is safe to say that managers do not have complete control over organizational outcomes; the environment has a significant impact. It is important for managers to learn both what the components of the environment are and how the environment will affect their organizations.

29) An Internet-based company facing many new competitors and frequent technological breakthroughs is operating in what kind of environment?
A) divergent
B) static
C) flexible
D) dynamic
Answer: D
Diff: 2 Type: MC Page Ref: 53
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

30) A grocery store that has few components in its environment and minimal need for knowledge about its suppliers or customers is operating under conditions of low _____.
A) complexity
B) flexibility
C) stability
D) divergency
Answer: A
Diff: 3 Type: MC Page Ref: 53
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

31) An online brokerage company such as E*TRADE that is dealing with many environmental components and requires a high level of knowledge about Internet operations is operating in a highly _____ environment.
A) flexible
B) static
C) stable
D) complex
Answer: D
Diff: 2 Type: MC Page Ref: 54
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

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32) To help managers understand how the environment affects their organizations, the environmental uncertainty matrix sorts industries into four cells based on two dimensions: degree of _____ and degree of _____.
A) change; flexibility
B) change; complexity
C) complexity; impact
D) impact; uncertainty
Answer: B
Diff: 3 Type: MC Page Ref: 53
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

33) Given a choice, most managers would prefer to operate in Cell 1 of the environmental uncertainty matrix, where the environment is _____.
A) simple and stable
B) simple and dynamic
C) complex and dynamic
D) dynamic and flexible
Answer: A
Diff: 2 Type: MC Page Ref: 53
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

Refer to the scenario below to answer the following questions.

The External Environment (Scenario)
DigiTech Corporation is a manufacturer of handheld language translation devices. There are many forces in the external environment that influence DigiTech, and its managers are monitoring them closely. One factor is the upcoming federal election. If elected, the leading political candidate has promised to cut corporate taxes to help stimulate the economy. Another factor is the emergence of new competitors with products similar to DigiTech's best-selling model: the Speak-Easy. Advances in the processing speed of computer chips have shortened product development cycles and made it easier for new companies to enter the market. Unfortunately, the recent increase in competition has led to supplier shortages of key components such as microphones and micro-speakers and has left DigiTech scrambling to find new sources!

34) The external environment of DigiTech consists of which two components?
A) primary environment and secondary environment
B) specific environment and organizational culture
C) primary environment and organizational culture
D) general environment and secondary environment
E) general environment and specific environment
Answer: E
Diff: 1 Type: MC Page Ref: 50
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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35) The upcoming federal election and the potential change of government involve which factor in DigiTech's external environment?
A) economic conditions
B) political/legal conditions
C) socio-cultural conditions
D) demographic conditions
E) global conditions
Answer: B
Diff: 2 Type: MC Page Ref: 52
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

36) The politician's promise to lower corporate taxes could affect which factor in DigiTech's external environment?
A) economic conditions
B) political/legal conditions
C) socio-cultural conditions
D) technological conditions
E) global conditions
Answer: A
Diff: 2 Type: MC Page Ref: 51
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

37) Rapid changes in _____ conditions have resulted in shorter product development cycles for DigiTech.
A) economic
B) political/legal
C) socio-cultural
D) technological
E) global
Answer: D
Diff: 2 Type: MC Page Ref: 53
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

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38) In DigiTech's specific environment, the number of _____ is increasing and there are shortages among its key _____.
A) pressure groups; customers
B) customers; competitors
C) competitors; suppliers
D) suppliers; investors
E) investors; agents
Answer: C
Diff: 2 Type: MC Page Ref: 51
Skill: Applied
Learning Outcome: 2-4 Describe the features of organizational environments.

Refer to the scenario below to answer the following questions.

Managing Stakeholder Relationships (Scenario)
Natasha has been hired by Virtual Screen Corporation, a manufacturer of custom window coverings and retractable screen doors. Virtual Screen has recently been having problems with some of their major stakeholders. Some suppliers have been shipping poor quality materials, and customer complaints are increasing. Natasha has been hired to help resolve the current issues and to develop a plan for managing other stakeholder problems in the future.

39) Natasha begins by defining stakeholders as _____.
A) the constituencies in the external environment that are employed by the organization
B) the constituencies in the external environment that own shares in the organization
C) the constituencies in the external environment that compete with the organization
D) any constituencies in the external environment that are affected by the organization's decisions and actions
Answer: D
Diff: 1 Type: MC Page Ref: 55
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

40) Natasha decides knows that the more uncertain the environment is the more important it is for her to _____.
A) ignore stakeholders that are of no benefit to the company
B) establish explicit partnerships with all stakeholders
C) to develop selective relationships with a few stakeholders
D) focus on employees and profits over stakeholder relationships
Answer: B
Diff: 3 Type: MC Page Ref: 55
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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41) Natasha finds out through her research that managing stakeholder relationships can lead to _____.
A) hiring new and more skilled employees
B) improved predictability of environmental changes
C) change in the corporate culture
D) major changes in corporate policies and procedures
Answer: B
Diff: 1 Type: MC Page Ref: 55
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

42) Natasha determines that managing stakeholder relationships can lead to _____.
A) sharing of important trade secrets from specific stakeholders
B) downsizing due to stakeholder pressures
C) uncertain profitability in the future
D) a greater degree of trust among stakeholders
Answer: D
Diff: 2 Type: MC Page Ref: 55
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

43) Natasha determines that managers of high-performing organizations _____.
A) generally ignore stakeholders and focus on internal efficiencies
B) are most successful when focusing on innovation
C) tend to consider the interests of all major stakeholders
D) are most concerned about public pressure groups
Answer: C
Diff: 2 Type: MC Page Ref: 55
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

44) Environmental uncertainty can be divided into two dimensions: degree of trust and degree of integration.
Answer: FALSE
Diff: 3 Type: TF Page Ref: 53
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

45) A dynamic environment is characterized by the absence of new competitors, few technological breakthroughs by current competitors, and little activity by pressure groups to influence the organization.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 53
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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46) Environmental uncertainty looks at the number of components in an organization's environment and the extent of the knowledge that the organization has about those components.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 54
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

47) Define environmental uncertainty. Briefly discuss the dimensions of environmental uncertainty and how it impacts managers' work.
Answer: Environmental uncertainty refers to the degree of change and complexity in an organization's environment.

The first dimension of uncertainty is the degree of change. If the components in an organization's environment changes frequently, it is a dynamic environment. If change is minimal, it's a stable one. A stable environment might be one with no new competitors, few technological breakthroughs by current competitors, little activity by pressure groups to influence the organization, and so forth. Degree of change in this case means change that's unpredictable. If change can be accurately anticipated, it's not an uncertainty for managers.

The other dimension of uncertainty describes the degree of environmental complexity, which looks at the number of components in an organization's environment and the extent of the knowledge that the organization has about those components. An organization with fewer competitors, customers, suppliers, government agencies, and so forth faces a less complex and uncertain environment. Organizations deal with environmental complexity in various ways. Complexity is also measured in terms of the knowledge an organization needs about its environment.
Diff: 2 Type: ES Page Ref: 52-54
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

48) In a short essay, describe how and why organizations support spirituality as parts of organizational culture. What are the five cultural characteristics of a spiritual organization?
Answer: Workplace spirituality enables employees to seek meaning and purpose in their work as well as find ways to cope with the stresses and pressures of a turbulent pace of life. The five cultural characteristics of a spiritual organization:
1. Strong sense of purpose.
2. Focus on individual development to recognize the worth and value of employees.
3. Trust and openness from mutual trust, honesty and openness.
4. Employee empowerment to make thoughtful and conscientious decisions.
5. Tolerance of employee expression where emotions are not stifled.
Evidence shows that companies that introduced spiritually based techniques improved productivity and significantly reduced turnover.
Diff: 2 Type: ES Page Ref: 48-49
Skill: Recall
Learning Outcome: 2-4 Describe the features of organizational environments.

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