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Chapter 02 Challenges for Managers

TRUEFALSE

1. An organization in which the national viewpoint supersedes the global viewpoint is a transnational organization.

(A) True

(B) False

Answer : (B)

2. Mr. Okazaki, a Japanese manager employed at the Honda plant in Marysville, Ohio, is an expatriate.

(A) True

(B) False

Answer : (A)

3. Cultures characterized by individualism are tightly knit social frameworks in which individual members depend strongly on others and group decisions are valued and accepted.

(A) True

(B) False

Answer : (B)

4. In countries with a high power distance, people believe in minimizing inequality.

(A) True

(B) False

Answer : (B)

5. In societies with low power distance, bosses are afforded more authority, which is seldom bypassed, titles are used, and formality is the rule.

(A) True

(B) False

Answer : (B)

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6. In cultures characterized by traditional femininity, assertiveness and materialism are valued.

(A) True

(B) False

Answer : (B)

7. The glass ceiling is the degree to which a culture tolerates ambiguity and uncertainty.

(A) True

(B) False

Answer : (B)

8. In corporations that shatter the glass ceiling, upper managers demonstrate support for the advancement of women.

(A) True

(B) False

Answer : (A)

9. Ethical theories help us understand, evaluate, and classify moral arguments.

(A) True

(B) False

Answer : (A)

10. Consequential theories of ethics emphasize the character of the act itself, not its effects, in arriving at universal moral rights and wrongs.

(A) True

(B) False

Answer : (B)

11. Drug testing, free speech, downsizing and layoffs, and due process are but a few of the employee rights issues that managers face.

(A) True

(B) False

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Answer : (A)

12. Sexual harassment is more likely to occur in some organizations than in others-for example, in male-dominated workplaces.

(A) True

(B) False

Answer : (A)

13. Sexual coercion includes crude comments or behaviors that convey hostility toward a particular gender.

(A) True

(B) False

Answer : (B)

14. Distributive justice is the fairness of the process by which outcomes are allocated in an organization.

(A) True

(B) False

Answer : (B)

15. The ethical questions in procedural justice examine the process by which an organization distributes its resources.

(A) True

(B) False

Answer : (A)

16. Organizations can manage whistleblowing by explaining the conditions that are appropriate for disclosing wrongdoing.

(A) True

(B) False

Answer : (A)

17. Corporate social responsibility is an organization's obligation to behave ethically in its social

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environment.

(A) True

(B) False

Answer : (A)

18. Firms that are seen as socially responsible do not have a competitive advantage in attracting applicants.

(A) True

(B) False

Answer : (B)

19. A profession's code of ethics becomes a standard against which members can measure themselves in the absence of internalized standards.

(A) True

(B) False

Answer : (A)

MULTICHOICE

20. Which of the following is a major challenge that managers must overcome to remain competitive?

(A) Globalizing their firm's operations

(B) Managing a person's finances and daily activities

(C) Managing a uniform workforce

(D) Anticipating changes in foreign currency valuations

Answer : (A)

21. In the context of competing in the global economy, globalization suggests that the:

(A) presence of a uniform workforce curtails competition.

(B) world is divided by borders and diverse cultures.

(C) world is free from national boundaries and is borderless.

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(D) organization's nationality is held strongly in consciousness.

Answer : (C)

22. Many Chinese use *guanxi*, or personal connections, to:

(A) reward employees at work.

(B) conduct business or obtain jobs.

(C) evaluate the performance of individual group members.

(D) understand the global work environment.

Answer : (B)

23. The _____ eliminated many of the tariffs, such as the heavy tariffs Mexico placed on U.S. exports, and provided that the remaining tariffs be phased out over time.

(A) G-3 Free Trade Agreement

(B) General Agreement on Tariffs and Trade

(C) North American Free Trade Agreement

(D) ASEAN Free Trade Area

Answer : (C)

24. _____ is a cultural orientation in which people belong to loose social frameworks and their primary concern is for themselves and their families.

(A) Collectivism

(B) Individualism

(C) Communitarianism

(D) Socialism

Answer : (B)

25. _____ is a cultural orientation in which individuals belong to tightly knit social frameworks and depend strongly on extended families or clans.

(A) Collectivism

(B) Individualism

(C) Communitarianism

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(D) Socialism

Answer : (A)

26. _____ is the degree to which a culture accepts unequal distribution of power.

(A) Glass ceiling

(B) Uncertainty avoidance

(C) Power norms

(D) Power distance

Answer : (D)

27. In countries with a high power distance, _____.

(A) formality is the rule

(B) titles are not used

(C) people trust one another

(D) employees judge each other on a basis of equality

Answer : (A)

28. In societies with low power distance, _____.

(A) bosses are afforded more authority

(B) managers and employees judge each other on a basis of equality

(C) managers and employees see one another as fundamentally different kinds of people

(D) titles are used and formality is the rule

Answer : (B)

29. Which of the following statements is true of people in cultures with high uncertainty avoidance?

(A) They are less threatened by and more willing to trust one another.

(B) They are more willing to take risks and are more comfortable with individual differences.

(C) They accept dissenting viewpoints.

(D) They tend to seek consensus in an effort to moderate the threat of life's inherent uncertainty.

Answer : (D)

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30. Which of the following statements is true of people in cultures with low uncertainty avoidance?

(A) They are less threatened by and more willing to trust one another.

(B) They are more willing to take risks and are more comfortable with individual differences.

(C) They are concerned with security and tend to avoid conflict.

(D) They tend to seek consensus in an effort to moderate the threat of life's inherent uncertainty.

Answer : (B)

31. Which of the following statements is true of cultures characterized by traditional masculinity?

(A) Achievement is admired.

(B) Quality of life is very important.

(C) People and the environment are emphasized.

(D) Relationships are valued.

Answer : (A)

32. Diversity has garnered increasing attention in recent years largely because:

(A) understanding diversity results in more profits.

(B) the global viewpoint supersedes national issues.

(C) of *guanxi*, the Chinese practice of building networks for social exchange.

(D) of demographic changes in the working population.

Answer : (D)

33. Managers feel that dealing with diversity is a paramount concern because:

(A) they have low uncertainty avoidance.

(B) they must value respect for tradition.

(C) they must communicate with employees who have different values.

(D) they are given authority only if they have expertise.

Answer : (C)

34. Minority workers are less likely to be prepared to face severe economic difficulties and high crime rates in large cities because:

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(A) their share of authority and compensation does not increase.

(B) they have not had satisfactory schooling.

(C) they only have basic training skills.

(D) they are the underutilized talents of the workforce.

Answer : (B)

35. The globalization of business and changing demographic trends present organizations with a culturally diverse workforce, creating the challenge:

(A) to prepare women to contribute in organizations.

(B) to utilize the talents of the workforce.

(C) to harness the wealth of differences provided by cultural diversity.

(D) to take a more activist position regarding employee rights.

Answer : (C)

36. Which of the following is a risk created by the changing demographic trends that present organizations with a culturally diverse workforce?

(A) Stereotypes may prevent managers from developing synergies to benefit the organization.

(B) Women's share of compensation may not increase commensurately with their education.

(C) The aging workforce may decrease intergenerational contact at work.

(D) People who adhere strictly to cultural relativism may avoid difficult ethical dilemmas.

Answer : (A)

37. Which of the following statements is true of women in the workforce?

(A) Their representation on standing committees is accurate.

(B) Their share of authority is increasing commensurately with their education.

(C) Majority of them occupy line positions in business.

(D) They receive fewer benefits because benefits are tied to compensation.

Answer : (D)

38. In the context of age diversity, which of the following statements is true of the baby boomers?

(A) They are also called the silent generation.

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(B) They tend to strive for moral rights in the workplace.

(C) They are people born from 1965 through 1976.

(D) They struggle to integrate into a cohesive group.

Answer : (B)

39. In the context of age diversity, which of the following statements is true of young workers?

(A) They may view older workers as resistant to change.

(B) They are more satisfied with their jobs.

(C) They are more committed to their organization.

(D) They strive for moral rights in the workplace.

Answer : (A)

40. In the context of valuing diversity, which of the following is a difference between prejudice and discrimination?

(A) Prejudice is a cultural orientation in which people belong to loose social frameworks, whereas discrimination is a cultural orientation in which individuals belong to tightly knit social frameworks.

(B) Prejudice relates to the acceptance of the unequal distribution of power, whereas discrimination relates to the tolerance of ambiguity and uncertainty.

(C) Prejudice emphasizes results of behavior, whereas discrimination emphasizes the character of an individual.

(D) Prejudice is an attitude, whereas discrimination describes behavior.

Answer : (D)

41. Which of the following is a similarity between prejudice and discrimination?

(A) Both diminish organizational productivity.

(B) Both help in minimizing inequality.

(C) Both value assertiveness and materialism.

(D) Both are characterized by traditional masculinity.

Answer : (A)

42. Which of the following statements is true of managing diversity?

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(A) It makes companies less competitive.

(B) It decreases intergenerational contact at work.

(C) It is a cultural orientation in which relationships and concern for others are valued.

(D) It requires a painful examination of employees' hidden assumptions.

Answer : (D)

43. Which of the following is a benefit of diversity?

(A) It results in better communication.

(B) It enhances organizational flexibility.

(C) It leads to faster decision making.

(D) It helps in solving interpersonal conflicts.

Answer : (B)

44. Corporations and business enterprises tend to subscribe to _____.

(A) cultural relativism

(B) universal moralism

(C) consequential ethics

(D) rule-based ethics

Answer : (C)

45. Which of the following statements is true of Smith's doctrine of natural liberty?

(A) The self-interest of human beings is the government's providence.

(B) People should be allowed to pursue what is in their economic self-interest.

(C) An individual's inner character is the main focus of this ethical concept.

(D) The character of an act is the main focus of this ethical concept.

Answer : (B)

46. Which of the following statements is true of cultural relativism?

(A) People should not be allowed to pursue what is in their economic self-interest.

(B) Local standards guide ethical behavior.

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(C) Good is the ultimate moral value.

(D) Good consequences do not always follow right actions.

Answer : (B)

47. _____ includes crude comments or sexual jokes and behaviors that convey hostility toward a particular gender.

(A) Gender coercion

(B) Sexual exploitation

(C) Gender harassment

(D) Sexual abuse

Answer : (C)

48. _____ involves unwanted touching or repeated pressures for dates.

(A) Sexual coercion

(B) Unwanted sexual attention

(C) Gender harassment

(D) Sexual abuse

Answer : (B)

49. Procedural justice concerns:

(A) creativity and innovation.

(B) organizational flexibility.

(C) the fairness of the process by which outcomes are allocated.

(D) the fairness of outcomes individuals receive.

Answer : (C)

50. In the context of ethical dilemmas facing the modern organization, whistle-blowing is:

(A) an example of white-collar crime.

(B) a powerful influence on the corporate world.

(C) an illustration of distributive justice.

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(D) unethical.

Answer : (B)

51. Which of the following statements is true of corporate social responsibility?

(A) Organizations are not obliged to behave ethically in their social environment.

(B) Ethical conduct at the organizational level can translate into social responsibility at the individual level.

(C) Multiple stakeholders expect organizations to engage in communally accountable actions.

(D) Firms that are seen as socially responsible do not have a competitive advantage.

Answer : (C)

ESSAY

52. Briefly discuss the issues an organization would want to understand if it were interested in a business venture in China.

Graders Info :

Answers will vary.Chinese managers' business practices have been shaped by the Communist party, socialism, feudalistic values, and *guanxi*, the practice of building networks for social exchange. Once *guanxi* is established, individuals can ask favors of each other with the expectation that the favor will be returned. Thus, many Chinese use *guanxi*, or personal connections, to conduct business or obtain jobs. Americans can learn to build their own *guanxi* in order to interact effectively with Chinese managers. This would involve understanding the Chinese chain of command and negotiating slow, general agreements. Please see the section "Competing in the Global Economy" for more information.

53. Mention the benefits and problems of diversity.

Graders Info :

Answers will vary. The benefits of diversity are:
1. It attracts and retains the best talent.
2. It improves marketing efforts.
3. It promotes creativity and innovation.
4. It results in better problem solving.
5. It enhances organizational flexibility.

The problems of diversity are:

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1. It is resistant to change.
2. It lacks cohesiveness.
3. It consists of communication problems.
4. It results in interpersonal conflicts.
5. It slows the decision making process. Please see the section "The Diverse Workforce" for more information.

54. Provide a brief explanation for the character theories of ethics.

Graders Info :

Answers will vary.Virtue ethics, of which character theories of ethics are a type, offer an alternative to understanding behavior in terms of self-interest or rules. Character theories of ethics emphasize the character of the individual and the intent of the actor instead of the character of the act itself or its consequences. These virtue-ethics theories are based on an Aristotle's view of ethics, which focused on an individual's inner character and virtuousness rather than on outward behavior. Thus, the good person who acted out of virtuous and right intentions was one with integrity and ultimately good ethical standards. Robert Solomon is the best known advocate of this Aristotelian approach to business ethics. He advocates a business ethics theory centered on the individual within the corporation, emphasizing personal virtues as well as corporate roles. Solomon's six dimensions of virtue ethics are community, excellence, role identity, integrity, judgment, and holism. Please see the section "Ethics, Character, and Personal Integrity" for more information.

55. Explain distributive justice and procedural justice and distinguish between them.

Graders Info :

Answers will vary.Distributive justice concerns the fairness of outcomes individuals receive. For example, during former President George H.W. Bush's 1992 visit, Japanese CEOs questioned the distributive justice of keeping American CEOs' salaries so high while many companies were struggling and laying off workers.

Procedural justice concerns the fairness of the process by which outcomes are allocated. The ethical questions in procedural justice examine the process by which an organization distributes its resources.
One study of work scheduling found that advance notice and consistency, two dimensions of procedural justice, reduced voluntary turnover. Some research suggests cultural differences in the effects of distributive and procedural justice. Please see the section "Ethical Dilemmas Facing the Modern Organization" for more information.

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