

Student name: _____

Organizations are efficient when managers maximize the amount of input resources.

true

false

Managers at all levels and in all departments are responsible for planning, organizing, leading, and controlling.

true

false

The outcome of organizing is the creation of a strategy.

true

false

An organization's vision is a short, succinct, and inspiring statement of what the organization intends to become and the goals it is seeking to achieve.

true

false

Top managers are responsible for the performance of a specific department.

true

false

Today, the term "chief operating officer" refers to the chief executive officer.

true

false

Conceptual skills include the general ability to understand, alter, lead, and control the behavior of other individuals and groups.

true

false

Arien is an exceptional manager in that she is able to create cohesive teams from a diverse group of people. Arien demonstrates good human skills.

true

false

Individuals who believe that they are responsible for what happens to them and that their own actions determine important outcomes are said to have an external locus of control.

true

false

A person who works for a company and works to create new or improved products for that company is an example of an intrapreneur.

true

false

Robert and Liam possess the same kinds of technical skills; typically they would become members of a specific department.

true

false

Innovation takes place when management centralizes control of work activities and creates an organizational culture that eliminates risk taking.

true

false

Organizations appoint turnaround CEOs after the organizations become more efficient and effective.

true

false

An organization's *resources* include which of these assets?

competitors

loyal customers and employees

ethical codes

performance goals

Which definition of organizational performance is most accurate?

It is the process of obtaining, analyzing, and recording information about the relative worth of a product in the current marketplace.

It is a measure of how efficiently and effectively managers use available resources to satisfy customers and achieve organizational goals.

It is an approach to modeling organizations based on the value-adding activities of the competing organizations.

It is a measure of the interaction among the employee culture, the managerial culture, and the culture of competitors.

A measure of how productively resources are used to achieve a goal is known as

efficiency.

effectiveness.

authenticity.

legitimacy.

Roughly 90 percent of the turns made by UPS drivers are right turns. This saves them time waiting for traffic and improves

efficiency.

effectiveness.

authenticity.

legitimacy.

What is the definition of managerial efficiency?

achieving goals regardless of resource use

increasing the time needed to produce a given output of goods

increasing production through greater resource investment

minimizing the amount of input resources needed

A measure of the appropriateness of the goals that managers have selected for the organization to pursue and the degree to which the organization achieves those goals is

efficacy.

resourcefulness.

proficiency.

effectiveness.

Which statement about effectiveness is true?

Organizational performance increases in direct proportion to an increase in effectiveness.

It is a measure of how productively resources are used to achieve a goal.

Organizations are effective when managers minimize the amount of input resources.

Effectiveness is related to performance but not efficiency.

A company's upper management has communicated to its middle managers that they need to focus more on effectiveness. This means that the organization

uses fewer workers while maintaining productivity.

takes less time than before to produce a given output.

sets appropriate goals and achieves them.

generates employment for a large number of people.

Low efficiency/high effectiveness situations arise when managers choose the

wrong goals to pursue and make poor use of resources to achieve these goals.

right goals to pursue but do a poor job of using resources to achieve these goals.

right goals to pursue and make good use of resources to achieve these goals.

wrong goals to pursue and make good use of resources to achieve these goals.

High efficiency/high effectiveness situations result in a

high-quality product that customers do not want.

high-quality product that few customers can afford.

product that customers want at a quality and price they can afford.

product of mediocre quality that customers will buy despite its high price.

Low efficiency/low effectiveness situations result in a
product that customers want but is too expensive to buy.
product customers want at a price they can afford.
low-quality product that customers do not want.
high-quality product that customers do not want.

Carson's Toys produced beautifully made wooden trains that many customers wanted. However, the product was so expensive that most potential customers could not afford it. This scenario demonstrates

low efficiency and low effectiveness.
high efficiency and low effectiveness.
low efficiency and high effectiveness.
high efficiency and high effectiveness.

A jewelry company produces reliable, attractive watches that are reasonably priced. This scenario demonstrates

low efficiency and low effectiveness.
high efficiency and low effectiveness.
low efficiency and high effectiveness.
high efficiency and high effectiveness.

Which characteristics describe organizational performance that results in a low-quality product that customers do not want?

low efficiency and low effectiveness

high efficiency and low effectiveness

low efficiency and high effectiveness

high efficiency and high effectiveness

Which characteristics describe organizational performance that results in a high-quality product that customers do not want?

low efficiency and low effectiveness

high efficiency and low effectiveness

low efficiency and high effectiveness

high efficiency and high effectiveness

A company has low efficiency and low effectiveness. Considering this, which statement applies?

The company produces easy-to-use copy machines, thus increasing demand for them, but uses cheap resources that often make them break down.

The company produces easy-to-use copy machines, thus increasing demand for them, and uses quality resources that make them durable.

The company produces copy machines that are complicated to use, thus lowering demand for them, and uses cheap resources that often make them break down.

The company produces copy machines that are complicated to use, thus lowering demand for them, but uses quality resources that make them durable.

You own a company that produces jewelry with attractive, popular designs but uses resources that make the product too expensive for most potential buyers. Which would you be most likely to do to increase efficiency?

arrange a deal with the supplier to lower the cost of the resources

make sure the resources are used to make the designs even more popular

fire the jewelry designers and replace them with less artistic ones

make the jewelry less attractive, but still use the same high-quality resources

Albert is a middle manager at a large company. As such, he is MOST responsible for planning and organizing resources other than human resources.

planning, organizing, and leading resources as well as controlling them.

planning and organizing resources but not leading and controlling them.

leading and controlling resources but not planning and organizing them.

In what order do managers typically perform the managerial tasks?

organizing, planning, controlling, leading

organizing, leading, planning, controlling

planning, organizing, leading, controlling

planning, organizing, controlling, leading

Which manager has achieved the objectives of the essential managerial task of organizing?

Tim, who has chosen appropriate organizational goals

Veronica, who has set task and authority relationships that allow people to work together

Elena, who has determined courses of action to achieve organizational goals

Yuuki, who has established systems to evaluate goal achievement

What must one do to perform the essential managerial task of controlling to achieve organizational goals?

Articulate a clear organizational vision for the organization's members to accomplish by a specified deadline.

Organize people into departments according to the kinds of job-specific tasks they perform.

Identify and select appropriate organizational goals and courses of action.

Establish accurate measuring and monitoring systems to evaluate how well goals have been achieved.

Which tasks describe the essential managerial task of leading in achieving organizational goals?

motivate, coordinate, and energize individuals and groups

evaluate how well the organization has achieved its goals and communicate to direct reports

choose appropriate goals and courses of action

establish task and authority relationships to allow people to work together

The essential managerial task of planning involves

establishing task and authority relationships so that people work together.

motivating individuals and groups to work together.

choosing appropriate goals and courses of action.

evaluating how well the organization has achieved its goals.

Latosha decided that her company should expand its markets in South America and laid out a seven-step procedure to accomplish this. Which task is Latosha performing?

planning

organizing

leading

controlling

How to allocate organizational resources to pursue the strategies to attain set goals is a question addressed during the _____ management task.

regulating

planning

leading

controlling

Which of the four principal managerial tasks can help Racine understand their performance in the other three tasks?

planning

organizing

controlling

leading

The formal system of task and reporting relationships that coordinates and motivates organizational members so they work together to achieve organizational goals is called organizational

structure.

performance.

goals.

resources.

Organizational structure is the formal system of

financial analysis and management.

task and reporting relationships.

vision creation and articulation.

goal selection and implementation.

Which term refers to a cluster of decisions concerning what organizational goals to pursue, what actions to take, and how to use resources to achieve these goals?

strategy

assessment

collaboration

deputation

In order to ensure that it has a competitive advantage, Housing Developers decides to acquire a smaller company in the same industry. The move is an example of a

vision.

business model.

strategy.

mission.

A manufacturing company has ten middle managers. They report to two vice presidents who report to the CEO. What does this example show?

differentiation structure

organizational structure

organizational strategy

differentiation strategy

If a management team wants to devise an effective business strategy, which course of action would it most likely take?

write an inspiring statement about the company's goals

assign a team leader to manage the process

decide how to achieve the company's goals

pass out a survey to determine how well the company has achieved its goals

Which company is involved in the task of controlling?

Avion Flights monitors its services for quality and efficiency.

MMS Ltd. puts on a motivational seminar for its employees.

Harve Peel, Incorporated, creates a new position that reports directly to the CEO.

Watermelon Farms makes the decision to increase its marketing ventures.

The strategy of delivering new, exciting, and unique products to the customers is a _____ task.

leading

planning

controlling

organizing

The process of structuring working relationships so that organizational members interact and cooperate to achieve organizational goals is known as

planning.

leading.

controlling.

organizing.

A regional food service company has four middle managers, one for each state it services. These managers supervise multiple customer-facing service providers. Which management task is demonstrated?

organizing

leading

controlling

planning

A formal system of reporting relationships that coordinates and motivates organizational members so that they work together to achieve organizational goals is called an organizational

culture.

structure.

assimilation.

chart.

A short, succinct, and inspiring statement of what the organization intends to become is an organization's

goal.

strategy.

vision.

mission.

At the annual company meeting, the CEO took the stage to communicate the company's vision and to motivate the employees to work toward the company's goals and objectives. Which management task was the CEO demonstrating?

planning

organizing

controlling

leading

Which of the managerial tasks involves managers using their power, personality, influence, persuasion, and communication skills to coordinate people and groups so that their activities and efforts are in harmony?

leading

planning

organizing

controlling

What is a key responsibility of a leader?

evaluating how well they themselves are performing in leading the organization

encouraging employees to perform at a high level to help the organization achieve its goals

evaluating an organization's success in reaching its goals and taking corrective actions

deciding which goals to measure and then designing control systems for them

Javel has been given the task of evaluating how well his company, Soft Shoes, Incorporated, has implemented its new marketing plan and how this implementation could be improved. Which management task has Javel been assigned?

planning

organizing

leading

controlling

Which management task gives managers the ability to measure performance accurately and regulate organizational efficiency and effectiveness?

controlling

planning

organizing

leading

Maura, a manager at Beef Shack, monitors the performance of workers in her department to determine if the quality of their work is meeting the standards of the company. Maura is engaged in which managerial task?

planning

organizing

leading

controlling

Selena, a CEO, reviews the past month's profit and loss statement to determine if the company is on pace to meet the planned sales and profitability goals. Selena is engaged in which managerial task?

planning

organizing

controlling

leading

Although Roger's company has many skilled, bright employees, they seem to lack enthusiasm for their work. What is the *best* strategy for Roger to solve this problem?

hire a pleasant manager who has achieved great results by restructuring companies like Roger's

hire a pleasant manager who is knowledgeable in the latest methods of monitoring and evaluating companies like Roger's

hire a charismatic manager who has excellent organizational skills and can efficiently achieve goals

hire a charismatic manager who strongly believes in the company and knows how to convey this belief to others

Which statement best describes first-line managers?

They are also known as supervisors.

They are at the middle of the managerial hierarchy.

They work mainly in the sales department of an organization.

They have cross-departmental responsibility.

What is true of middle managers?

They decide how the different departments should interact.

They are responsible for daily supervision of the nonmanagerial employees.

They develop skills and know-how so that the organization is efficient and effective.

They are responsible for the performance of all departments.

What is true of top managers?

They supervise nonmanagerial employees.

They help first-line managers better use resources.

They have cross-departmental responsibility.

They are responsible for a single department.

Who is most likely to be a part of the top management team?

supervisor

head nurse

chief executive officer

divisional manager

Being a part of top management at a large fast food chain, Alfonso is *most* likely to spend most of his time

planning and organizing resources.

planning and controlling nonmanagerial employees.

organizing and leading first-line managers.

organizing resources and leading first-line managers.

Thomas and Chlorinda are middle managers. Considering this, which task would they most likely do?

organize a training program that improves the skills of employees

make sure employees are filling out time cards correctly

arrange a deal with a foreign supplier of magnesium

study a report that analyzes how well departments are interacting

Helen was hired as a business consultant for a company that is floundering. Which action would Helen *most* need to take in order to change the company's fortunes?

advise middle managers on better ways to use resources

monitor the effectiveness of nonmanagerial employees

convince the CEO to change course and adopt a new approach

listen to the complaints of first-line managers

If Edward works as a first-line manager for a film production company, what would they most likely do?

work as a supporting actor in a film

organize the extras on a film set

make sure that overall film production is running smoothly
greenlight the production of a film

The ability to analyze and diagnose a situation and to distinguish between cause and effect demonstrates a manager's _____ skills.

interpersonal

conceptual

technical

communication

When Boris started at his new company, he quickly became aware that his department was making a lot of production errors, not because they were sloppy but because they hadn't been properly trained. Boris was using _____ skills to diagnose the situation.

interpersonal

conceptual

technical

communication

The general abilities to understand, alter, lead, and control the behavior of individuals and groups are _____ skills.

analytic

cognitive

human

conceptual

Brad's team is very effective, in part because Brad is skilled at getting people to work together. Which type of managerial skill does Brad illustrate?

analytic

cognitive

human

conceptual

Rose has the skills needed to rewire the electrical systems of skyscrapers. Which type of managerial skill does Rose illustrate?

technical

communication

interpersonal

conceptual

The specific set of departmental skills, knowledge, and experience that allows one organization to outperform its rivals is known as the organization's

strategic plan.

marketing edge.

competitive analysis.

core competency.

Ming Yue is writing a newspaper article about the day-to-day running of a baseball team. For this report, she interviews people who do a wide variety of jobs. Which job would Ming Yue describe in her article as showing technical skill?

the manager studying analytics to determine the best lineup

the batting instructor giving tips to a struggling player

the veteran player giving an inspirational speech to the team

a player telling a joke to ease tension and improve comradery

Corrine does work that requires conceptual skills. Considering this, which job would she most likely do?

write an inspirational speech for a senator

coach a governor on to how to perform in a debate

inspire a group to canvas for a political candidate

analyze demographics that show the biases of voters

Clarence is the head of the human resources department of a company. Which pair would he most likely place in the same department?

Jane, who knows how to design marketing surveys, and Mark, who knows how to repair manufacturing machines

Jane, who knows how to design marketing surveys, and José, who knows how to administer marketing surveys

José, who knows how to administer marketing surveys, and Lorraine, who know how to sell products

Lorraine, who knows how to sell products, and Mark, who knows how to repair manufacturing machines

Casey is the CEO of a media company called Fast Forward, Incorporated She wants the company to have a core competency that enables it to become an innovator in its field. Considering this, which activity would Casey most likely authorize?

a negotiation strategy to obtain resources from foreign suppliers at a reduced cost

a training seminar focused on inspiring the sales staff and improving their approach to customers

a plan to research the development of miniature video cameras that are affordable and have top-end picture resolution

a manufacturing method that streamlines the production process, thereby increasing output

Denzel is a corporate owner who wants to significantly improve the skills of his workforce in many areas. Which activity would Denzel most likely endorse?

the hiring of highly educated managers

the creation of a department focusing on research

the funding of a college specifically for his employees

the production of cheap smartphones for students

Contracting with another company, usually in a low-cost country abroad, to have it perform a work activity the organization previously performed itself is known as

integrating.

telecommuting.

outsourcing.

insourcing.

Which management technique involves giving employees more authority and responsibility over how they perform their work activities?

innovation

total quality management

empowerment

outsourcing

A bank allows its tellers to not only handle deposits and disbursement, but also distribute traveler's checks and sell certificates of deposit. This is an example of

innovation.

restructuring.

total quality management.

empowerment.

Tanya wants to facilitate the turnaround of her company, CTLighting, by using outsourcing. Considering this, which action would she most likely support?

firing 10 percent of her workers in the marketing department

contracting with a company in India to have it do CTLighting's marketing

combining CTLighting's research and marketing departments

allowing CTLighting's research department to have more autonomy

Eric wants to give his company a competitive advantage by using empowerment. Considering this, which action would Eric most likely support?

giving the research department more authority over its projects

combining the manufacturing and research departments and contracting a Mexican company to do marketing

using a self-managed team for research and sponsoring inspirational seminars for all of his employees

contracting a Romanian company to do customer service and eliminating the research department

Organizations that operate and compete in more than one country are known as _____ organizations.

diversified

expanded

international

global

The ability of one organization to outperform other organizations because it produces desired goods or services more efficiently and effectively than its competitors is known as its _____ advantage.

competitive

controlling

global

total

Rose Up is a florist that specializes in roses. It imports varieties from all over the world and has many varieties not found elsewhere, delivering them quickly and always fresh. Rose Up demonstrates a _____ advantage over other florists who sell roses.

competitive

controlling

distributive

competency

The creation of a new vision for a struggling company based on a new approach to planning and organizing to make better use of a company's resources and allow it to survive and prosper is _____ management.

performance

total quality

turnaround

impression

Neveen owns a company that produces organic chips called Corny Chips, Incorporated. She wants to create a competitive advantage for Corny Chips in terms of quality. With this goal in mind, what would she most likely support?

the establishment of well-trained customer service department

the use of the first organic, biodegradable packaging for chips

the implementation of a production process that speeds up output and lowers cost

the production of tasty baked chips that use pure olive oil and are reasonably priced

Maritime Electronics wants to gain a competitive advantage through innovation. Which activity would it most likely attempt?

installing better computers to assist navigational designers

using fewer resources to produce navigational equipment

offering repairs of navigational equipment at a discounted rate

creating a navigation device never used before

Julie's primary competitor has come out with a product line of espresso machines that make espresso faster without a drop in quality. Based on what you know about maintaining competitiveness with flexibility, what should Julie do?

outsource the production of heating elements, thereby lowering costs, but slowing the production process

focus on research for a year and eventually produce a new espresso machine better than her competitor's

adapt her production process to create espresso machines similar to her competitor's without delaying production

keep the production process the same and assume that loyal customers will continue to purchase her brand

If a CEO expects his managers to significantly increase production with a minimal or no increase in cost, which outcome is *most* likely?

Managers will use inspirational methods to motivate employees.

Managers will establish a higher standard of safety.

Production quality will decline.

Managers will produce products of higher quality.

An individual who notices opportunities and decides how to mobilize resources required to start a new business venture is a(n)

decision maker.

entrepreneur.

advocate.

steward.

When entrepreneurs believe that they are responsible for what happens to them and that their own actions determine important outcomes such as the success or failure of a new business, they have

an external locus of control.

less openness to experience.

moderate need for achievement.

an internal locus of control.

An entrepreneur is likely to have

a reluctance to try new experiences.

high self-esteem.

high need for affiliation.

an external locus of control.

Members of which group may be considered intrapreneurs?

employees of an organization who notice opportunities to develop new products

employees of an organization who have worked across various industries

managers who are responsible for two or more departments within a company

managers who ensure interdepartmental transfer of skills

What is a common reason that entrepreneurs often find managing difficult?

They are too far from their companies to see the need for change.

They are unwilling to share their vision with others.

They have trouble delegating authority because of the risk involved.

They are not good at communicating their ideas with others.

Jonah is the founder of Soda Springs, a manufacturer of novelty bottled sodas that use organic ingredients. After a couple of years of successfully marketing its products to local businesses, the company attracted new investors and clients and expanded into several of the surrounding states. As part of this expansion, it hired a manager, Antonio, to be responsible for the day-to-day business of the company. However, Jonah questions all of Antonio's decisions, wanting to remain involved in every aspect of the business. This has resulted in Jonah being overextended and stressed most of the time. Karyl, Soda Spring's biggest investor and one of Jonah's mentors, knows that Jonah's creative, big-picture thinking is one of his most valuable traits. What should Karyl suggest she do?

become a co-manager with Antonio, so that he feels his authority is still respected

focus on building the kind of friendly organizational culture he envisions for the company

take on an advisory role and focus on pursuing new opportunities for Soda Springs

take management classes at the local university to develop his communication skills

Compare and contrast entrepreneurs and intrapreneurs, and discuss the relationship between them.

Discuss the challenges sometimes encountered by founding entrepreneurs and the skills needed to address these challenges.

What is organizational performance, and what is its relationship with efficiency and effectiveness?

Define efficiency. When is an organization said to be efficient? Give two examples.

Explain effectiveness. When is an organization said to be effective? Give two examples.

Define planning. What are the three steps in the planning process?

What does the managerial task of organizing involve? What is its desired outcome?

Discuss the managerial task of leading. What is its desired outcome?

What does the managerial task of controlling involve?

Identify the three levels of management, explain the basic responsibilities of each, and give an example for each.

Identify and briefly define the three major types of managerial skills. Give an example for each.

Define competitive advantage. What are its four building blocks?

Discuss the concept of turnaround management.

Name one way that the pressure to increase an organization's performance may result in unethical behavior. What is likely to be the result of this behavior?

Answer Key

Test name: CH1 Essentials E10

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