

Test Bank for Fundamentals of Management 11th Griffin

Chapter 01 - Understanding The Manager's Job

1. What is defined as a set of activities directed at an organization's resources with the aim of achieving organizational goals in an efficient and effective manner?

- a. economics
- b. planning
- c. management
- d. operations

ANSWER: c

2. Which of the following helps make the management process efficient?

- a. increasing overhead production costs
- b. using resources in a cost-effective manner
- c. making management decisions independently of the organization's external environment
- d. using the majority of resources for sales promotion activities

ANSWER: b

3. A management process is considered to be effective when:

- a. overhead production costs decrease.
- b. the right decisions are made and implemented.
- c. decisions are made independently of the organization's external environment.
- d. the same amount of resources are allocated to all the functions of the organization.

ANSWER: b

4. One of the titles found in the group of middle managers is:

- a. plant manager.
- b. vice president.
- c. supervisor.
- d. office manager.

ANSWER: a

5. Which of the following defines an organization?

- a. a collection of individuals working independently toward unrelated personal goals
- b. a group of people working together in a structured and coordinated fashion to achieve a set of goals
- c. a network of individuals informally connected to exchange ideas without formal objectives
- d. a team focused solely on minimizing resource usage regardless of outcomes

ANSWER: b

6. Which of the following is the role of top managers in an organization?

- a. overseeing day-to-day operations
- b. performing routine administrative tasks
- c. implementing plans of first-line managers
- d. creating organizational goals and overall strategy

ANSWER: d

7. Who would be responsible for making decisions about activities such as investing in research and development (R&D)

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and entering or abandoning various markets?

- a. top managers
- b. limited partners
- c. first-line managers
- d. middle managers

ANSWER: a

8. A common middle-management title is:

- a. chief executive officer (CEO).
- b. division head.
- c. supervisor.
- d. line manager.

ANSWER: b

9. Which is likely to be the largest group of managers in most organizations, who are primarily responsible for implementing the policies and plans of an organization?

- a. middle managers
- b. top managers
- c. the members of the board of directors
- d. first-line managers

ANSWER: a

10. Why are successful organizations both efficient and effective?

- a. Efficiency focuses on cost-effectiveness, while effectiveness ensures the right decisions are made.
- b. Efficiency is about profitability, and effectiveness ensures all goals are met.
- c. Efficiency involves decision making, while effectiveness focuses on resources.
- d. Efficiency is solely about meeting deadlines, and effectiveness is about quality.

ANSWER: a

11. In which area do first-line managers spend the majority of their time?

- a. implementing policies made by top managers
- b. creating overall organizational strategies and goals
- c. representing their organization to the external environment
- d. supervising the work of their subordinates

ANSWER: d

12. What is the primary responsibility of a manager within an organization?

- a. to maximize the profitability of the organization
- b. to get consumers and clients to buy the organization's products and services
- c. to ensure consistent quality of all output
- d. to use organizational resources to help the organization achieve its goals

ANSWER: d

13. Within an organization, who is responsible for new product development, promotion, and distribution?

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- a. financial managers
- b. operations managers
- c. marketing managers
- d. administrative managers

ANSWER: c

14. A company is facing a significant increase in operating costs and inefficiency in its production processes. Which manager's role is most critical in addressing this issue?

- a. marketing manager
- b. financial manager
- c. operations manager
- d. administrative manager

ANSWER: c

15. Alex is the regional manager of a retail chain. Their primary responsibilities include implementing company policies, coordinating activities between store managers, and overseeing operations in multiple locations. Which managerial level does Alex most likely belong to?

- a. top management
- b. middle management
- c. first-line management
- d. operations management

ANSWER: b

16. What is the primary purpose of planning in management?

- a. monitoring performance
- b. setting goals and deciding how to achieve them
- c. motivating employees
- d. developing an organizational chart

ANSWER: b

17. Determining how a company's activities and resources are to be grouped is called:

- a. leading.
- b. controlling.
- c. organizing.
- d. planning.

ANSWER: c

18. Decision making is part of which management function?

- a. organizing
- b. planning
- c. leading
- d. controlling

ANSWER: b

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19. A department manager reviews the monthly sales report and finds that the team's performance is 15% below the target. To address this issue, the manager implements corrective actions by retraining staff and introducing performance incentives. Which function of management is the manager primarily demonstrating?

- a. controlling
- b. leading
- c. organizing
- d. planning

ANSWER: a

20. How does planning help managers maintain effectiveness?

- a. by motivating employees
- b. by monitoring performance
- c. by providing a guide for time and resource allocation
- d. by creating organizational charts

ANSWER: c

21. Which of the following would be included in the management function of planning?

- a. selecting the course of action most likely to lead to success
- b. monitoring progress toward the achievement of goals
- c. motivating others to higher levels of achievement
- d. communicating company policies to subordinates

ANSWER: a

22. Why is organizing more than just creating an organizational chart?

- a. It involves decision making and monitoring activities.
- b. It includes grouping activities and resources to execute plans.
- c. It focuses on motivating employees.
- d. It replaces planning and controlling processes.

ANSWER: b

23. What distinguishes planning from organizing in management?

- a. Planning sets goals, while organizing groups activities and resources.
- b. Planning monitors progress, while organizing motivates employees.
- c. Planning involves resource allocation, while organizing sets goals.
- d. Planning focuses on group dynamics, while organizing develops alternatives.

ANSWER: a

24. Jamie, a manager at a tech firm, sets goals for the upcoming quarter and identifies various methods to achieve them. Which management function is Jamie demonstrating?

- a. leading
- b. organizing
- c. planning
- d. controlling

ANSWER: c

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25. After setting goals for a new marketing campaign, Taylor assigns tasks to different team members and coordinates the use of software tools. Which management function is being performed?

- a. planning
- b. organizing
- c. leading
- d. controlling

ANSWER: b

26. Casey, a hospital administrator, decides to add more staff for the upcoming flu season and develops a schedule to ensure coverage. Which management functions are being utilized?

- a. leading and controlling
- b. planning and organizing
- c. controlling and decision making
- d. planning and leading

ANSWER: b

27. A manager needs to decide how to allocate resources between two competing projects. Which part of the management process is the manager engaging in?

- a. organizing
- b. decision making within planning
- c. leading
- d. controlling

ANSWER: b

28. A manager notices that a team is falling behind on its project deadlines due to low motivation. To address the issue, the manager organizes a meeting to share a clear vision of the project's importance, sets achievable milestones, and encourages open communication to address team concerns. Which function of management is the manager primarily demonstrating?

- a. controlling
- b. organizing
- c. planning
- d. leading

ANSWER: d

29. Which management function involves selecting a course of action from a set of alternatives?

- a. organizing
- b. decision making
- c. controlling
- d. leading

ANSWER: b

30. The management at Loft Corp. has introduced new employment policies. The managers are now tracking and monitoring the implementation of the new policies. Which of the following management functions is illustrated in the scenario?

- a. decision making

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- b. controlling
- c. organizing
- d. leading

ANSWER: b

31. The skills necessary to accomplish or understand the specific kind of work done in an organization are called:

- a. diagnostic skills.
- b. time management skills.
- c. conceptual skills.
- d. technical skills.

ANSWER: d

32. The abilities of managers to think in the abstract are referred to as:

- a. time management skills.
- b. technical skills.
- c. conceptual skills.
- d. interpersonal skills.

ANSWER: c

33. Technical skills:

- a. are more important than any other skill for top managers.
- b. are nonspecific and broad.
- c. depend on a manager's ability to think in the abstract.
- d. are especially important for first-line managers.

ANSWER: d

34. Which of the following best describes decision-making skills in management?

- a. the ability to delegate tasks efficiently
- b. the ability to prioritize work and meet deadlines
- c. the ability to recognize problems and select appropriate actions
- d. the ability to perform technical tasks

ANSWER: c

35. Which of the following is an example of a manager applying time management skills?

- a. prioritizing urgent tasks and delegating lower-priority tasks to others
- b. deciding to split a company's services into two separate units
- c. creating a new marketing strategy
- d. holding a meeting to brainstorm new ideas

ANSWER: a

36. Which type of skills is necessary for first-line managers to effectively train subordinates and solve work-related problems?

- a. technical
- b. conceptual

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- c. interpersonal
- d. communication

ANSWER: a

37. Which skill incorporates the ability to motivate others?

- a. conceptual
- b. technical
- c. communication
- d. interpersonal

ANSWER: d

38. An individual works with many levels of management within their organization and also meets with suppliers and customers. To be effective in their job, which type of skills are most important?

- a. time management
- b. spatial
- c. interpersonal
- d. conceptual

ANSWER: c

39. A manager studies the performances of various business units within their organization. After making an assessment, they conclude that the overall costs of the organization can be reduced by integrating the functions of two of the business units. What type of skills is the manager illustrating?

- a. technical
- b. time management
- c. conceptual
- d. interpersonal

ANSWER: c

40. Which type of skills refers to the abilities of managers to visualize the most appropriate response to a situation?

- a. social
- b. interpersonal
- c. technical
- d. diagnostic

ANSWER: d

41. Which of the following is an example of a decision-making mistake that managers might recognize and correct quickly?

- a. choosing a solution that creates more problems than it solves
- b. prioritizing high-priority work and delegating low-priority tasks
- c. delegating work to the wrong team member
- d. avoiding making any decisions for fear of failure

ANSWER: a

42. What is a theory described as in the context of management?

- a. a practical tool for increasing profits

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- b. a framework for motivating employees
- c. a conceptual framework for organizing knowledge
- d. a guideline for ethical business practices

ANSWER: c

43. A manager has realized they are spending too much time on low-priority administrative tasks and missing important deadlines. What would be an appropriate action for the manager to take?

- a. Continue focusing on the administrative tasks to ensure they are completed.
- b. Delegate administrative tasks to others and focus on higher-priority work.
- c. Ignore the deadlines and focus solely on completing administrative tasks.
- d. Work overtime to complete both administrative tasks and meet deadlines.

ANSWER: b

44. A manager at a tech company faces a decision about launching a new product. The manager must weigh the potential risks and rewards. Which decision-making step should the manager focus on first?

- a. Implement the decision without consulting anyone.
- b. Gather relevant information and analyze the potential risks and rewards.
- c. Delegate the decision-making process to a team member.
- d. Choose the option that looks the easiest and quickest.

ANSWER: b

45. What benefit does understanding historical context provide to managers?

- a. It guarantees business success.
- b. It allows managers to replicate past strategies.
- c. It helps managers learn from past mistakes.
- d. It limits the need for contemporary strategy development.

ANSWER: c

46. Why do companies maintain archives of their history?

- a. to comply with government regulations
- b. to enhance orientation and training programs
- c. to increase profitability
- d. to advertise their financial achievements

ANSWER: b

47. A manager at a startup is inspired by Sun Tzu's *The Art of War* to develop a competitive strategy. This is an example of:

- a. applying historical understanding to contemporary business problems.
- b. using a quantitative management approach.
- c. relying solely on behavioral management principles.
- d. ignoring the relevance of historical context.

ANSWER: a

48. Which term refers to a conceptual framework for organizing knowledge and providing a blueprint for action?

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- a. strategy
- b. mnemonic
- c. prediction
- d. theory

ANSWER: d

49. Why is it important for managers to study history?
- a. History can provide a conceptual framework for organizing knowledge.
 - b. Understanding historical context can provide a blueprint for action.
 - c. The historical context can help managers avoid the mistakes of others.
 - d. History can provide a mechanistic point of view of management.

ANSWER: c

50. What is generally true about management theories that are used to build organizations and guide them to their goals?
- a. They are grounded in reality.
 - b. They are abstract.
 - c. They are simple.
 - d. They are scientific in nature.

ANSWER: a

51. How can managers use knowledge of theory and history in contemporary organizations?
- a. as the basis for new, personal theories
 - b. as abstract ideas
 - c. to apply rules of scientific management to current issues being faced
 - d. as a way to set organizational goals

ANSWER: a

52. A manager at a marketing firm is faced with multiple tasks that all need to be completed by the end of the day. To manage time effectively, what should the manager do first?
- a. Complete the easiest task first to build momentum.
 - b. Focus on the task with the highest priority and importance.
 - c. Work on all tasks simultaneously to save time.
 - d. Delegate all tasks to the team members.

ANSWER: b

53. A new manager wants to increase employee motivation and satisfaction in the workplace. Based on management theory, which approach should they focus on?
- a. scientific management
 - b. behavioral perspective
 - c. classical perspective
 - d. quantitative management perspective

ANSWER: b

54. Your organization is considering using assembly lines for production. Which historical management perspective

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would be most applicable to guide this decision?

- a. quantitative management perspective
- b. behavioral perspective
- c. scientific management
- d. classical organizational perspective

ANSWER: c

55. The first person to identify the managerial functions of planning, organizing, leading, and controlling was:

- a. Elton Mayo.
- b. Lillian Gilbreth.
- c. Henri Fayol.
- d. Hugo Münsterberg.

ANSWER: c

56. Which of the following focuses on the management of the entire organization as opposed to the jobs of individual workers?

- a. the contingency perspective
- b. scientific management
- c. administrative management
- d. theory X

ANSWER: c

57. Which of the following statements about administrative management is true?

- a. It deals with the jobs of individual employees.
- b. It was first introduced by Frank and Lillian Gilbreth.
- c. It focuses solely on combating soldiering.
- d. It encompasses the concepts of planning, organizing, leading, and controlling.

ANSWER: d

58. Which of the following scenarios best illustrates the application of scientific management principles as developed by Frederick W. Taylor?

- a. A company implements a suggestion box for employees to share their innovative ideas to improve workplace productivity.
- b. A manager introduces a bonus system where employees are paid extra if they exceed specific production targets, using detailed studies to determine efficient task methods.
- c. A firm hires a new leader who focus on fostering creativity and collaboration among team members rather than focusing on individual productivity.
- d. A business increases its workforce size to manage higher production demand instead of focusing on improving efficiency with the current employees.

ANSWER: b

59. Which of the following statements about the behavioral management perspective is true?

- a. It was first introduced by Max Weber.
- b. It viewed jobs and organizations from a mechanistic point of view.
- c. It was influenced by the industrial psychology movement.

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- d. It essentially dealt with job specialization techniques.

ANSWER: c

60. Max Weber's work, based on a rational set of guidelines for structuring organizations in the most efficient manner, is based on which organizational norm?

- a. specialization
- b. bureaucracy
- c. group processes
- d. human fulfillment

ANSWER: b

61. Which perspective did early advocates of classical management primarily use to view organizations and jobs?

- a. mechanistic
- b. behavioral
- c. humanistic
- d. systematic

ANSWER: a

62. Who is recognized as the father of industrial psychology based on his belief that psychologists can make valuable contributions in the areas of training, employee selection, and motivation?

- a. Douglas McGregor
- b. Elton Mayo
- c. Abraham Maslow
- d. Hugo Münsterberg

ANSWER: d

63. Who was the management pioneer who performed the Hawthorne studies at Western Electric?

- a. Lillian Gilbreth
- b. Elton Mayo
- c. Henry Gantt
- d. Frank Gilbreth

ANSWER: b

64. In the Hawthorne studies, workers who overproduced were branded as:

- a. operators.
- b. squealers.
- c. rate busters.
- d. chiselers.

ANSWER: c

65. Which of the following was one of the findings of the Hawthorne studies?

- a. Workers tend to underperform when they are given special attention or supervision.
- b. Higher pay and incentives are more important to workers than social acceptance.
- c. All the workers in a group work toward achieving productivity targets set by supervisors.

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- d. Both individual and social processes play major roles in shaping worker behavior.

ANSWER: d

66. Which of the following is a Theory Y assumption?

- a. Social processes do not influence the performance of workers.
- b. People are not internally motivated to achieve their goals.
- c. People do not naturally dislike work.
- d. People prefer to be directed, to avoid responsibility, and to want security.

ANSWER: c

67. Which of the following assumptions is represented by Theory Y?

- a. People prefer to be directed, to avoid responsibility, and to want security.
- b. People are bright, but under most organizational conditions, their potential is underutilized.
- c. People do not like work and try to avoid it.
- d. The productivity of workers is not affected by social processes at the workplace.

ANSWER: b

68. A Theory Y assumption is that:

- a. incentives rather than social processes influence workers.
- b. managers have to control, direct, coerce, and threaten employees to get them to work toward organizational goals.
- c. people prefer to be directed, to avoid responsibility, and to want security; they have little ambition.
- d. people are committed to goals to the degree that they receive personal rewards when they reach their objectives.

ANSWER: d

69. Which of the following proposed that workers respond primarily to the social context of the workplace, including social conditioning, group norms, and interpersonal dynamics?

- a. the classical management perspective
- b. the human relations movement
- c. the systems perspective
- d. management science

ANSWER: b

70. Which of the following is a Theory X assumption?

- a. People will both seek and accept responsibility.
- b. Employees work best when managers punish them.
- c. People have little ambition.
- d. People are internally motivated.

ANSWER: c

71. Which of the following takes a holistic view of behavior and draws from psychology, sociology, anthropology, economics, and medicine?

- a. organizational behavior
- b. scientific management

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- c. administrative management
- d. systems perspective

ANSWER: a

72. When a manufacturing plant uses mathematical models to plan production and schedule equipment maintenance, it is drawing upon:

- a. scientific management.
- b. administrative management.
- c. management science.
- d. the behavioral management perspective.

ANSWER: c

73. In addition to management science, which of the following is one of the two branches of the quantitative management perspective?

- a. behavioral management
- b. operations management
- c. organizational behavior
- d. the systems perspective

ANSWER: b

74. Which management perspective emphasizes decision making, cost-effectiveness, mathematical models, and the use of computers?

- a. systems management
- b. behavioral management
- c. classical management
- d. quantitative management

ANSWER: d

75. Which of the following statements about management science is true?

- a. It is part of the classical management perspective.
- b. It relies on bureaucratic techniques proposed by Max Weber.
- c. It focuses on mathematical representations of reality.
- d. It is concerned with improving the performance of individual workers.

ANSWER: c

76. What are the four basic elements of a system in the systems perspective?

- a. inputs, outputs, feedback, and synergy
- b. inputs, transformation processes, outputs, and feedback
- c. transformation processes, feedback, synergy, and entropy
- d. inputs, subsystems, entropy, and outputs

ANSWER: b

77. How does the concept of synergy benefit an organization?

- a. by focusing solely on one product line for cost efficiency

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- b. by encouraging competition among organizational subsystems
- c. by having subsystems work together to produce more value collectively
- d. by isolating subsystems to avoid conflicts in the workplace

ANSWER: c

78. If a manager overlooks the interdependence of subsystems in their organization, what might be a likely consequence?
- a. improved synergy among departments
 - b. increased entropy leading to system decline
 - c. enhanced open system interactions
 - d. better feedback from the environment

ANSWER: b

79. What is the difference between an open and closed system?
- a. Open systems do not interact with the environment, while closed systems do.
 - b. Open systems interact with the environment, while closed systems do not.
 - c. Open systems focus on outputs, while closed systems focus on inputs.
 - d. Open systems avoid entropy, while closed systems promote synergy.

ANSWER: b

80. Why is feedback important in the systems perspective of management?
- a. It eliminates the need for managerial adjustments.
 - b. It provides information on outputs and helps refine processes.
 - c. It reduces the reliance on inputs from the environment.
 - d. It ensures subsystems operate independently.

ANSWER: b

81. In the context of the systems perspective, which of the following would be considered an output?
- a. technological processes
 - b. labor skills
 - c. services
 - d. raw materials

ANSWER: c

82. In the context of the systems perspective, an input would be:
- a. human resources.
 - b. losses.
 - c. feedback loops.
 - d. products.

ANSWER: a

83. A company is facing a decline due to outdated processes and failure to adapt to customer feedback. This situation illustrates which concept?
- a. synergy
 - b. open system

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- c. entropy
- d. subsystems

ANSWER: c

84. In the systems perspective, outputs include:

- a. raw materials.
- b. controls.
- c. employee behaviors.
- d. human resources.

ANSWER: c

85. Which management perspective suggests that there is no “one best way” to manage an organization?

- a. systems perspective
- b. contingency perspective
- c. behavioral perspective
- d. classical perspective

ANSWER: b

86. Which is a normal process that leads to system decline, and occurs when an organization does not monitor environmental feedback?

- a. economy of scale
- b. synergy
- c. entropy
- d. contingency

ANSWER: c

87. Which of the following suggests that organizational units (or subsystems) may often be more successful working together than working alone?

- a. chiseling
- b. operations management
- c. synergy
- d. entropy

ANSWER: c

88. As a manager, Emilio sometimes changes their response to situations based on the situation or unique elements in a situation. Which management perspective does Emilio practice?

- a. the classical management perspective
- b. administrative management
- c. scientific management
- d. the contingency perspective

ANSWER: d

89. Which management perspective emphasizes that effective managerial behavior depends on unique elements of a given situation?

- a. behavioral management perspective

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- b. quantitative management perspective
- c. systems perspective
- d. contingency perspective

ANSWER: d

90. In the systems perspective, which concept emphasizes the importance of working together in a cooperative and coordinated fashion?

- a. synergy
- b. entropy
- c. contingency
- d. diversity

ANSWER: a

91. A primary objective of management, from a systems perspective, is to continually reenergize the organization to avoid:

- a. reciprocity.
- b. collaboration.
- c. diversity.
- d. entropy.

ANSWER: d

92. Which perspective states that effective managerial behavior in one situation cannot always be generalized to other situations?

- a. the behavioral management
- b. scientific management
- c. the contingency perspective
- d. administrative management

ANSWER: c

93. Which of the following statements about the contingency perspective is true?

- a. It states that the organizations that are not influenced by their external environments tend to be more successful than others.
- b. It states that effective managerial behavior in one situation cannot always be generalized to other situations.
- c. It states that all employees tend to perform better when they are promised higher incentives.
- d. It states that the behavior of employees at work is not influenced by social processes.

ANSWER: b

94. A new CEO of a startup initially focuses on micromanaging daily operations to ensure the company meets its short-term goals. As the company expands and hires experienced department heads, the CEO shifts to focusing on strategic planning and empowering the management team to handle day-to-day decisions. Which management perspective best explains this change in leadership approach?

- a. classical perspective
- b. behavioral perspective
- c. contingency perspective
- d. quantitative perspective

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ANSWER: c

95. A tech company is expanding rapidly and experiencing challenges in retaining top talent due to increased competition and changing employee expectations. To address this, the company introduces a mentorship program, promotes diversity and inclusion initiatives, and invests in employee development through online learning platforms. What contemporary management challenge is the company primarily addressing?

- a. managing workforce diversity
- b. adapting to technological advancements
- c. employee engagement and retention
- d. globalization of business operations

ANSWER: c

96. Which of the following is a significant challenge managers face in today's organizations?

- a. decreasing importance of quality
- b. declining workforce diversity
- c. globalization
- d. increasing emphasis on long-term employee loyalty

ANSWER: c

97. Why has diversity become both an opportunity and a challenge for managers in today's organizations?

- a. Managers must now ensure that all employees conform to a single organizational culture management.
- b. Workforce diversity enhances creativity but requires flexibility to address varying employee needs.
- c. Organizations must focus solely on demographic representation, ignoring other aspects of diversity.
- d. Younger generations entering the workforce value uniformity over individuality, complicating diversity management.

ANSWER: b

98. A manager at a company has noticed a growing trend of employees requesting flexible work schedules and remote work options. How should the manager apply modern management theories to address this challenge effectively?

- a. Refuse the requests to maintain company uniformity and traditional working hours.
- b. Implement a one-size-fits-all approach that limits flexibility across departments.
- c. Offer flexible work schedules and remote work options while ensuring clear communication and performance expectations.
- d. Ignore employee concerns and continue with the traditional work schedule as it has always been.

ANSWER: c

99. Which of the following statements best reflects contemporary management trends?

- a. More and more organizations are using quality as a basis for competition.
- b. The service sector of the economy has steadily declined.
- c. Younger people entering the workforce over the past 20 to 30 years are more devoted to work and more willing to adapt.
- d. The emphasis on business ethics has declined.

ANSWER: a

100. Improving the quality of products and services tends to increase:

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- a. inertia.
- b. entropy.
- c. latency.
- d. productivity.

ANSWER: d

101. What role does globalization play as a challenge for managers in contemporary organizations?

- a. It simplifies decision-making processes due to uniform business environments.
- b. It presents unique challenges due to differing cultural, national, and behavioral processes across regions.
- c. It decreases the importance of ethics and corporate governance.
- d. It leads to uniform work norms and expectations across the globe.

ANSWER: b

102. Ramkumar is the head of human resources at a large firm. For the past few years, the firm has had a difficult time hiring and retaining employees. What can Ramkumar do to better attract and retain today's workers?

- a. Provide new and different incentives.
- b. Use groups to keep people motivated and interested in work.
- c. Build a large corporate campus to foster a sense of community.
- d. Eliminate their presence on social media.

ANSWER: a

103. Ugar is a manager who likes change. When people become complacent, Ugar tries to shake things up to reenergize them. How does Ugar likely see change management?

- a. as a cause for alarm
- b. as a motivational tool
- c. as an improvement on reputation
- d. as an opportunity

ANSWER: d

104. Teresita has several open positions at their firm. What could Teresita's firm offer Millennial candidates to attract them to the firm?

- a. flexibility in work arrangements
- b. structure
- c. long-term opportunity
- d. strong corporate identity

ANSWER: a

105. What is the term that describes differences among people?

- a. diversity
- b. synergy
- c. culture
- d. ethics

ANSWER: a

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106. What is often at the center of debates on ethics and social responsibility?

- a. norms
- b. corporate governance
- c. quality
- d. service

ANSWER: b

107. Which of the following influences patterns of work-related behavior and attitudes toward work?

- a. norms
- b. organizational configuration
- c. quality
- d. social responsibility

ANSWER: a

108. Describe the four management functions.

ANSWER: Regardless of level or area, management involves the four basic functions of planning and decision making, organizing, leading, and controlling.

Planning and Decision Making: In its simplest form, planning means setting an organization's goals and deciding how best to achieve them. Decision making, a part of the planning process, involves selecting a course of action from a set of alternatives. Planning and decision making help managers maintain their effectiveness by serving as guides for their future activities. In other words, the organization's goals and plans clearly help managers know how to allocate their time and resources.

Organizing: Once a manager has set goals and developed a workable plan, their next management function is to organize people and the other resources necessary to carry out the plan. Specifically, organizing involves determining how activities and resources are to be grouped.

Leading: The third basic managerial function is leading. Some people consider leading to be both the most important and the most challenging of all managerial activities. Leading is the set of processes used to get members of the organization to work together to further the interests of the organization.

Controlling: The final phase of the management process is controlling or monitoring the organization's progress toward its goals. As the organization moves toward its goals, managers must monitor progress to ensure that it is performing in such a way as to arrive at its "destination" at the appointed time.

109. Why do managers study management history and theory?

ANSWER: In reality, both theory and history are important to all managers today.

A theory is simply a conceptual framework for organizing knowledge and providing a blueprint for action. Although some theories seem abstract and irrelevant, others appear very simple and practical. Management theories, which are used to build organizations and guide them toward their goals, are grounded in reality. Practically any organization that uses assembly lines is drawing on scientific management. Many organizations use the behavioral perspective to improve employee satisfaction and motivation. And naming a large company that does not use one or more techniques from the quantitative management perspective would be difficult.

Awareness and understanding of important historical developments are also important to contemporary managers. Understanding the historical context of management provides a sense of heritage and can help

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managers avoid the mistakes of others. Most courses in U.S. history devote time to business and economic developments in this country, including the Industrial Revolution, the early labor movement, and the Great Depression, and to captains of U.S. industry such as Cornelius Vanderbilt (railroads), John D. Rockefeller (oil), and Andrew Carnegie (steel). The contributions of those and other industrialists left a profound imprint on contemporary culture. Many managers are also realizing that they can benefit from a greater understanding of history in general.

110. Discuss the Hawthorne studies in terms of how they were conducted and what the important results were to management practices.

ANSWER: Although Hugo Münsterberg and Mary Parker Follett made major contributions to the development of the behavioral approach to management, its primary catalyst was a series of studies conducted near Chicago at Western Electric's Hawthorne plant between 1927 and 1932. The research, originally sponsored by General Electric, was conducted by Elton Mayo and his associates. Mayo was a faculty member and consultant at Harvard.

The first study involved manipulating illumination for one group of workers and comparing their subsequent productivity with the productivity of another group whose illumination was not changed. Surprisingly, when illumination was increased for the experimental group, productivity went up in both groups. Productivity continued to increase in both groups, even when the lighting for the experimental group was decreased. Not until the lighting was reduced to the level of moonlight did productivity begin to decline. Another experiment established a piecework incentive pay plan for a group of nine men assembling terminal banks for telephone exchanges. Mayo and his associates found that the group itself informally established an acceptable level of output for its members. Workers who overproduced were branded *rate busters*, and who underproduced were labeled *chiselers*. To be accepted by the group, workers produced at the accepted level. As they approached this acceptable level of output, workers slacked off to avoid overproducing.

Other studies, including an interview program involving several thousand workers, led Mayo and his associates to conclude that human behavior was much more important in the workplace than had been previously believed. In the lighting experiment, for example, the results were attributed to the fact that both groups received special attention and sympathetic supervision for perhaps the first time. The incentive pay plans did not work because wage incentives were less important to the individual workers than was social acceptance in determining output. In short, individual and social processes played major roles in shaping worker attitudes and behavior.