

Test Bank for Principles of Management v6 1st Bauer

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Chapter 1: Introduction to Principles of Management

MULTIPLE CHOICE

1. _____ often refers to “the art of getting things done through the efforts of other people.”
- Management
 - Leadership
 - Empowerment
 - Organizational readiness

ANS: A

DIF: Easy

Bloom's: Knowledge

REF: Section Introduction

2. Someone who works at Procter & Gamble, who is responsible for the production, marketing, and profitability of the Tide detergent product line, is called a:
- general manager
 - line manager
 - team manager
 - supervisory manager

ANS: B

DIF: Medium

Bloom's: Comprehension

REF: Section 1.1

3. A general manager is someone who is responsible for managing
- an identifiable revenue-producing unit.
 - a sub-group of a particular function or team comprised of members from different parts of the organization.
 - a function that creates indirect inputs, such as finance and accounting.
 - an area such as accounting and marketing.

ANS: A

DIF: Easy

Bloom's: Knowledge

REF: Section 1.1

4. Which type of manager leads a function that creates indirect inputs, such as finance and accounting functions?
- line
 - general
 - staff
 - project

ANS: C

DIF: Easy

Bloom's: Knowledge

REF: Section 1.1

5. Allowing individuals to work on their own with little supervision is called:

- a. empowerment
- b. management
- c. leadership
- d. strategic management

ANS: A

DIF: Easy

Bloom's: Knowledge

REF: Section 1.1

6. Mintzberg's three groups of roles that are common to the work of all managers are

- a. planning, organizing, and leading.
- b. top management, middle management, and supervision.
- c. strategic, functional, and resource allocation.
- d. interpersonal, informational, and decisional.

ANS: D

DIF: Easy

Bloom's: Knowledge

REF: Section 1.1

7. Maura is the CEO of her company. She represents the company legally and in matters of formality. According to Mintzberg, which interpersonal role does Maura illustrate?

- a. liaison
- b. leader
- c. figurehead
- d. spokesperson

ANS: C

DIF: Medium

Bloom's: Application

REF: Section 1.1

8. The manager who interacts with peers and people outside the organization is demonstrating which of Mintzberg's interpersonal roles?

- a. leader
- b. liaison
- c. figurehead
- d. disseminator

ANS: B

DIF: Easy

Bloom's: Knowledge

REF: Section 1.1

9. In which of Mintzberg's informational roles does the manager receive and collect information?

- a. resource allocator
- b. monitor
- c. disseminator
- d. spokesperson

ANS: B

DIF: Easy

Bloom's: Knowledge

REF: Section 1.1

10. The manager who handles threats to the organization, such as internal disputes, is operating in Mintzberg's decisional role of:

- a. entrepreneur
- b. disturbance handler
- c. resource allocator
- d. negotiator

ANS: B

DIF: Easy

Bloom's: Knowledge

REF: Section 1.1

11. The principles of management are drawn from a number of academic fields, principally, the fields of

- a. management, marketing, and communication.
- b. psychology, leadership, entrepreneurship, and strategy.
- c. sociology, anthropology, and psychology.
- d! All of the above are correct.

ANS: B

DIF: Easy

Bloom's: Knowledge

REF: Section 1.2

12. What term is used to describe coming up with a good idea and then putting it into action in a new venture?

- a. empowerment
- b. leadership
- c. entrepreneurship
- d. strategic management

ANS: C

DIF: Medium

Bloom's: Comprehension

REF: Section 1.2

13. Strategy is the concept of how an organization will achieve its objectives; therefore, strategic management is

- a. knowledge that helps in the development and implementation of strategies.
- b. the social source of influence that is used to inspire action taken by others.
- c. the process that helps the organization in the development of strategies.
- d. the purpose of developing strategies in an organization.

ANS: A

DIF: Easy

Bloom's: Knowledge

REF: Section 1.2

14. The act of influencing others toward a goal is called:

- a. coercive management
- b. entrepreneurship
- c. leadership
- d. strategic management

ANS: C

DIF: Easy

Bloom's: Knowledge

REF: Section 1.2

15. Which type of planning is taking place when managers analyze competitive opportunities and threats, as well as the strengths and weaknesses of the organization, and then determine how to position the organization to compete effectively in its environment?

- a. strategic
- b. organizational
- c. tactical
- d. operational

ANS: A

DIF: Medium

Bloom's: Knowledge

REF: Section 1.3

16. Organizational design decisions are made about the _____ of an organization.

- a. structure
- b. strategies
- c. environment
- d. job roles

ANS: A

DIF: Easy

Bloom's: Knowledge

REF: Section 1.3

17. Operational planning assumes the existence of

- a. a mission statement of the organization.
- b. goals and objectives and specifies ways to achieve them.
- c. a SWOT analysis.

d. a tactical plan and specifies ways to achieve it.

ANS: B

DIF: Easy

Bloom's: Knowledge

REF: Section 1.3

18. Tactical planning is designed to develop

- a. general action steps that support the strategic plan.
- b. specific action steps to develop the strategic plan.
- c. concrete action steps to implement the strategic plan.
- d. the organization's mission and objectives for the strategic plan.

ANS: C

DIF: Easy

Bloom's: Knowledge

REF: Section 1.2

19. Which external contingency or trend facing an organization is analyzed during environmental scanning?

- a. stakeholders' opinions
- b. economic conditions
- c. financial capabilities
- d. staffing

ANS: B

DIF: Easy

Bloom's: Knowledge

REF: Section 1.3

20. Effective controlling requires the existence of plans because

- a. planning provides the necessary performance standards or objectives.
- b. understanding the mission of the organization requires a strategic plan.
- c. control techniques are budget and performance audits.
- d. managers must show compliance with company policies.

ANS: A

DIF: Medium

Bloom's: Comprehension

REF: Section 1.3

21. The structure of an organization is usually represented in the:

- a. job design
- b. chain of command
- c. operational plan
- d. tactical plan

ANS: B

DIF: Easy

Bloom's: Knowledge

REF: Section 1.3

22. Corporate social responsibility (CSR) is a concept whereby organizations
- integrate economic, social, and environmental performance.
 - consider only the needs of a company's internal stakeholders.
 - decrease economic performance to benefit the community.
 - increase the likelihood of governmental regulations.

ANS: A

DIF: Easy

Bloom's: Knowledge

REF: Section 1.4

23. A common argument against corporate social responsibility is that
- there are no financial benefits of social or environmental initiatives.
 - CSR does not achieve a triple bottom line.
 - there is no positive relationship between CSR and shareholder returns.
 - CSR detracts from the fundamental economic role of businesses.

ANS: D

DIF: Medium

Bloom's: Comprehension

REF: Section 1.4

24. The difference between a group and a team is that
- a collection of people is a group and not necessarily a team.
 - complementary skills are found in a group but not a team.
 - the aim and purpose of a group is to perform in the workplace.
 - groups are defined by their relatively small size.

ANS: A

DIF: Medium

Bloom's: Comprehension

REF: Section 1.5

25. The purpose of assembling a team is to
- work on agendas in the context of a group.
 - accomplish bigger goals that would not be possible for an individual working alone.
 - increase mutual cooperation between competing factions.
 - gather together a group of workers with disparate goals.

ANS: B

DIF: Easy

Bloom's: Knowledge

REF: Section 1.5

26. Self-development, individual initiative, and organizational loyalty are
- necessary in current principles of behavior in organizations.
 - in-role performance standards.
 - organizational citizenship behaviors.
 - CSR standards for individual performance.

ANS: C

DIF: Easy

Bloom's: Knowledge

REF: Section 1.5

27. Organizational citizenship behaviors can be understood as
- individual behaviors that are beneficial to the organization and not recognized by the formal reward system.
 - individual behaviors that are beneficial to the organization and are recognized by the formal reward system.
 - group behaviors that are beneficial to the organization and are recognized by the formal reward system.
 - group behaviors that are beneficial to the organization and are not recognized by the formal reward system.

ANS: A

DIF: Medium

Bloom's: Comprehension

REF: Section 1.5

28. When Seymour started his new job, he enjoyed being able to try out the equipment and learn on the job. Seymour is most likely a(n) _____ learner.
- conditioned
 - auditory
 - visual
 - kinesthetic

ANS: D

DIF: Medium

Bloom's: Application

REF: Section 1.6

29. Claire found that she had trouble understanding her product manuals when she read them, so she asked her coworker to read them to her. Claire is most likely a(n) _____ learner.
- conditioned
 - auditory
 - visual
 - kinesthetic

ANS: B

DIF: Medium

Bloom's: Application

REF: Section 1.6

30. Of the three essential components of the gauge-discover-reflect process, gauging involves
- learning enough about a topic so that you can set specific development goals that you can apply and practice.

- b. stepping back and looking at the ways you have achieved your goals.
- c. setting new goals and analyzing your progress toward your set goals.
- d. taking stock of your knowledge and capabilities about a topic.

ANS: D

DIF: Easy

Bloom's: Knowledge

REF: Section 1.6

31. What is the first step a manager should take to accommodate different learning styles?

- a. provide identical training materials to all
- b. conduct a learning style assessment
- c. assign peer mentors
- d. eliminate group-based training

ANS: B

DIF: Medium

Bloom's: Knowledge

REF: Section 1.6

COMPLETION

32. _____ managers are responsible for developing the organization's strategy and being a steward for its vision and mission.

ANS: Top

DIF: Easy

Bloom's: Knowledge

REF: Section 1.1

33. _____ managers are responsible for the efficiency and effectiveness of an area such as accounting or marketing.

ANS: Functional

DIF: Easy

Bloom's: Knowledge

REF: Section 1.1

34. A _____ manager leads a function that contributes directly to the products or services that the organization creates.

ANS: line

DIF: Easy

Bloom's: Knowledge

REF: Section 1.1

35. Baruch manages a clothing store and is responsible for revenue-producing activities. As a _____ manager, Baruch receives bonuses tied to the performance of his store.

ANS: general

DIF: Medium
Bloom's: Application
REF: Section 1.1

36. Professor Mintzberg identified ten roles common to the work of all managers. They are divided into three groups: _____, _____, and _____.

ANS: interpersonal; informational; decisional

DIF: Medium

Bloom's: Knowledge

REF: Section 1.1

37. _____ is the process of enabling or authorizing an individual to make decisions in autonomous ways.

ANS: Empowerment

DIF: Easy

Bloom's: Knowledge

REF: Section 1.1

38. According to Mintzberg, the four decisional roles managers play are _____, _____, _____, and _____.

ANS: entrepreneur; disturbance handler; resource allocator; negotiator

DIF: Medium

Bloom's: Knowledge

REF: Section 1.1

39. Mintzberg's three informational roles primarily concerned with the information aspects of managerial work are _____, _____, and _____.

ANS: monitor; disseminator; spokesperson

DIF: Medium

Bloom's: Knowledge

REF: Section 1.1

40. Mintzberg's three interpersonal roles primarily concerned with interpersonal relationships in an organization are _____, _____, and _____.

ANS: figurehead; leader; liaison

DIF: Medium

Bloom's: Knowledge

REF: Section 1.1

41. If management is defined as getting things done through others, then _____ should be defined as the social and informal sources of influence that one uses to inspire action taken by others.

ANS: leadership

DIF: Easy

Bloom's: Knowledge

REF: Section 1.2

42. _____ identify and create new markets, as well as foster change in existing ones.

ANS: Entrepreneurs

DIF: Easy

Bloom's: Knowledge

REF: Section 1.2

43. Entrepreneurs are the catalysts for value creation by first identifying a(n) _____.

ANS: opportunity

DIF: Easy

Bloom's: Knowledge

REF: Section 1.2

44. When an organization has a long-term purpose that is articulated in clear goals and objectives, and these goals and objectives comprise a coherent plan of action, then we would say that the organization has a(n) _____.

ANS: strategy

DIF: Easy

Bloom's: Knowledge

REF: Section 1.2

45. We can draw from the field of applied _____ to assess how restaurants use visuals to encourage purchase of menu items.

ANS: psychology

DIF: Medium

Bloom's: Comprehension

REF: Section 1.2

46. A(n) _____ helps planners assess the critical contingencies facing their organization in terms of economic conditions, their competitors, and their customers.

ANS: environmental scan

DIF: Easy

Bloom's: Knowledge

REF: Section 1.3

47. Traditionally, _____ was based on principles of division of labor and specialization.

ANS: job design

DIF: Easy

Bloom's: Knowledge

REF: Section 1.3

48. Decisions made about the structure of an organization are generally referred to as _____ decisions.

ANS: organizational design

DIF: Easy

Bloom's: Knowledge
REF: Section 1.3

49. Controlling involves ensuring that performance does not deviate from _____.

ANS: standards

DIF: Easy

Bloom's: Knowledge

REF: Section 1.3

50. _____ is the function of management that involves developing an organizational structure and allocating human resources.

ANS: Organizing

DIF: Easy

Bloom's: Knowledge

REF: Section 1.3

51. _____ is the function of management that involves setting objectives and determining a course of action.

ANS: Planning

DIF: Easy

Bloom's: Knowledge

REF: Section 1.3

52. _____ planning in an organization is usually an intermediate-range plan designed to develop specific means to implement the strategic plan.

ANS: Tactical

DIF: Easy

Bloom's: Knowledge

REF: Section 1.3

53. _____ planning is designed to develop specific action steps that support the strategic and tactical plans.

ANS: Operational

DIF: Easy

Bloom's: Knowledge

REF: Section 1.3

54. _____ is when organizations consider the interests of society by taking responsibility for the impact of their activities in all aspects of their operations.

ANS: Corporate social responsibility or CSR

DIF: Easy

Bloom's: Knowledge

REF: Section 1.4

55. _____ are individuals and organizations who are actively involved with the organization, and whose interests may be positively or negatively affected as a result of what the organization does.

ANS: Stakeholders

DIF: Easy

Bloom's: Knowledge

REF: Section 1.4

56. An organization makes a profit when its _____ are more than its costs in a given time period.

ANS: revenues

DIF: Easy

Bloom's: Knowledge

REF: Section 1.4

57. Triple bottom line refers to the measurement of business performance along _____, _____, and _____ dimensions.

ANS: economic; social; environmental

DIF: Medium

Bloom's: Comprehension

REF: Section 1.4

58. A _____ is a cohesive coalition of people working together to achieve an agenda.

ANS: team

DIF: Easy

Bloom's: Knowledge

REF: Section 1.5

59. Extra-role performance is also known as _____.

ANS: organizational citizenship behaviors

DIF: Easy

Bloom's: Knowledge

REF: Section 1.5

60. Of the three essential components of the gauge-discover-reflect process, _____ involves stepping back and looking at the ways you have achieved your goals.

ANS: reflecting

DIF: Easy

Bloom's: Knowledge

REF: Section 1.6

61. The text suggests that one way to document personal learning and achievement regarding goals is to use a _____.

ANS: journal

DIF: Easy

Bloom's: Knowledge

REF: Section 1.6

62. Employees who prefer hands-on experience and learning through doing are known as _____ learners.

ANS: kinesthetic

DIF: Easy

Bloom's: Knowledge

REF: Section 1.6

63. Recognizing and adapting to preferred learning styles in the workplace can lead to increased _____ and performance.

ANS: productivity

DIF: Medium

Bloom's: Knowledge

REF: Section 1.6

64. Managers can support visual learners by incorporating _____, infographics, and process maps into training materials.

ANS: flow charts

DIF: Medium

Bloom's: Knowledge

REF: Section 1.6

ESSAY

65. Describe the four management functions.

ANS: The four management functions are planning, organizing, leading, and controlling.

- Planning involves setting objectives and determining a course of action for achieving those objectives.
- Organizing involves developing an organizational structure and allocating human resources to ensure the accomplishment of the company's objectives.
- Leading involves the social and informal sources of influence that individuals use to inspire action taken by others.
- Controlling involves ensuring that performance does not deviate from standards.

DIF: Hard

Bloom's: Comprehension

REF: Section 1.3

66. According to Mintzberg, there are ten roles common to the work of all managers that can be played at different times by the same manager. Name these roles.

ANS: The ten roles are figurehead, leader, liaison, monitor, disseminator, spokesperson, entrepreneur, disturbance handler, resource allocator, and negotiator.

DIF: Hard

Bloom's: Comprehension

REF: Section 1.3

67. How have the functions of top management changed over time with respect to managerial roles?

ANS: In contrast to the traditional view of management where the manager is seen as the “boss” who wields unquestioned power over employees, in the contemporary view, top managers support and serve other managers and employees through empowerment, just as the organization ultimately exists to serve its customers and clients.

DIF: Hard

Bloom’s: Comprehension

REF: Section 1.1

68. What is the difference between line and staff managers?

ANS: Line managers lead a function that contributes directly to the products or services that the organization creates. Staff managers, on the other hand, lead a function that creates indirect inputs.

DIF: Medium

Bloom’s: Comprehension

REF: Section 1.1

69. Why is entrepreneurship defined as a process?

ANS: Entrepreneurship is a process because it often involves more than simply coming up with a good idea—someone also has to convert that idea into action.

DIF: Medium

Bloom’s: Comprehension

REF: Section 1.2

70. What value does understanding psychology add to the management process?

ANS: Psychology helps us understand how individuals think, behave, and interact with others. Understanding psychology enables managers to understand how employees might interact with customers.

DIF: Medium

Bloom’s: Comprehension

REF: Section 1.2

71. There are many different types of plans and planning in an organization. Name three mentioned in the text and explain the purpose of each.

ANS:

- Strategic planning involves analyzing competitive opportunities and threats, as well as the strengths and weaknesses of the organization, and then determining how to position the organization to compete effectively in their environment.
- Tactical planning is designed to develop means to implement the strategic plan.
- Operational planning is designed to develop specific action steps that support the strategic and tactical plans.

DIF: Hard

Bloom’s: Comprehension

REF: Section 1.3

72. Describe the differences between the traditional process of job design and the processes organizations are considering today.

ANS: Traditionally, job design was based on principles of division of labor and specialization, whereas today, organizations attempt to strike a balance between the need for worker specialization and the need for workers to have jobs that entail variety and autonomy.

DIF: Medium

Bloom's: Comprehension

REF: Section 1.4

73. How would you answer someone who criticizes CSR practices for detracting business from their economic goals?

ANS: A review of nearly 170 research studies on the relationship between CSR and firm performance reported that there appeared to be no negative shareholder effects of such practices. In fact, these reports showed that there was a small positive relationship between CSR and shareholder returns. Similarly, companies that pay good wages and offer good benefits to attract and retain high-caliber employees "are not just being socially responsible; they are merely practicing good management."

DIF: Hard

Bloom's: Application

REF: Section 1.5

74. Describe the gauge-discover-reflect process.

ANS: Individuals can maximize the value of learning about learning styles by embracing the gauge-discover-reflect process. The three essential components are (1) gauge—take stock of your knowledge and capabilities about a topic; (2) discover—learn enough about a topic so that you can set specific development goals that you can apply and practice, and later gauge again your progress toward your set goals; and (3) reflect—step back and look at the ways you have achieved your goals, take the opportunity to set new ones, and chronicle this experience and thought process in a daily journal.

DIF: Hard

Bloom's: Comprehension

REF: Section 1.6