

Management, 9e (Kinicki)

Chapter 2 Management Theory: Essential Background for the Successful Manager

1) Jeffrey Pfeffer and Robert Sutton believed that evidence-based management is founded on the belief that facing the hard facts about what works and accepting the nonsense that passes for sound advice will help organizations perform better.

Answer: FALSE

Explanation: Stanford business scholars Jeffrey Pfeffer and Robert Sutton stated that evidence-based management is founded on the belief that "facing the hard facts about what works and what doesn't, understanding the dangerous half-truths that constitute so much conventional wisdom about management, and rejecting (not *accepting*) the total nonsense that too often passes for sound advice will help organizations perform better."

Difficulty: 1 Easy

Topic: Contingency Approach

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

2) Peter Drucker was a 20th-century socialist, opposed capitalism and believed that managers were more of a hindrance than a help to most organizations.

Answer: FALSE

Explanation: Peter Drucker "was the creator and inventor of modern management," says management guru Tom Peters. In 1954, Drucker published his famous text, *The Practice of Management*.

Difficulty: 1 Easy

Topic: Management

Learning Objective: 02-01 Describe the development of current perspectives on management.

Bloom's: Remember

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

3) Ron, a plant manager, wants to institute a compensation system in which more efficient workers earn higher wages. Ron is proposing to institute a differential rate system.

Answer: TRUE

Explanation: Frederick Taylor suggested employers institute a differential rate system, in which more efficient workers earn higher wages.

Difficulty: 2 Medium

Topic: Scientific Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

4) Boltz Manufacturing, a parts supplier to the auto industry, has been using the behavioral approach to management for over 100 years. However, since that method of management is too simplistic for practical use, Boltz should begin implementing the newer and more sophisticated human relations movement approach to management, which is the most contemporary approach to management.

Answer: FALSE

Explanation: The human relations movement was a necessary correction to the sterile approach used within scientific management, but its optimism came to be considered too simplistic for practical use. More recently, the human relations view has been superseded by the behavioral science approach to management.

Difficulty: 2 Medium

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

5) The idea that two or more forces combined create an effect that is greater than the sum of their individual effects is called *syncretism*.

Answer: FALSE

Explanation: *Synergy* is the idea that two or more forces combined create an effect that is greater than the sum of their individual effects.

Difficulty: 1 Easy

Topic: Management

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

6) The Best Fit Office Supplier continually talks with customers after they purchase their products, and The Best Fit managers regularly visit customers to gather feedback on new products, product improvements, and how The Best Fit can better serve its customers. This is an example of an open system.

Answer: TRUE

Explanation: An open system continually interacts with its environment, getting feedback from the outside. A closed system has little interaction with its environment, getting little feedback from the outside.

Difficulty: 2 Medium

Topic: Open System

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

7) When Mr. Anderson, the owner of a local hardware store, asks one of his paint suppliers about the total ability of their product to meet customer needs, he is questioning the quality of that paint.

Answer: TRUE

Explanation: *Quality* refers to the total ability of a product or service to meet customer needs.

Difficulty: 1 Easy

Topic: Quality

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

8) Designer Manufacturing has a policy of using statistical sampling to locate errors by testing just some (rather than all) of the items in a particular production run. This strategy of minimizing errors is known as *synergy*.

Answer: FALSE

Explanation: *Quality control* is a strategy for minimizing errors by managing each state of production. Statistical sampling can locate errors by testing just some (rather than all) of the items in a particular production run.

Difficulty: 1 Easy

Topic: Quality

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

9) A local grocer routinely develops and acquires new knowledge, and the employees communicate what they learn to other employees, so the company is able to modify its behavior to reflect what they have learned. This organization is an example of a learning organization.

Answer: TRUE

Explanation: A learning organization is an organization that actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge.

Difficulty: 1 Easy

Topic: Learning Organization

Learning Objective: 02-08 Define how managers foster a learning organization.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

10) _____ is based on the belief that facing the hard facts about what works and what doesn't will help organizations perform better.

A) Scientific management

B) The quality-management viewpoint

C) Evidence-based management

D) Behavioral management

E) MBO

Answer: C

Explanation: As its two principal proponents, Stanford business scholars Jeffrey Pfeffer and Robert Sutton, put it, evidence-based management is based on the belief that "facing the hard facts about what works and what doesn't, understanding the dangerous half-truths that constitute so much conventional wisdom about management, and rejecting the total nonsense that too often passes for sound advice will help organizations perform better."

Difficulty: 2 Medium

Topic: Management

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

11) When faced with a business problem, Lauren, a young shoe store owner, discusses business problems with Kurt, the assistant manager and an employee for over 30 years. Lauren believes Kurt "has seen it all" and knows there are few really new ideas; plus the business has done many simple things, such as offering friendly service, to create and maintain a competitive edge.

Lauren's management style is best described as

- A) evidence-based.
- B) behavioral.
- C) family style.
- D) contingency.
- E) bottom-up.

Answer: A

Explanation: Evidence-based management means translating principles based on best evidence into organizational practice, bringing rationality to the decision-making process.

Difficulty: 2 Medium

Topic: Management

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

12) Which three approaches to management are considered historical perspectives?

- A) systems, contingency, quality management
- B) classical, scientific, quantitative
- C) classical, operations, scientific
- D) contemporary, historical, scientific
- E) classical, behavioral, quantitative

Answer: E

Explanation: The historical perspective on management includes three distinct viewpoints: classical, behavioral, and quantitative.

Difficulty: 1 Easy

Topic: Management

Learning Objective: 02-01 Describe the development of current perspectives on management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

13) Within his company, Vernon has set up a system with inputs, outputs, transformation processes, and feedback. He utilizes a management style that varies according to the individual and environmental situation, with a strategy for minimizing errors by managing each stage of production. Vernon is utilizing a _____ perspective.

- A) historical
- B) traditional
- C) qualitative
- D) contemporary
- E) behavioral

Answer: D

Explanation: The contemporary perspective includes three viewpoints: systems, contingency, and quality management. The *systems* viewpoint sees organizations as a system, either open or closed, with inputs, outputs, transformation processes, and feedback. The *contingency* viewpoint emphasizes that a manager's approach should vary according to the individual and environmental situation. The *quality-management viewpoint* has two traditional approaches: *quality control*, the strategy for minimizing errors by managing each stage of production, and *quality assurance*, which focuses on the performance of workers, urging employees to strive for zero defects.

Difficulty: 2 Medium

Topic: Contemporary Approaches

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

14) Which of the following is a key benefit of studying theoretical perspectives on management?

- A) They are effective cost-reduction tools.
- B) They emphasize diversity.
- C) They are effective synergy-building approaches.
- D) They build a strong family-type culture.
- E) They serve as a guide to action and a source of new ideas.

Answer: E

Explanation: Studying management theory provides an understanding of the present, a guide to action, a source of new ideas, clues to the meaning of your managers' decisions, clues to the meaning of outside events, and positive results.

Difficulty: 1 Easy

Topic: Management

Learning Objective: 02-01 Describe the development of current perspectives on management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 15) The classical viewpoint of management emphasized ways to
- A) manage work more efficiently.
 - B) build more synergy.
 - C) work efficiently based on the environment.
 - D) include MBO.
 - E) increase diversity.

Answer: A

Explanation: The classical viewpoint emphasized finding ways to manage work more efficiently.

Difficulty: 1 Easy

Topic: Classical Approaches

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 16) Chenglei, an IT manager, has been studying the actions that his workers perform in an attempt to improve their productivity. Chenglei is utilizing
- A) job evaluation
 - B) management science.
 - C) behaviorism.
 - D) the Hawthorne effect.
 - E) scientific management.

Answer: E

Explanation: Scientific management applied the scientific study of work methods to improving the productivity of individual workers.

Difficulty: 2 Medium

Topic: Scientific Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 17) Frank and Lillian Gilbreth identified 17 basic units of motion that they called
- A) movements.
 - B) time frames.
 - C) therbligs.
 - D) units.
 - E) action works.

Answer: C

Explanation: A made-up word you won't find in most dictionaries, *therblig* was coined by Frank *Gilbreth* and is, in fact, Gilbreth spelled backward, with the *t* and the *h* reversed. It refers to 1 of 17 basic motions. By identifying the therbligs in a job, Frank and his wife, Lillian, were able to eliminate motions while simultaneously reducing fatigue.

Difficulty: 1 Easy

Topic: Scientific Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 18) Adrienne is a package delivery service manager. She is interested in implementing _____, the management philosophy pioneered by Frederick W. Taylor and Frank and Lillian Gilbreth, which scientifically studies work methods to improve the productivity of individual workers. In this particular case, Adrienne will study the routes that drivers take through a congested city in order to identify ways that delivery staff can make the most deliveries in each two-hour period.

- A) human relations management
- B) scientific management
- C) quantitative management
- D) contingency management
- E) management science

Answer: B

Explanation: Scientific management emphasized the scientific study of work methods to improve the productivity of individual workers. Two of its chief proponents were Frederick W. Taylor and the team of Frank and Lillian Gilbreth.

Difficulty: 2 Medium

Topic: Scientific Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

19) Sari, a movie theater manager, recently implemented a policy stating that workers who are willing to work a double shift on Friday or Saturday nights will earn a bonus on top of their regular pay. What is Sari implementing?

- A) sliding pay scale
- B) differential rate system
- C) skimming profit margin
- D) entitling employee payment
- E) piece-rate method

Answer: B

Explanation: Taylor based his system on *motion studies*, in which he broke down each worker's job—moving pig iron at a steel company, say—into basic physical motions and then trained workers to use the methods of their best-performing coworkers. He suggested employers institute a *differential rate system*, in which more efficient workers earned higher rates of pay.

Difficulty: 2 Medium

Topic: Scientific Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

20) Arthur, a production manager, knows that some of his employees are upset with a new corporate policy that eliminates a tuition reimbursement program. As a result, some of these employees are reducing their productivity. To eliminate this behavior, Sal should

- A) reduce the use of scientific principles in planning work methods.
- B) carefully select workers according to their abilities and give workers training.
- C) reduce training, but increase MBO.
- D) place workers in any vacant position which focuses on their abilities.
- E) meet with each employee and coach him/her.

Answer: B

Explanation: Taylor believed that managers could improve workers' productivity by applying four principles of science: (1) evaluate a task by scientifically studying each part of the task (not use old rule-of-thumb methods); (2) carefully select workers with the right abilities for the task; (3) give workers the training and incentives to do the task with the proper work methods; and (4) use scientific principles to plan the work methods and ease the way for workers to do their jobs.

Difficulty: 2 Medium

Topic: Scientific Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

21) A pay structure in which more efficient workers earn higher wages, as suggested by Frederick W. Taylor, is known as a(n) _____ system.

- A) sliding scale
- B) increasing wage
- C) differential rate
- D) wide wage
- E) merit pay

Answer: C

Explanation: Taylor, the father of scientific management, suggested employers institute a differential rate system, in which more efficient workers earned higher wages.

Difficulty: 1 Easy

Topic: Scientific Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

22) _____ was the father of scientific management.

- A) Frank Gilbreth
- B) Tom Gallagher
- C) Abraham Maslow
- D) Peter Drucker
- E) Frederick Taylor

Answer: E

Explanation: Frederick Taylor is known as the father of scientific management.

Difficulty: 1 Easy

Topic: Scientific Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

23) Hiro, the manager of a convenience store, is interested in implementing the principles of administrative management, which involves

- A) doing time-motion studies.
- B) focusing on efficiency and effectiveness
- C) increasing synergy.
- D) managing the total organization.
- E) implementing MBO.

Answer: D

Explanation: Administrative management is concerned with managing the total organization. Among the pioneering theorists were Henri Fayol and Max Weber.

Difficulty: 1 Easy

Topic: Administrative Management Theory

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

24) To better meet corporate goals this year, Yumiko, a CEO, is encouraging her managers to focus on the major functions of management, which are

- A) planning, organizing, recruiting, monitoring, and delegating.
- B) recruiting, monitoring, delegating, and coordinating.
- C) planning, organizing, leading, controlling, and arbitrating.
- D) recruiting, planning, organizing, and leading.
- E) planning, organizing, leading, and controlling.

Answer: E

Explanation: Fayol was the first to identify the major functions of management—planning, organizing, leading, and controlling—as well as coordinating.

Difficulty: 1 Easy

Topic: Administrative Management Theory

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 25) Because there are some positive aspects of bureaucracy, as proposed by Max Weber, Therese, a restaurant manager, is interested in implementing certain aspects of the bureaucratic approach to management within her restaurant. Like Weber, Therese feels bureaucracy is a
- A) rational, efficient, cost-cutting tool based on principles of behaviorism.
 - B) sales-generating tool.
 - C) rational, efficient method of increasing productivity.
 - D) rational, efficient, ideal organization based on principles of logic.
 - E) rational, cost-cutting, efficient organization based on principles of synergy.

Answer: D

Explanation: Weber felt that a better-performing organization should have five positive bureaucratic features: a well-defined hierarchy of authority, formal rules and procedures, a clear division of labor, impersonality, and careers based on merit.

Difficulty: 2 Medium

Topic: Administrative Management Theory

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 26) The management approach that emphasized ways to manage work more efficiently is the _____ approach.

- A) classical
- B) quality-management
- C) systems
- D) contingency
- E) MBO

Answer: A

Explanation: The classical management approach emphasized ways to manage work more efficiently.

Difficulty: 1 Easy

Topic: Classical Approaches to Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

27) The _____ approach to management focuses on scientific methods, time and motion studies, and job specialization with the goal of increasing productivity.

- A) contingency
- B) behavioral
- C) MBO
- D) systems
- E) classical

Answer: E

Explanation: The essence of the classical viewpoint is that work activity is amenable to a rational approach, that through the application of scientific methods, time and motion studies, and job specialization it is possible to boost productivity.

Difficulty: 2 Medium

Topic: Classical Approaches to Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

28) Aleksei, the IT manager, feels that his employees lack the motivation to consistently meet department goals. To better understand human actions and to motivate his employees toward achievement, Aleksei and his supervisors need to adopt the _____ viewpoint.

- A) contingency
- B) attitude
- C) behavioral
- D) classical
- E) scientific

Answer: C

Explanation: The behavioral viewpoint emphasizes the importance of understanding human behavior and of motivating employees toward achievement.

Difficulty: 2 Medium

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

29) Order the schools of thought in the behavioral viewpoint from earliest to most recent.

- A) early behaviorism, human relations movement, scientific management
- B) operations management, human relations movement, MBO phase
- C) early behaviorism, human relations movement, behavioral science
- D) early behaviorism, industrial, human relations movement
- E) early behaviorism, human relations movement, administrative phase

Answer: C

Explanation: The behavioral viewpoint developed in three phases: early behaviorism, the human relations movement, and behavioral science.

Difficulty: 1 Easy

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

30) Hugo Munsterberg is known as

- A) the father of scientific management.
- B) a pioneer of scientific management.
- C) the father of the MBO method.
- D) the father of industrial psychology.
- E) the originator of sociology.

Answer: D

Explanation: Hugo Munsterberg has been called the father of industrial psychology (the study of human behavior in workplace), which is still taught in colleges today.

Difficulty: 1 Easy

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

31) Hugo Munsterberg believed that psychologists can contribute to industry by _____. For example, Munsterberg might suggest that a company implement a monthly bonus plan that rewards workers for achieving the goals set by their managers.

- A) developing strategies to influence employees to follow their interests
- B) encouraging employees to develop new products
- C) devising management strategies to influence employees to follow management's interests
- D) helping organizations increase diversity
- E) helping companies increase efficiency and productivity

Answer: C

Explanation: Hugo Munsterberg suggested that psychologists could contribute to industry in three ways: (1) study jobs and determine which people are best suited to specific jobs, (2) identify the psychological conditions under which employees do their best work, and (3) devise management strategies to influence employees to follow management's interests.

Difficulty: 1 Easy

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

32) _____ suggested that organizations should be operated as "communities," with managers and subordinates working together in harmony. For example, in a publishing company run as a community, editors, editorial assistants, and publishers would work together to determine which books should be published.

- A) Adam Smith
- B) Frank Gilbreth
- C) Hugo Munsterberg
- D) Mary Parker Follett
- E) Max Weber

Answer: D

Explanation: One of Mary Parker Follett's important contributions to management theory was that organizations should be operated as "communities," with managers and subordinates working together in harmony.

Difficulty: 1 Easy

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 33) Mary Parker Follett anticipated some of today's workplace trends, such as
- A) worker empowerment and scientific management.
 - B) self-managed teams and worker empowerment.
 - C) quality assurance and transformation processes.
 - D) management-lead teams and diversity.
 - E) synergy and the MBO process.

Answer: B

Explanation: Mary Parker Follett anticipated some of today's concepts of "self-managed teams," "worker empowerment," and "interdepartmental teams"—that is, members of different departments working together on joint projects.

Difficulty: 1 Easy

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 34) According to proponents of the Hawthorne effect,
- A) giving less attention to employees increases worker productivity.
 - B) increasing diversity results in increases in worker productivity.
 - C) increasing synergy increases worker productivity.
 - D) cutting costs through outsourcing harms employee morale and productivity.
 - E) giving more attention to employees increases worker productivity.

Answer: E

Explanation: Hawthorne effect—namely, that employees worked harder if they received added attention, if they thought that managers cared about their welfare and that supervisors paid special attention to them.

Difficulty: 1 Easy

Topic: Hawthorne Studies

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 35) Abraham Maslow proposed the
- A) hierarchy of human needs.
 - B) Hawthorne effect.
 - C) hierarchy of production.
 - D) concept of self-managed teams.
 - E) worker empowerment theory.

Answer: A

Explanation: In 1943, Maslow proposed his famous hierarchy of human needs: physiological, safety, love, esteem, and self-actualization.

Difficulty: 1 Easy

Topic: Maslow's Hierarchy of Needs

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 36) Maslow's hierarchy of human needs included
- A) physiological, financial, love, esteem, and self-actualization.
 - B) financial, love, friends, and self-actualization.
 - C) food and shelter, companionship, ego, and self-actualization.
 - D) physiological, safety, love, esteem, and self-actualization.
 - E) physiological, financial, love, and empowerment.

Answer: D

Explanation: In 1943, Maslow proposed his famous hierarchy of human needs: physiological, safety, love, esteem, and self-actualization.

Difficulty: 1 Easy

Topic: Maslow's Hierarchy of Needs

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

37) Natasha, the general manager of a putting range, believes that her workers are responsible and capable, and that they can be trusted when given responsibility. Natasha is an example of a(n) _____ manager.

- A) Theory Z
- B) contingency
- C) Theory X
- D) participative
- E) Theory Y

Answer: E

Explanation: Theory Y represents the outlook of human relations proponents. It is an optimistic, positive view of workers. In this view, workers are considered to be capable of accepting responsibility, self-direction, and self-control and of being imaginative and creative.

Difficulty: 2 Medium

Topic: Theory X and Y

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

38) Luka, who owns a small breakfast and salad bar, has a reputation in the community as a tough manager. Many customers have heard Luka yell at his employees because he feels that workers today are lazy, lack ambition, and hate to work. Luka is a(n) _____ manager.

- A) Theory Z
- B) contingency
- C) Theory X
- D) participative
- E) Theory Y

Answer: C

Explanation: *Theory X* represents a pessimistic, negative view of workers. In this view, workers are considered to be irresponsible, to be resistant to change, to lack ambition, to hate work, and to want to be led rather than to lead. Theory X managers are more likely to micromanage, which leads to employee dissatisfaction. Theory X managers believe employees are inherently lazy.

Difficulty: 2 Medium

Topic: Theory X and Y

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 39) The behavioral science approach relies on scientific research for developing theories about human behavior that can be
- A) used to develop sales tools.
 - B) used in behavioral science research.
 - C) helpful when looking at competitive products.
 - D) used to provide practical tools for managers.
 - E) used to establish MBO goals.

Answer: D

Explanation: Behavioral science approach relies on scientific research for developing theories about human behavior that can be used to provide practical tools for managers.

Difficulty: 1 Easy

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 40) Which disciplines does the field of behavioral science include?
- A) psychology, sociology, forensic science, and economics
 - B) psychology, forensic science, sociology, anthropology, and economics
 - C) psychiatry, technology, environmental science, and forensic science
 - D) chemistry, biology, earth science, and management
 - E) psychology, sociology, anthropology, and economics

Answer: E

Explanation: The disciplines of behavioral science include psychology, sociology, anthropology, and economics, all of which consider human behavior.

Difficulty: 1 Easy

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

41) Paul English of Kayak.com uses new employees as an excuse for altering an existing open-office seating arrangement. English's action is an application of _____ to management.

- A) the country club approach
- B) the office politics approach
- C) the behavioral science approach
- D) the synergy research approach
- E) a Theory X approach

Answer: C

Explanation: Behavioral science relies on scientific research for developing theories about human behavior that can be used to provide practical tools for managers, such as increasing productivity by changing an office seating plan.

Difficulty: 2 Medium

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

42) Oleg, the CEO of a large global production company, is excited about the introduction of statistics and computer simulations in the design stage of the company's products. Oleg is using

- A) the design approach.
- B) quantitative techniques.
- C) MBO.
- D) scientific management.
- E) behavioral management.

Answer: B

Explanation: Quantitative management is the application to management of quantitative techniques, such as statistics and computer simulations.

Difficulty: 2 Medium

Topic: Management

Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

43) Management science stresses the use of rational, science-based techniques and mathematical models to improve

- A) decision making and goal setting.
- B) synergy.
- C) cost-cutting and planning.
- D) decision making and strategic planning.
- E) sales and customer relationships.

Answer: D

Explanation: Management science stresses the use of rational, science-based techniques and mathematical models to improve decision making and strategic planning.

Difficulty: 1 Easy

Topic: Management

Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

44) The new chief information officer of a national fast food chain is using mathematical tools to aid in product ordering and scheduling decisions. The CIO is using

- A) statistical management.
- B) scientific management.
- C) behavioral science.
- D) management science.
- E) goal management.

Answer: D

Explanation: Management science focuses on using mathematics to aid in problem solving and decision making, such as aiding in product ordering and scheduling decisions.

Difficulty: 2 Medium

Topic: Management

Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 45) Operations management focuses on managing the production and delivery of an organization's products or services
- A) more economically.
 - B) by utilizing motion studies.
 - C) with a more diverse workforce.
 - D) more effectively.
 - E) to more customers.

Answer: D

Explanation: Operations management focuses on managing the production and delivery of an organization's products or services more effectively. It is a form of quantitative management.

Difficulty: 1 Easy

Topic: Management

Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 46) A computer manufacturer is seeking to cut costs by designing an inventory system that reduces the number of finished products in stock due to overproduction and to set in place a production schedule that better matches customers' orders. These plans are an example of _____ in action.

- A) operations management
- B) scientific management
- C) production management
- D) inventory oversight
- E) inventory analysis

Answer: A

Explanation: In the day-to-day running of the company, operations management consists of all the job functions and activities in which managers schedule and delegate work and job training, plan production to meet customer needs, design services customers want and how to deliver them, locate and design company facilities, and choose optimal levels of product inventory to keep costs down and reduce backorders.

Difficulty: 2 Medium

Topic: Management

Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

47) The three contemporary management perspectives are the _____ viewpoints.

- A) quality management, behavioral, and customer
- B) systems, scientific, and contingency
- C) systems, contingency, and quality management
- D) diversity, quantitative, and qualitative
- E) contemporary, noncontemporary, and behavioral

Answer: C

Explanation: The contemporary perspective consists of three viewpoints: systems, contingency, and quality management (see Figure 2.1).

Difficulty: 1 Easy

Topic: Contemporary Approaches

Learning Objective: 02-01 Describe the development of current perspectives on management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

48) The systems viewpoint sees organizations as entities made up of four interrelated parts known as

- A) planning, design, monitoring, production, and feedback.
- B) planning, inputs, monitoring, outputs, and feedback.
- C) inputs, outputs, transformation processes, and feedback.
- D) planning, design, inputs, monitoring, outputs, and follow-up feedback.
- E) vision, planning, design, production, monitoring, and follow-up feedback.

Answer: C

Explanation: The systems viewpoint regards the organization as a system of interrelated parts. The four parts of a system are inputs, outputs, transformation processes, and feedback.

Difficulty: 1 Easy

Topic: Systems Viewpoint

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

49) The Ryan family had a fire that destroyed their home. Various departments of a restoration company, from the initial cleanup crew to the assistance with the Ryan family moving back in, worked together to achieve this goal. All of the company's interrelated parts working together to accomplish a goal (in this case, the restoration of the Ryan home) is an example of a(n)

- A) process.
- B) hierarchical process.
- C) input-output structure.
- D) structure.
- E) system.

Answer: E

Explanation: A system is a set of interrelated parts that operate together to achieve a common purpose, even when it does not work well.

Difficulty: 2 Medium

Topic: Systems Viewpoint

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

50) A local farmer grows and sells corn and pumpkins to the local grocers. Look at the farmer's business as a system. In which category do the corn and pumpkins, profits, and losses fall?

- A) input
- B) therblig
- C) transformational process
- D) result
- E) output

Answer: E

Explanation: Outputs are the products, services, profits, losses, employee satisfaction or discontent, and the like that are produced by the organization. Whatever comes out of the system is an output.

Difficulty: 2 Medium

Topic: Systems Viewpoint

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

51) Jasmine, a chef in a fine restaurant, utilizes top-of-the-line equipment as she prepares meals for customers. Jasmine and her equipment are a(n) _____ in the restaurant's system.

- A) cog
- B) component
- C) output-participant
- D) output
- E) input

Answer: E

Explanation: Inputs are the people, money, information, equipment, and materials required to produce an organization's goods or services. Whatever goes into a system is an input.

Difficulty: 1 Easy

Topic: Systems Viewpoint

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

52) The systems viewpoint regards the various parts making up the whole system as

- A) microsystems.
- B) macrosystems.
- C) subsystems.
- D) management collections.
- E) organizational sets.

Answer: C

Explanation: The systems viewpoint regards the organization as a system of interrelated parts. By adopting this point of view, you can look at your organization both as (1) a collection of subsystems—parts making up the whole system—and (2) a part of the larger environment.

Difficulty: 1 Easy

Topic: Systems Viewpoint

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

53) When a line cook in a restaurant uses raw meat to cook a hamburger that becomes part of the restaurant's Super Burger Special, the cook is taking part in a

- A) transformation process.
- B) conversion process.
- C) metamorphosis.
- D) turning point.
- E) therblig.

Answer: A

Explanation: Transformation processes are the organization's capabilities in management, internal processes, and technology that are applied to converting inputs into outputs. The main activity of the organization is to transform inputs into outputs. In this case, the cook uses inputs in the creation of the output, which is the Super Burger Special.

Difficulty: 2 Medium

Topic: Systems Viewpoint

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

54) When the sales of a certain brand of diet soda slowed, a national grocery retailer decided to drop the price of that product, which resulted in a large increase in sales of the soda. This sales increase is a type of

- A) Big Data.
- B) input.
- C) quality control.
- D) change
- E) feedback.

Answer: E

Explanation: Feedback is information about the reaction of the environment to the outputs that affects the inputs. Are the customers buying or not buying the product?

Difficulty: 2 Medium

Topic: Feedback

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

55) Acme Sales calls its customers after they purchase an automobile from the dealership. In addition, every year customers are asked to complete a short survey about the car they purchased from Acme Sales and their customer-service experiences with the dealership. Acme Sales is an example of a(n) _____ system.

- A) open
- B) closed
- C) open-door
- D) bureaucratic
- E) management

Answer: A

Explanation: An open system continually interacts with its environment.

Difficulty: 2 Medium

Topic: Open System

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Apply

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

56) For years Print and Copy, a copier machine supplier, enjoyed strong sales and a huge share of the copier market, far ahead of its nearest competitor. However, over the years, Print and Copy seldom asked customers for feedback. So when some of Print and Copy's competition responded to customers' needs and started offering copiers with new features (such as wireless printing from laptop and tablet computers), Print and Copy lost much of its market share. Print and Copy's system is best described as

- A) open.
- B) isolated.
- C) entropic
- D) internal.
- E) closed.

Answer: E

Explanation: A closed system has little interaction with its environment; that is, it receives very little feedback from the outside. The classical management viewpoint often considered an organization a closed system. So does the management science perspective, which simplifies organizations for purposes of analysis. However, any organization that ignores feedback from the environment opens itself up to possibly spectacular failures. In the modern era, nearly all organizations are, at least to some degree, open systems rather than closed systems.

Difficulty: 2 Medium

Topic: Closed System

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

57) The American economy consists of a complex combination of organizations and variables, such as countless companies differing in size and what they sell, current events, and markets (for example, the housing market and the stock market). According to _____, all of these independent factors interact with one another according to certain simple rules.

- A) complexity theory
- B) a closed market system
- C) a webbed system
- D) contingency theory
- E) behavioral theory

Answer: A

Explanation: The systems viewpoint has led to the development of complexity theory, the study of how order and pattern arise from very complicated, apparently chaotic systems. Complexity theory recognizes that all complex systems are networks of many interdependent parts that interact with one another according to certain simple rules.

Difficulty: 2 Medium

Topic: Systems Viewpoint

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

58) Nikita is the manager of a local small hotel. Just today Nikita received word that a major convention will be coming to town next month, and the demand for hotel rooms is expected to skyrocket. In a conversation with the owner, she asked, "What should our approach to pricing be for the week of the convention? Should we require payment in full at the time of the reservation?" Which management method is Nikita using?

- A) the devil's advocate method
- B) scientific management
- C) the synergy method
- D) the contingency viewpoint
- E) the systems viewpoint

Answer: D

Explanation: The contingency viewpoint emphasizes that a manager's approach should vary according to, or be contingent on, the individual and the environmental situation.

Difficulty: 2 Medium

Topic: Contingency Theory

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

59) When a manager assesses a particular situation and decides what to do according to the individual and environmental situation, the manager is utilizing the _____ viewpoint.

- A) behavioral
- B) systems
- C) scientific
- D) bureaucratic
- E) contingency

Answer: E

Explanation: The contingency viewpoint emphasizes that a manager's approach should vary according to, or be contingent on, the individual and the environmental situation. Thus, the manager who assesses a particular situation and decides what to do is using a contingency viewpoint.

Difficulty: 1 Easy

Topic: Contingency Theory

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

60) Gary Hamel suggests we need to look at management as a process and then make improvements and innovation

- A) intuitively.
- B) only if doing so results in synergy.
- C) ongoing and systematic.
- D) only if doing so saves money.
- E) occasionally.

Answer: C

Explanation: Gary Hamel suggests we need to look at management as a process and then make improvements and innovation ongoing and systematic.

Difficulty: 1 Easy

Topic: Contingency Theory

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 61) The management of Omega Manufacturing is implementing a plan to minimize production mistakes by allowing teams that work in each area of the production facility to develop a plan and then monitor their area to ensure the reduction of errors. The managers are engaging in
- A) efficiency monitoring.
 - B) quality control.
 - C) innovative planning.
 - D) the minimal defect approach.
 - E) JIT.

Answer: B

Explanation: *Quality control* is defined as the strategy for minimizing errors by managing each stage of production.

Difficulty: 2 Medium

Topic: Quality

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 62) The management of a facility that manufactures parts for car brakes has a policy of testing only some of the items in each production run to locate errors, with the ultimate goal of minimizing errors by managing each stage of production. This process is an example of the _____ technique.
- A) zero defects
 - B) minimal defects
 - C) JIT
 - D) quality focus
 - E) quality control

Answer: E

Explanation: Quality control techniques were developed in the 1930s at Bell Telephone Labs by Walter Shewhart, who used statistical sampling to locate errors by testing only some (rather than all) of the items in a particular production run.

Difficulty: 2 Medium

Topic: Quality

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

63) After returning home from a trade show, Mr. Stephenson, the president of a manufacturing company, called a meeting of his production department. He indicated that the company would soon be implementing a new policy of _____, which focuses on worker performance and urges employees to strive for zero defects.

- A) quality assurance
- B) constancy of purpose
- C) restructuring
- D) scientific management
- E) the total quality movement

Answer: A

Explanation: Developed in the 1960s, quality assurance focuses on the performance of workers, urging employees to strive for zero defects. Quality assurance has been less successful because often employees have no control over the design of the work process.

Difficulty: 1 Easy

Topic: Quality

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

64) _____ believed that quality stemmed from "constancy of purpose," and that managers should stress teamwork, be helpful rather than simply give orders, and make employees feel comfortable about asking questions.

- A) Frank and Lillian Gilbreth
- B) Henri Fayol
- C) Max Weber
- D) Mary Parker Follett
- E) W. Edwards Deming

Answer: E

Explanation: Deming believed that quality stemmed from "constancy of purpose," a steady focus on an organization's mission, along with statistical measurement and reduction of variations in production, and that managers should stress teamwork, be helpful rather than simply give orders, and make employees feel comfortable about asking questions.

Difficulty: 1 Easy

Topic: Management

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 65) Joseph Juran defined *quality* as "fitness for use," which means that
- A) a product or service should be priced competitively.
 - B) an organization should produce products that will help customers stay healthy.
 - C) companies should focus on products that help the community.
 - D) products should be checked and rechecked for defects.
 - E) a product or service should satisfy a customer's real needs.

Answer: E

Explanation: Another pioneer with Deming in Japan's quality revolution was Joseph M. Juran, who defined *quality* as "fitness for use." By this he meant that a product or service should satisfy a customer's real needs.

Difficulty: 1 Easy

Topic: Quality

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 66) To gain a competitive edge this year, the upper management of a global IT company has decided to focus on customer service, employee training, and continuous quality improvement. This approach is known as
- A) customer focus.
 - B) total quality management (TQM).
 - C) evidence-based management.
 - D) competitive edging.
 - E) constancy of purpose.

Answer: B

Explanation: Total quality management (TQM) is a comprehensive approach, led by top management and supported throughout the organization, dedicated to continuous quality improvement, training, and customer satisfaction.

Difficulty: 1 Easy

Topic: TQM Viewpoint

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

67) Noah's Ark is a successful child care center. It focuses on actively developing, finding, and communicating new knowledge to its employees so that workers can modify their behavior to reflect this new knowledge. Noah's Ark is an example of a(n) _____ organization.

- A) customer-focused
- B) learning
- C) research
- D) evolving
- E) innovative

Answer: B

Explanation: A learning organization is an organization that actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge.

Difficulty: 1 Easy

Topic: Learning Organization

Learning Objective: 02-08 Define how managers foster a learning organization.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

68) Bradley, an executive chef in a large hotel, recently attended a training conference sponsored by several top professionals in his field, where he learned numerous ways his restaurant and hotel can better serve customers. Bradley is excited that management asked him to present this information to the hotel staff so that the restaurant and hotel can make needed improvements. Bradley's hotel is a(n) _____ organization.

- A) focused
- B) learning
- C) evolving
- D) customer-focused
- E) innovative

Answer: B

Explanation: A learning organization is an organization that actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge. It can acquire knowledge by devoting significant resources to training. Transferring knowledge can be improved by reducing barriers to information sharing.

Difficulty: 2 Medium

Topic: Learning Organization

Learning Objective: 02-08 Define how managers foster a learning organization.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 69) An organization in which the management builds a commitment to learning, works to generate ideas with impact, and works to generalize ideas with impact is creating a(n)
- A) innovation focused organization.
 - B) learning organization.
 - C) employee engagement atmosphere.
 - D) customer-focused organization.
 - E) 360-degree training structure.

Answer: B

Explanation: To create a learning organization, managers must perform three key functions or roles: (1) build a commitment to learning, (2) work to generate ideas with impact, and (3) work to generalize ideas with impact.

Difficulty: 1 Easy

Topic: Learning Organization

Learning Objective: 02-08 Define how managers foster a learning organization.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 70) Which theorist said, "there is no business without a customer"?

- A) Max Weber
- B) Peter Drucker
- C) Charles Spaulding
- D) Henri Fayol
- E) Frederick Taylor

Answer: B

Explanation: Drucker introduced several ideas that now underlie the organization and practice of management—namely: That there is "no business without a customer."

Difficulty: 1 Easy

Topic: Management

Learning Objective: 02-01 Describe the development of current perspectives on management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

71) Samir does not understand how his manager, Betsy always knows how much of what product to order and how to schedule employee shifts. Which approach would help him?

- A) understanding the present
- B) guide to action
- C) source of new ideas
- D) producing positive results
- E) clues to meaning of your managers' decisions

Answer: E

Explanation: Studying management theory provides an understanding of the present, a guide to action, a source of new ideas, clues to the meaning of your managers' decisions, clues to the meaning of outside events, and positive results.

Difficulty: 1 Easy

Topic: Management

Learning Objective: 02-01 Describe the development of current perspectives on management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

72) Which management viewpoint assumes that people are rational?

- A) classical
- B) behavioral
- C) quantitative
- D) scientific
- E) administrative

Answer: A

Explanation: The classical viewpoint, which emphasized finding ways to manage work more efficiently, assumed that people are rational.

Difficulty: 1 Easy

Topic: Classical Approaches to Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

73) Harriet is planning a scavenger hunt as a team building activity for the next all staff meeting. Harriet is using the principles of

- A) Max Weber.
- B) Peter Drucker.
- C) Charles Spaulding.
- D) Henri Fayol.
- E) Frederick Taylor.

Answer: C

Explanation: Spaulding's "necessities" went beyond the task-orientation of scientific management, thereby broadening the view of what it takes to effectively manage people and organizations. He suggested that considerations such as the need for authority, division of labor, adequate capital, proper budgeting, and cooperation and teamwork were essential for smooth organizational operations. He also was one of the first management practitioners to highlight the need to enrich "the lives of his organizational and community family" while simultaneously focusing on making a profit.

Difficulty: 1 Easy

Topic: Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

74) Which management viewpoint saw humans as cogs within a machine?

- A) classical
- B) behavioral
- C) quantitative
- D) scientific
- E) administrative

Answer: A

Explanation: A flaw in the classical viewpoint is that it is mechanistic: It tends to view humans as cogs within a machine, not taking into account the importance of human needs.

Difficulty: 1 Easy

Topic: Classical Approaches to Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

75) Colleen has three employees that she struggles to understand their work habits. Dylan likes to come in at noon and work until late in the evening. Sanjay comes in early, creates a task list for the day and only works on what is on the list. Zoë flits in and out of others' cubicles and seems to always be off task but when asked for a report, she has it handy. Colleen should learn more about which theorist to help her best manage these employees?

- A) Mary Parker Follett
- B) Elton Mayo
- C) Abraham Maslow
- D) Hugo Munsterberg
- E) Douglas McGregor

Answer: D

Explanation: Munsterberg suggested that psychologists could contribute to industry in three ways. They could: Study jobs and determine which people are best suited to specific jobs; identify the psychological conditions under which employees do their best work; and devise management strategies to influence employees to follow management's interests. His ideas led to the field of *industrial psychology*, the study of human behavior in workplaces, which is still taught in colleges today.

Difficulty: 2 Medium

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

76) Lisa's Pizza is trying to compete with the larger Domino's Pizza down the street for customers. She feels she can deliver a better tasting product, faster, and cheaper. She has given all the drivers GPS systems; she has ordered in bulk; and she has surveyed customers about what type of pizzas they want. She is practicing

- A) quantitative management.
- B) management science.
- C) operations management.
- D) qualitative management.
- E) behavioral management.

Answer: C

Explanation: Operations management focuses on managing the production and delivery of an organization's products or services more effectively.

Difficulty: 2 Medium

Topic: Management

Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

77) Kaylee's customers seem to be buying less of her freshly baked breads and more of her yogurt parfaits and coffees. She begins to ask customers at the checkout why they made their selection. She learns that many of her customers are choosing a gluten-free diet. She changes her breads and now is selling gluten-free breads and most days sells out. Kaylee used

- A) feedback.
- B) input.
- C) output.
- D) a transformational process.
- E) complexity theory.

Answer: A

Explanation: Feedback is information about the reaction of the environment to the outputs that affect the inputs. Are the customers buying or not buying the product? That information is feedback.

Difficulty: 2 Medium

Topic: Systems Viewpoint

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

78) Based on the contingency viewpoint, which statement would be true?

- A) Bill can telecommute and Harry can bring his small dog to work.
- B) All employees in the IT Division have to work this weekend but can take Monday off.
- C) Faculty will receive a 4 percent raise and support staff will receive a 2 percent raise.
- D) Laptops can be taken out of their docking stations for meetings in the building but cannot leave the building.
- E) Jeans are allowable dress for Fridays but employees have to pay to participate.

Answer: A

Explanation: The contingency viewpoint emphasizes that a manager's approach should vary according to—that is, be contingent on—the individual and the environmental situation.

Difficulty: 2 Medium

Topic: Contingency Viewpoint

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

79) _____ has NOT been as successful because employees do not have control over the design of the work process.

- A) Quality control
- B) Quality assurance
- C) Total quality management
- D) Quality management viewpoint
- E) Continuous quality improvement

Answer: B

Explanation: Quality assurance has been less successful because often employees have no control over the design of the work process.

Difficulty: 1 Easy

Topic: Contingency Viewpoint

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Bloom's: Remember

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

80) Myra, a new branch manager, shares her personal story of how she came into the profession, her family life, and the challenges she has faced being biracial. She shares her excitement to learn from everyone and is excited to introduce the new app that will be released to customers in the near future. Myra is demonstrating she is part of a learning organization by

- A) creating and acquiring knowledge.
- B) being committed to learning.
- C) modifying her behavior.
- D) generalizing ideas.
- E) transferring her knowledge.

Answer: E

Explanation: Individual managers should actively work at transferring knowledge throughout the organization, reducing barriers to sharing information and ideas among employees. One consultant suggests three strategies for managers: share your personal success story and challenges overcome, be ready to learn any and everything from peers and employees, and align your learning goals for the company with its business goals.

Difficulty: 2 Medium

Topic: Learning Organization

Learning Objective: 02-08 Define how managers foster a learning organization.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

81) Besides generating ideas with impact, you can also generalize them—that is, reduce the barriers to learning among employees and within your organization. You can

- A) participate in learning.
- B) engage in leadership activities.
- C) reward risk taking.
- D) increase individualization.
- E) facilitate competition.

Answer: C

Explanation: Besides generating ideas with impact, you can also generalize them—that is, reduce the barriers to learning among employees and within your organization. You can create a climate that reduces conflict, increases communication, promotes teamwork, rewards risk taking, reduces the fear of failure, and increases cooperation. In other words, you can create a psychologically safe and comforting environment that increases the sharing of successes, failures, and best practices.

Difficulty: 2 Medium

Topic: Learning Organization

Learning Objective: 02-08 Define how managers foster a learning organization.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

82) In researching a company while preparing for an interview, what would be a red flag?

- A) the history of the company
- B) inconsistencies in current news stories with the company's mission and vision
- C) the president of the company's LinkedIn page
- D) salary information posted on Glassdoor
- E) photos on the company webpage

Answer: B

Explanation: Look for current news stories about the company and examine its webpage for a list of accomplishments. Note what this information reveals about the company and decide whether it matches what you learned about the company's mission, vision, stated values, and organizational culture. Inconsistencies are a red flag.

Difficulty: 2 Medium

Topic: Core Competency

Learning Objective: 02-09 Describe how to develop the career readiness competency of understanding the business.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 83) What research on a company will help you determine if you might be a good fit?
- A) Examining its list of accomplishments on its webpage.
 - B) Looking for statements about how the company treats its employees, under its core values.
 - C) Searching for profiles on LinkedIn.
 - D) Reading reviews on Yelp.
 - E) Performing a Google search on the company's background.

Answer: B

Explanation: The values an organization endorses represent the foundation of its culture. You can find clues about this by studying a company's home page. Try to find a list of company values. What do these values tell you about the company? Next, look for statements that inform you about how the company treats its employees. For example, does the company support empowerment and employee development?

Difficulty: 2 Medium

Topic: Core Competency

Learning Objective: 02-09 Describe how to develop the career readiness competency of understanding the business.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

- 84) A mission statement tells you
- A) how the company treats its employees.
 - B) when the company was founded.
 - C) how the company evolved.
 - D) what the company wants to become or achieve over time.
 - E) goals the company is pursuing.

Answer: D

Explanation: The company's mission and vision statements explain why the company exists and what it wants to become or achieve over time.

Difficulty: 2 Medium

Topic: Core Competency

Learning Objective: 02-09 Describe how to develop the career readiness competency of understanding the business.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

85) Monique is preparing for an upcoming interview. She is not really sure where to start. She has heard that it is best to just relax, get a good night's sleep, and walk in confident. As she is telling you all of this, you are thinking of how to respond. Which of the following would be good advice to give Monique?

- A) Identify your values and be sure to identify them for the recruiter.
- B) Search the Facebook pages of the employees so you can share what you have in common.
- C) Do your homework on the company, search their website and prepare smart questions to ask.
- D) Think about your salary requirement and then add an additional 25 percent so you have room to negotiate.
- E) Ask your friends how they like the company products so you can give actual feedback during your interview.

Answer: C

Explanation: Doing your homework on a company makes you a more attractive job candidate. It shows interest on your part, and recruiters are impressed by the fact that you took the time to learn about the business. It also prepares you to ask smart questions, a behavior recruiters want to see. Remember, sometimes it's the small things like this that land a job.

Difficulty: 3 Hard

Topic: Core Competency

Learning Objective: 02-09 Describe how to develop the career readiness competency of understanding the business.

Bloom's: Analyze

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

86) Shay wanted to motivate her employees to perform at a higher rate. She has heard that you can pay employees for being more efficient. She begins to offer bonuses, yet she starts to see a decline in productivity and people living in fear of losing of their jobs. Why might that happen?

- A) Weberism
- B) Therblig
- C) Maslow Hierarchy
- D) McGregor Effect
- E) Taylorism

Answer: E

Explanation: "Taylorism" met considerable resistance from workers, who feared it would lead to lost jobs except for the highly productive few. In fact, Taylor believed that increasing production would benefit both labor and management by increasing profits to the point where they no longer had to quarrel over them. If used correctly, the principles of scientific management can enhance productivity, and innovations like motion studies and differential pay are still used today.

Difficulty: 3 Hard

Topic: Scientific Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Analyze

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

87) Corinne believed in solving issues between managers and employees by talking and finding solutions together, so when a group of employees brought the following problem to her, she was perplexed as to what to do. Read the problem and then decide which choice best fits her possible solution. "Employees came to Corinne to complain that their supervisor was making sexual advances towards them. He was offering to buy them drinks after work and has even commented on the clothes they are wearing. It has made them feel very uncomfortable."

- A) Corinne would listen to the employees and be optimistic that she could make the manager change behavior.
- B) Corinne would use the process of integration and sit everyone down together to talk it through.
- C) Corinne would listen to the employees and then dismiss them since she thought they just did not want to work.
- D) Corinne would work with the manager to make sure that he continued to pay attention to them but in a different manner.
- E) Corinne would study whether the employees were in the correct jobs and move them if need be.

Answer: B

Explanation: Mary Parker Follett believed that conflicts should be resolved by having managers and workers talk over differences and find solutions that would satisfy both parties—a process she called integration.

Difficulty: 3 Hard

Topic: Core Competency

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Analyze

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

88) Sal needs to figure out how to schedule employees to cover shifts at the hospital during the holidays. He needs to be sure that there are enough doctors, nurses, janitors, receptionists, lab technicians, and radiologists on staff so that any emergency would not put the hospital into crisis mode. Even though billing and intake are not critical to emergencies they also will need coverage. How will Sal figure out how many staff he needs to keep the hospital functional throughout the holidays?

- A) He can use operations management.
- B) He can use the contingency viewpoint.
- C) He can use the human relations movement.
- D) He can use total quality management.
- E) He can use management science.

Answer: E

Explanation: Management science stresses the use of rational, science-based techniques and mathematical models to improve decision making and strategic planning.

Difficulty: 3 Hard

Topic: Management

Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.

Bloom's: Analyze

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

89) Sully is a top executive, but he has a troublesome manager. He has heard that this manager is constantly changing his mind about how he wants reports written, what priorities the team is to work on and when they are to submit deliverables. Sully has heard him described as a "flavor of the day" kind of boss. Sully has known this manager for a long time and feels that this manager just needs some guidance and redirection. What should Sully do?

- A) Use an evidence-based management strategy to bring rationality to his decision making.
- B) Explore the use of synergy to see if what the manager is trying to do makes sense, so focus on the messaging.
- C) Focus on TQM by listening to and learning from customers and employees to support continuous quality improvement.
- D) Ignore the situation as this is most likely a phase and it will pass soon.
- E) Try a contingency viewpoint emphasizing there is not one best way to fix all problems.

Answer: C

Explanation: Total quality management (TQM) is a comprehensive approach—led by top management and supported throughout the organization—dedicated to continuous quality improvement, training, and customer satisfaction. TQM companies pay attention to their customers, the people who use their products or services. In addition, employees within the companies listen and learn from other employees, those outside their own work areas.

Difficulty: 3 Hard

Topic: TQM Viewpoint

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Bloom's: Analyze

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

90) This question has two parts; be sure to answer each one.

First, describe the four principles of science that Frederick Taylor believed managers could use to improve workers' productivity.

Second, imagine that you manage a small landscaping firm where you believe that the workers are being lazy because they are resentful of having to work in high levels of heat and humidity. Describe the specific actions you would take to overcome this lack of productivity among this group of workers.

Answer: Taylor believed that managers could eliminate poor productivity by applying four principles of science: (1) evaluate a task by scientifically studying each part of the task (not use old rule-of-thumb methods); (2) carefully select workers with the right abilities for the task; (3) give workers the training and incentives to do the task with the proper work methods; and (4) use scientific principles to plan the work methods and ease the way for workers to do their jobs.

To prevent resistance by workers at a landscaping firm, you as the manager might first examine the workers' jobs. Is it possible to change some of the tasks so that they are less exhausting for the employees? Perhaps workers should rotate between easier tasks and more difficult tasks, so that everyone gets a break from the hardest work. It may be that some workers actually enjoy the harder tasks (such as pruning and shaping hedges) or feel underutilized when they are doing more simple tasks (such as mowing the lawn). As a manager, you might talk with the workers to determine how each of them can work at the tasks they prefer while still ensuring that all the jobs are done correctly. To provide the right incentives, you might offer slightly higher hourly pay rates on days that exceed 90° F while also keeping the truck stocked with bottles of cold water so that workers don't have to buy cold drinks with their own money. By examining how your workers do their jobs and applying the principles of scientific management, you may be able to find better work methods—for example, instead of having one worker mow the front lawn and another worker mow the rear lawn, you may find that it is more efficient to have the same worker mow both lawns so that the second worker can focus on other tasks.

Difficulty: 2 Medium

Topic: Scientific Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Apply

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

91) This question has two parts; be sure to answer both.

First, explain the five positive bureaucratic features that Max Weber believed contributed to a better-performing organization.

Second, imagine that you are the manager of a small catering company that specializes in catering outdoor events, such as weddings and graduation parties. Apply each of Weber's five bureaucratic features to your business, explaining how you will use each to your advantage.

Answer: The five positive bureaucratic features that Max Weber believed contributed to a better-performing organization are (1) a well-defined hierarchy of authority; (2) formal rules and procedures; (3) a clear division of labor, with parts of a complex job being handled by specialists; (4) impersonality, without reference or connection to a particular person; and (5) careers based on merit.

As the manager of the catering company, you might apply these features as follows: You will make sure that there is a very clear hierarchy of managers. You are the manager, and you are the top dog. You set the goals and expect your employees to meet them. You also establish formal rules and procedures. For example, because your employees prepare and serve food, you may set strict policies that all food preparers must wear hair nets and plastic gloves. You might also have rules of how your employees look whenever they are catering an affair; perhaps they must wear a clean, well-pressed uniform and keep their hair neat and tidy so that they look professional.

As you set up each outdoor party, you will make sure that each worker's job is clearly specified—for example, some people will be in charge of setting up tents, tables, and chairs; others will be in charge of entertaining the crowd (for example, a clown at a child's birthday party); and others will be responsible for working on the buffet line to serve the meals. Here, impersonality doesn't mean that you treat your employees or customers in an impersonal way; rather, it means that the tasks of each job, and the responsibilities of each employee, exist outside that person. Regardless of the worker's age, gender, or any other characteristic, he or she must perform all the job functions to be considered a good worker.

Finally, you will want to make sure that you give raises and promotions based on merit. Because you will be present at some of the parties, you will see which workers go the extra mile and which do not. You will make it clear to all of your hires that all promotion decisions at the company are based on merit and not on any other quality.

Difficulty: 2 Medium

Topic: Administrative Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Apply

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

92) This question has two parts; be sure to answer both.

First, articulate why the classical viewpoint is important, providing an example of a successful company that has benefited from applying the theories of the classical viewpoint.

Second, imagine that you manage a scientific lab that develops women's health and beauty products. Give two examples of how you might apply the classical viewpoint in the lab.

Answer: The essence of the classical viewpoint is that work activity is amenable to a rational approach, that through the application of scientific methods, time and motion studies, and job specialization it is possible to boost productivity. These concepts are still in use today, the results visible to you every time you visit McDonald's or Pizza Hut.

As the manager of a scientific lab that develops women's health and beauty products, you might understand the importance of having your staff specialize. By specializing, each employee becomes an expert in key products, in understanding what customers want. So, for example, you might have one scientist who specializes in developing cosmetics, one who specializes in developing soaps and shampoos, and one who specializes in hair-care products such as mousses and gels. Following Weber's view of bureaucracy, you will make sure that your lab employees follow all required safety procedures, that they are fully trained on government regulations regarding health and beauty products and develop products with costs in mind (that is, they try to develop products that will minimize the company's costs and maximize its profits).

Difficulty: 2 Medium

Topic: Scientific Management; Administrative Management

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Bloom's: Apply

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

93) This question has two parts; be sure to answer both.

First, explain the three ways Hugo Munsterberg believed psychologists could contribute to industry.

Next, imagine that you manage a hair salon and apply each of Munsterberg's principles to your daily tasks as a manager.

Answer: Hugo Munsterberg believed psychologists could contribute to industry in three ways: (1) study jobs and determine which people are best suited to specific jobs, (2) identify the psychological conditions under which employees do their best work, and (3) devise management strategies to influence employees to follow management's interests.

In your job as the manager of a hair salon, you would study jobs and determine which people are best suited to specific jobs. For example, you may find that one stylist does her best work on women with long hair, while another stylist achieves spectacular results with color or daring hair styles. Looking at your workers, you would want to understand the psychological conditions under which employees do their best work. Because your employees work in the beauty industry, you might imagine that they care about appearances—and that they would therefore do their best work in a salon that is decorated tastefully and expertly. As you look to devise management strategies that influence employees to follow management's interests, you would look for win-win situations. For example, you might arrange with the local newspaper to profile a different member of the staff each week. The interview would make each employee feel important (and help the stylists develop a following). By developing their own followings, the stylists bring in additional revenue to the salon, which is completely in sync with management's interests.

Difficulty: 2 Medium

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Apply

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

94) This question has two parts; be sure to answer both.

First, explain at least one of Mary Parker Follett's ideas on how organizations should become more democratic.

Next, suppose you work at an advertising agency as an account manager. You are responsible for keeping your clients (the advertisers) happy, but you do not do the creative work of designing the ads. Explain how you might manage a conflict with one of your most talented ad designers, who does not agree with the client's ideas and does not want to implement them.

Answer: Mary Parker Follett believed organizations can become more democratic with managers and employees working cooperatively. Some of her most important ideas on how organizations can become more democratic are (1) organizations should be operated as "communities," with managers and subordinates working together in harmony; (2) conflicts should be resolved by having managers and workers talk over differences and find solutions that would satisfy both parties—a process she called integration; and (3) the work process should be under the control of workers with the relevant knowledge, rather than of managers, who should act as facilitators.

As an account manager at an ad agency, you know that you need your artists and designers to create eye-catching advertisements based on the client's ideas and your ideas for translating the client's wishes into words and images. Ideally, you would identify the source of the conflict—why exactly does your designer not like the client's idea? From that point, you can offer additional perspective—"Maybe the client's ideas are bad, but the client pays the bills, and we have to give the client what he wants." From there, you can work with the designer to push his boundaries of creativity to find ways to use the client's ideas but in a manner that is appealing to the designer's artistic sensibilities.

Difficulty: 2 Medium

Topic: Behavioral Management

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Apply

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

95) Describe the Hawthorne effect. Explain the flaws in the studies, but also explain the studies' lasting contribution to management.

Answer: The Hawthorne effect proposed that employees worked harder if they received added attention, if they thought that managers cared about their welfare and that supervisors paid special attention to them. However, later investigators found flaws in the studies, such as variations in ventilation and lighting or inadequate follow through, that were overlooked by the original researchers. Critics also point out that it's doubtful that workers improved their productivity merely on the basis of receiving more attention rather than because of a particular instructional method or social innovation. Nonetheless, the Hawthorne studies succeeded in drawing attention to the importance of "social man" (social beings) and how managers using good human relations can improve worker productivity.

Difficulty: 2 Medium

Topic: Hawthorne Studies

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

96) This question has two parts; be sure to answer both.

First, contrast Theory X and Theory Y, explaining why both theories are important.

Next, imagine that you manage a staff of six paralegals at a law firm. One of your employees, Zena, is usually a good worker, but lately her performance has been slipping. List two things you might say to Zena if you are a Theory X manager and two things you might say to Zena if you are a Theory Y manager.

Answer: Theory X represents a pessimistic, negative view of workers. In this view, workers are considered to be irresponsible, to be resistant to change, to lack ambition, to hate work, and to want to be led rather than to lead. Theory Y represents the outlook of human relations proponents—an optimistic, positive view of workers. In this view, workers are considered to be capable of accepting responsibility, self-direction, and self-control and of being imaginative and creative. The principal contribution offered by the two theories is that they help managers understand how their beliefs affect their own behavior. For example, Theory X managers are more likely to micromanage, which leads to employee dissatisfaction because they believe employees are inherently lazy. Managers can be more effective by considering how their behavior is shaped by their expectations about human nature.

At the law firm as a Theory X manager of paralegals, you might say to Zena:

"Your performance has been less than stellar lately. If you don't get back to your usual standards, I am going to give you a written warning."

"Zena, lately you seem lazy and unmotivated. I need all my workers to bring their best to the job."

At the law firm as a Theory Y manager of paralegals, you might say to Zena:

"Zena, how is everything going lately? You don't seem like your usual happy self."

"Zena, you've always been so valuable to our group. Are you going through a rough patch? Is there anything I can do to help?"

Difficulty: 2 Medium

Topic: Theory X and Y

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Bloom's: Apply

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

97) This question has two parts; be sure to answer both.

First, describe the four parts of a system.

Next, imagine that you own a one-person business. You create beautiful, elaborate wedding cakes (for which you charge a large sum of money). What are the components of your wedding cake business system?

Answer: The four parts of a system are (1) inputs—the people, money, information, equipment, and materials required to produce an organization's goods or services; (2) transformation processes—the organization's capabilities in management, internal processes, and technology that are applied to converting inputs into outputs; (3) outputs—the products, services, profits, losses, employee satisfaction or discontent, and the like that are produced by the organization; and (4) feedback—the information about the reaction of the environment to the outputs that affects the inputs. Are the customers buying or not buying the product?

In your wedding cake business, the inputs are the flour, cream, sugar, and fillings that you use to make your product. The transformational process is what we would call cooking (mixing ingredients, baking the cake), but it also includes creative elements like creating decorations from fondant and assembling the entire cake into an edifice that will stand up and not fall apart. Your output is, of course, the wedding cakes themselves. Your feedback will often come in the form of compliments from the happy bride and groom about how delicious the cake was—or complaints from the unhappy bride and groom about how dry, tasteless, and ugly the cake was (in which case, you won't be in business for much longer).

Difficulty: 2 Medium

Topic: Systems Viewpoint

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

98) This question is composed of two parts; be sure to answer both.

First, compare and contrast open and closed systems. Explain why almost all businesses today have an open system.

Next, suppose you manage a business in which you hire young musicians to give lessons to school children. In what ways will you need your business to be open?

Answer: An open system continually interacts with its environment. A closed system has little interaction with its environment; that is, it receives very little feedback from the outside. The classical management viewpoint often considered an organization a closed system. So does the management science perspective, which simplifies organizations for purposes of analysis. However, any organization that ignores feedback from the environment opens itself up to possibly spectacular failures. For this reason, almost all organizations today are open systems. Open systems have the potential to produce synergy, which is the idea that two or more forces combined create an effect that is greater than the sum of their individual effects.

In your music business, your system will be open in that you will be continually interacting with your environment. You will be talking to parents whose children want to learn how to play a musical instrument, and you will be getting feedback from them to ensure that they are satisfied with the instruction their children are receiving. You will likely have a social media presence (Facebook, Twitter) to help you market your business and continue getting new students. You'll network with your employees to continue finding new employees who are musically talented and good teachers.

Difficulty: 2 Medium

Topic: Systems Viewpoint

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

99) This question has two parts; be sure to answer both.

First, explain the contingency viewpoint, explaining what it means.

Next, suppose you are a literary agent running your own business. You represent a large number of successful writers, and you have made it clear on your website that you are no longer taking on new writers as clients. One day a person you respect tells you about an unpublished writer who is simply fantastic and has the makings of an incredibly successful novelist. If you adopt the contingency viewpoint, what is your response? What would your response be if you do not believe in the contingency viewpoint?

Answer: The contingency viewpoint emphasizes that a manager's approach should vary according to—that is, be contingent on—the individual and the environmental situation. *The Contingency Viewpoint: What Are the Best Kinds of Benefits?* provides a good example of the contingency viewpoint: Money is not the only motivator for employee productivity. Applying the contingency approach, managers have found there are incentives in offering various kinds of fringe benefits.

If you are a literary agent and you subscribe to the contingency viewpoint, your likely response to hearing about a talented new writer will be, "I already have more than I can manage, but I might really regret it if I let this new writer slip through my fingers. Maybe I should at least talk to the writer, and read his or her work, and be prepared to take him or her as a client if I love what I read. Somehow I'll find a way to make it work." If you do not subscribe to the contingency viewpoint, your response to your friend who tells you about a talented new writer is, "Sounds great, but I'm not taking on any new clients right now."

Difficulty: 2 Medium

Topic: Contingency Approach

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Bloom's: Apply

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

100) This question has two parts; be sure to answer both.

First, define total quality management and explain its four components.

Next, imagine you work as a manager for a company that builds and sells expensive, upscale men's watches. Explain how you would implement a TQM approach at your company.

Answer: Total quality management (TQM) is a comprehensive approach, led by top management and supported throughout the organization, dedicated to continuous quality improvement, training, and customer satisfaction.

These are the four components of TQM, with an example of how a manager of a men's watch company might implement each.

1. **Make continuous improvement a priority.** TQM companies are never satisfied; they make small, incremental improvements an everyday priority. The watch manufacturer may brag that its watches lose no more than one second per year. As part of a commitment to continuous improvement, management may seek to have the next generation of watches lose no more than one second every two years.

2. **Get every employee involved.** TQM companies build teamwork, trust, and mutual respect by making sure that every employee is involved in the continuous improvement process. One simple way to implement this philosophy at the watch company is to have a suggestion box where anyone—from the custodian to the CEO—can make suggestions for how to make the watches even better.

3. **Listen to and learn from customers and employees.** TQM companies solicit feedback within the organization and from customers. Because the watches are sold at upscale locations, it is easy to keep track of customers and to contact them occasionally, asking them to provide testimonials or provide suggestions for how a great product can be made even better. For example, one satisfied customer might say, "I love my watch, but I wish I didn't have to take it off when I water my garden." That suggestion might lead the company to make its next generation of watches waterproof.

4. **Use accurate standards to identify and eliminate problems.** TQM companies look to their competition for ideas on how to improve their own products (a process called *benchmarking*). The watch company might implement a standard saying that it will not market any watch that loses more than a second a year, and it will conduct ongoing quality tests to ensure that its watches are meeting its standards (which are the criteria that the public expects from the company).

Difficulty: 2 Medium

Topic: TQM Viewpoint

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Bloom's: Understand

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

101) This question contains two parts; be sure to answer both.

First, define *learning organization* and describe the three parts of a learning organization.

Next, imagine that you are a publisher of fiction, and your publishing house considers itself a learning organization. Give an example of how your publishing house might implement each of the three parts of a learning organization.

Answer: A learning organization is an organization that actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge.

Parts of a learning organization are:

- 1. Creating and acquiring knowledge.** In learning organizations, managers try to actively infuse their organizations with new ideas and information, which are the prerequisites for learning. They acquire such knowledge by constantly scanning their external environments, by not being afraid to hire new talent and expertise when needed, and by devoting significant resources to training and developing their employees. In the publishing business, the managers are always looking for new trends—what do people what do read? For example, the managers might notice the popularity of TV shows with vampires and decide to start publishing books about vampires.
- 2. Transferring knowledge.** Managers actively work at transferring knowledge throughout the organization, reducing barriers to sharing information and ideas among employees. Electronic Data Systems (EDS), for instance, practically invented the information-technology services industry, but by 1996 it was slipping behind competitors—missing the onset of the Internet wave, for example. When a new CEO, Dick Brown, took the reins in 1999, he changed the culture from "fix the problem yourself" to sharing information internally. In a publishing company, individual editors are responsible for shaping books and helping to make them successful with readers. Many editors transfer this knowledge at monthly meetings of editorial boards, which review the status of all of the company's not-yet-published books. They also transfer their skills to the junior members of the staff (for example, editorial assistants) by training them in how to spot talent and trends in the market.
- 3. Modifying behavior.** Learning organizations are nothing if not results oriented. Thus, managers encourage employees to use the new knowledge obtained to change their behavior to help further the organization's goals. In the publishing industry, it is very important for editors to have good relationships with their authors and with literary agents. If an editor is not behaving respectfully, his or her manager should step in to help the editor modify his or her behavior.

Difficulty: 2 Medium

Topic: Learning Organization

Learning Objective: 02-08 Define how managers foster a learning organization.

Bloom's: Understand

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

102) How does studying theoretical perspectives prepare you for being a manager? Explain each reason with an example.

Answer: There are six good reasons for studying theoretical perspectives:

1. Understanding of the present. "Sound theories help us interpret the present, to understand what is happening and why," say Christensen and Raynor. Or as scholars Scott Montgomery and Daniel Chirot argue, ideas "do not merely matter, they matter immensely, as they have been the source for decisions and actions that have structured the modern world." Understanding history will help you understand why some practices are still favored, whether for right or wrong reasons.
2. Guide to action. Good theories help you make predictions and enable you to develop a set of principles that will guide your actions.
3. Source of new ideas. It can also provide new ideas that may be useful to you when you come up against new situations.
4. Clues to meaning of your managers' decisions. It can help you understand your firm's focus, where the top managers are "coming from."
5. Clues to meaning of outside events. It may allow you to understand events outside the organization that could affect it or you.
6. Producing positive results. It can help you understand why certain management practices—such as setting goals that stretch you to the limit (stretch goals), basing compensation and promotion on performance, and monitoring results—have been so successful for many firms.

Difficulty: 2 Medium

Topic: Management

Learning Objective: 02-01 Describe the development of current perspectives on management.

Bloom's: Understand

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

103) Describe how airlines use management science to determine flight schedules, numbers of pilots and flight attendants, amount of fuel, and number of snacks needed?

Answer: Management science stresses the use of rational, science-based techniques and mathematical models to improve decision making and strategic planning. Airlines use a variety of management science tools to schedule employees and aircraft to deal with wide variations in passenger volume—such as December 23 versus December 26. Tools also predict the amount of fuel needed to get each flight to its destination with enough in case of emergencies. History can be used to predict the number of snacks needed. It is best to be over prepared and have too much without being excessive than it is to run short.

Difficulty: 2 Medium

Topic: Management

Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.

Bloom's: Apply

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

104) You have just received a call from ABC Manufacturing to schedule an interview. You want to be prepared and impress them with your skills not only the ones on your résumé, but your soft skills too. Describe how you will prepare for the interview.

Answer: Answers will vary but should include some if not all the below 7 steps.

1. The company's mission and vision statements. These statements tell you why the company exists and what it wants to become or achieve over time. The question to answer is whether you support these pursuits and would like to be part of the journey. You can find this information on the company's home page.

2. The company's core values and culture. The values an organization endorses represent the foundation of its culture. You can find clues about this by studying a company's home page. Try to find a list of company values. What do these values tell you about the company? Next, look for statements that inform you about how the company treats its employees. For example, does the company support empowerment and employee development? Look at any photos posted online and consider what they tell you. If you see pictures only of products and not of people, for instance, it suggests the company really cares about products. What type of goals is the company pursuing? Does the company care about the environment, quality, or customers' opinions?

3. The history of the company. When was the company founded? What were the values and background of the founder? Try to find out how the company evolved, grew, or changed over the years.

4. Key organizational players. Who holds important positions in the company? What are their backgrounds? You can find this out by reading the employer's "About" page and top employees' bios. You might check them out on LinkedIn or read what they say on Twitter.

5. The company's products, services, and clients. What are people saying about the company's products and services? You can explore this by locating reviews or comments about the company's products and services.

6. Current events and accomplishments. Look for current news stories about the company and examine its webpage for a list of accomplishments. Note what this information reveals about the company and decide whether it matches what you learned about the company's mission, vision, stated values, and organizational culture. Inconsistencies are a red flag.

7. Comments from current or previous employers. Talk to anyone you know at the company. Ask their opinion about working there and how they feel about management and corporate policies. Search websites like Glassdoor to find inside information such as salary ranges and company reviews.

Difficulty: 2 Medium

Topic: Core Competency

Learning Objective: 02-09 Describe how to develop the career readiness competency of understanding the business.

Bloom's: Apply

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation