

Chapter 1—Management

MULTIPLE CHOICE

1. What is the term for getting work done through others?
 - a. management
 - b. planning
 - c. organizing
 - d. strategizing

ANS: A PTS: 1 REF: p. 3 OBJ: 1
BLM: Remember

2. Ruth was hired to be the second-in-command at Graham Mailing Services. She was told that her job was to deal with the employees to make sure they met the customers' mailing specifications. She has not been instructed on how to run machines or in any other technical area. What is her position?
 - a. marketing
 - b. relationship control
 - c. management
 - d. strategizing

ANS: C
Management is getting work done through others.

PTS: 1 REF: p. 3 OBJ: 1 BLM: Higher Order

3. A manager strives to accomplish tasks that help fulfill organizational objectives. What is the manager trying to improve?
 - a. organizational efficiency
 - b. organizational effectiveness
 - c. organizational functionality
 - d. organizational productivity

ANS: B PTS: 1 REF: p. 4 OBJ: 2
BLM: Remember

4. One reason for the slow response to help the victims of Hurricane Katrina was an antiquated FEMA process that was bogged down in bureaucratic red tape. Why, in other words, did assistance fail to arrive in timely fashion?
 - a. widespread apathy
 - b. inefficient systems
 - c. a lack of instrumentality
 - d. poor communication

ANS: B
Efficiency means getting work done with a minimum of effort, expense, or waste.

PTS: 1 REF: p. 3 OBJ: 2 BLM: Higher Order

5. What is the term for the accomplishment of tasks that help fulfill organizational objectives?
- a. optimizing
 - b. satisficing
 - c. efficiency
 - d. effectiveness

ANS: D

PTS: 1

REF: p. 3

OBJ: 2

BLM: Remember

6. To achieve its goal of increased market share, a coffee and donut shop launched a program in London, Ontario, that awards grade-school students a free donut for every “A” on their report cards. What management function was used to create this program?
- a. controlling
 - b. leading
 - c. planning
 - d. organizing

ANS: C

Planning is determining the means to achieve an organizational goal.

PTS: 1

REF: p. 4

OBJ: 2

BLM: Higher Order

7. Nestlé was unsuccessful in early attempts to sell its chocolate in India. It discovered its chocolate bars were not suitable for the Indian markets because the candy became messy from sitting in direct sunlight without the benefit of air conditioning. Nestlé adopted an innovative strategy and developed Chocostick, a liquid chocolate, now very popular. Which management function did Nestlé use to solve its problem?
- a. planning
 - b. meeting the competition
 - c. organizing people, processes, and projects
 - d. leading

ANS: A

PTS: 1

REF: p. 4

OBJ: 2

BLM: Higher Order

8. What management function is being engaged when a manager is determining organizational goals and the means for achieving them?
- a. planning
 - b. organizing
 - c. leading
 - d. controlling

ANS: A

PTS: 1

REF: p. 4

OBJ: 2

BLM: Remember

9. XYZ Bakery's 2012 objectives were to increase its revenues by at least 5 percent and reduce its net losses by at least 80 percent. According to your textbook, what management function would be instrumental in setting and meeting these goals?
- planning
 - organizing
 - controlling
 - leading

ANS: A

Planning is determining organizational objectives and a means for achieving them.

PTS: 1

REF: p. 4

OBJ: 2

BLM: Higher Order

10. A manager is monitoring progress toward goal achievement, and taking corrective action when needed. What management function is being engaged?
- planning
 - organizing
 - leading
 - controlling

ANS: D

PTS: 1

REF: p. 5

OBJ: 2

BLM: Remember

11. A business school administrator is determining what classes will be offered, in which rooms, and who will teach each class. What management function is involved in this work?
- planning
 - organizing
 - controlling
 - leading

ANS: B

PTS: 1

REF: p. 5

OBJ: 2

BLM: Remember

12. A Canadian Armed Forces drill instructor is motivating new recruits to challenge themselves. What management function is being engaged?
- planning
 - organizing
 - controlling
 - leading

ANS: D

PTS: 1

REF: p. 4–5

OBJ: 2

BLM: Higher Order

13. A Canadian magazine published a recipe for dinner rolls and the description had a religious connotation. The ensuing controversy forced the magazine to pull its issue off newsstands and issue an apology. Which management function did the magazine employ by issuing an apology to readers?
- planning
 - organizing
 - controlling
 - leading

ANS: C

Controlling is taking corrective action when necessary.

PTS: 1

REF: p. 5

OBJ: 2

BLM: Higher Order

14. In 2012, a food processing company recalled thousands of cans of chili after ground-up plastic parts were discovered in a can. What management function did the recall entail?
- controlling
 - leading
 - planning
 - organizing

ANS: A

Controlling is the monitoring of progress toward the achievement of goals and then taking what corrective action is indicated by the monitoring.

PTS: 1

REF: p. 5

OBJ: 2

BLM: Higher Order

15. A human resource manager had to find inexpensive ways to reward employees and bolster morale during a sales-flattening economic downturn. Which management function would need to be engaged?
- planning
 - organizing
 - leading
 - evaluating

ANS: C

A manager engaged in the management function of leading is inspiring and motivating workers to keep working hard to achieve organizational goals.

PTS: 1

REF: p. 5

OBJ: 2

BLM: Higher Order

16. Designers such as Marimekko and Marant partnered with Swedish retailer Hennes & Mauritz to sell an affordable line of exclusively designed high-fashion clothing. Hennes & Mauritz will take responsibility for manufacturing and marketing the clothes. What management function guided the alliance between the designer and the retailer?
- controlling
 - leading
 - planning
 - organizing

ANS: D

Organizing is deciding where decisions will be made, who will do what jobs, and who will work for whom.

PTS: 1

REF: p. 4–5

OBJ: 2

BLM: Higher Order

17. Jane is in charge of her Rotary Club's annual fund-raising auction. She will decide who will ask local businesses for prizes, who will determine the site, who will sell tickets to customers, and who will work the night of the auction. Which of the following activities is she engaged in?
- a. planning
 - b. leading
 - c. controlling
 - d. organizing

ANS: D

Organizing is deciding where decisions will be made, who will do what jobs, and who will work for whom.

PTS: 1

REF: p. 4–5

OBJ: 2

BLM: Higher Order

18. Robert Rothschild Farm boosted the morale of its 75 employees and showed gratitude to them by hosting its first employee appreciation week. Which management function did it use to reward its employees?
- a. leading
 - b. commanding
 - c. evaluating
 - d. controlling

ANS: A

Leading involves inspiring employees to work harder to achieve organizational goals.

PTS: 1

REF: p. 5

OBJ: 2

BLM: Higher Order

19. Eastman Kodak owns a company that manufactures dental radiation equipment. The company has experienced excessive financial losses the last three years. Who is expected to develop the long-term plans needed to make the company profitable?
- a. supervising manager
 - b. top manager
 - c. first-line manager
 - d. middle manager

ANS: B

PTS: 1

REF: p. 6

OBJ: 2

BLM: Higher Order

20. Which of the following functions is typically performed by middle managers?
- a. planning and implementing subunit strategies for achieving organizational goals
 - b. developing in employees the attitudes of commitment to and ownership of the company's performance
 - c. creating a positive organizational culture through language and action
 - d. monitoring the business environment

ANS: A

PTS: 1

REF: p. 7

OBJ: 3

BLM: Remember

21. In 2013, ABC Tools decided to modernize the look of its products by redesigning its packaging. Who would be responsible for implementing this change?
- a. middle management
 - b. first-line management
 - c. team leaders
 - d. product supervisors

ANS: A

Middle managers implement the strategies needed to achieve top management's goals.

PTS: 1

REF: p. 7

OBJ: 3

BLM: Higher Order

22. Which of the following job responsibilities is typically fulfilled by a middle manager for a manufacturing firm?
- a. monitoring how consumers feel about environmental waste
 - b. scheduling vacation time for employees
 - c. determining how the company will implement a plan calling for a 10 percent decrease in costs
 - d. maintaining a positive organizational culture

ANS: C

PTS: 1

REF: p. 7

OBJ: 3

BLM: Higher Order

23. Which of the following duties would be performed by a top manager for a management consulting firm?
- a. establishing a positive organizational culture
 - b. ensuring that employees are attired according to the company dress code
 - c. evaluating the performance of individual consultants
 - d. monitoring expense statements turned in by consultants

ANS: A

PTS: 1

REF: p. 7

OBJ: 3

BLM: Higher Order

24. The chairs of the accounting, marketing, and communications departments at a typical university are managers. Which title best describes them?
- a. supervising manager
 - b. first-line manager
 - c. middle manager
 - d. department manager

ANS: B

PTS: 1

REF: p. 8

OBJ: 3

BLM: Remember

25. Who in a police department is typically responsible for determining which police officers will work overtime?
- a. middle managers
 - b. administrative managers
 - c. first-line managers
 - d. team leaders

ANS: C

Middle managers are responsible for planning and implementing subunit strategies for achieving the objectives of top managers.

PTS: 1

REF: p. 8

OBJ: 4

BLM: Higher Order

26. Who is typically responsible for creating a positive organizational culture through language and action?
- a. top managers
 - b. middle managers
 - c. team leaders
 - d. group facilitators

ANS: A

PTS: 1

REF: p. 7

OBJ: 3

BLM: Remember

27. Which of the following titles represents the level of a marketing manager?
- a. supervising manager
 - b. top manager
 - c. middle manager
 - d. department manager

ANS: C

The marketing department is a division. A division manager is a middle manager.

PTS: 1

REF: p. 7

OBJ: 3

BLM: Higher Order

28. Which of the following terms would typically be used to describe the position of a human resource manager?
- a. supervising manager
 - b. top manager
 - c. middle manager
 - d. department manager

ANS: C

The human resource department is a division. A division manager is a middle manager.

PTS: 1

REF: p. 7

OBJ: 3

BLM: Higher Order

29. Who is typically responsible for setting objectives consistent with organizational goals and then planning and implementing the subunit strategies for achieving these goals?
- a. top managers
 - b. first-line managers
 - c. team leaders
 - d. middle managers

ANS: D PTS: 1 REF: p. 7 OBJ: 3
BLM: Remember

30. Which of the following functions is typically performed by a middle manager?
- a. responding to customer complaints
 - b. coordinating groups and departments
 - c. ensuring printers, faxes, and other office machines are maintained regularly
 - d. setting long-term strategies for the organization

ANS: B PTS: 1 REF: p. 7 OBJ: 3
BLM: Remember

31. Who typically coordinates and links groups, departments, and divisions within a company?
- a. top managers
 - b. middle managers
 - c. team leaders
 - d. first-line managers

ANS: B PTS: 1 REF: p. 7 OBJ: 3
BLM: Remember

32. Who is typically responsible for developing intermediate plans, designed to produce results within 6 to 18 months?
- a. middle managers
 - b. first-line managers
 - c. group facilitators
 - d. team leaders

ANS: A PTS: 1 REF: p. 8 OBJ: 3
BLM: Remember

33. Which of the following tasks are first-line managers most likely to perform?
- a. reviewing the performance of corporate investments
 - b. encouraging, monitoring, and rewarding employee performance
 - c. determining how to deal with long-term environmental changes
 - d. periodically observing the company's organizational culture

ANS: B PTS: 1 REF: p. 8 OBJ: 3
BLM: Remember

34. Who typically trains and supervises the performance of non-managerial employees and are directly responsible for producing the company's products or services?
- a. general managers
 - b. middle managers
 - c. first-line managers
 - d. team leaders

ANS: C PTS: 1 REF: p. 8 OBJ: 3
BLM: Remember

35. At which level of management would a manager typically plan an employee picnic, select and order performance awards to be presented at the picnic, and encourage workers to attend the event?
- a. marketing
 - b. first-line
 - c. top
 - d. middle

ANS: B
One of the duties of the first-line manager is to reward the performance of others.

PTS: 1 REF: p. 8 OBJ: 3 BLM: Remember

36. Walker supervises operations on the chassis assembly line for a large vehicle manufacturer. Most of his time is spent on ensuring quality control maintenance, scheduling workers, and training new employees. What type of manager is he?
- a. first-line manager
 - b. middle manager
 - c. team leader
 - d. group facilitator

ANS: A PTS: 1 REF: p. 8 OBJ: 3
BLM: Higher Order

37. Which of the following tasks would a first-line manager for a large electric generator manufacturer perform?
- a. monitoring how customers feel about electric-powered engines
 - b. determining whether the company needs to increase its production by adding a shift
 - c. monitoring and managing the performance of the company's international subsidiaries
 - d. managing the performance of the employees who build the generators

ANS: D PTS: 1 REF: p. 8 OBJ: 3
BLM: Remember

38. Who is responsible for placing orders for food and paper supplies and for setting up weekly work schedules at a fast-food restaurant?
- a. corporate vice president
 - b. middle manager
 - c. first-line manager
 - d. top manager

ANS: C PTS: 1 REF: p. 8 OBJ: 3
BLM: Remember

39. Which of the tasks listed below will middle managers most likely have to perform?
- a. facilitating a bottom-up planning approach to supervising
 - b. managing the performance of entry-level employees
 - c. implementing the changes generated by top managers
 - d. developing employees' commitment to and ownership of the company's performance

ANS: C PTS: 1 REF: p. 7 OBJ: 3

BLM: Remember

40. A shoe company expects its designers to operate like a team when they create new shoe designs. Most of its designers do not have a background in fashion, so it is important that they share their expertise. What task would each team leader most likely be responsible for?
- a. developing organizational codes of ethics
 - b. managing external and internal team relationships
 - c. developing growth strategies
 - d. coordinating the performances of all teams

ANS: B PTS: 1 REF: p. 8–9 OBJ: 3

BLM: Higher Order

41. Which of the following is a typical responsibility of a corporate team leader?
- a. conducting quality control audits
 - b. managing external and internal relationships
 - c. acting as a department liaison
 - d. overseeing strategy implementation

ANS: B PTS: 1 REF: p. 8–9 OBJ: 3

BLM: Remember

42. Which of the following responsibilities would be typical of a team leader in business?
- a. managing internal and external relationships
 - b. monitoring and managing the performance of subunits
 - c. making detailed schedules and operating plans
 - d. monitoring the organizational culture

ANS: A PTS: 1 REF: p. 8–9 OBJ: 3

BLM: Higher Order

43. According to Henry Mintzberg, which are the three major roles that managers fulfill while performing their jobs?
- a. informational roles, interpersonal roles, and decisional roles
 - b. coordination roles, ethical roles, and organizational roles
 - c. interpersonal roles, ethical roles, and coordination roles
 - d. informational roles, decisional roles, and organizational roles

ANS: A PTS: 1 REF: p. 9 OBJ: 3

BLM: Remember

44. Which of the following is an example of an interpersonal role?
- figurehead
 - monitor
 - disseminator
 - spokesperson

ANS: A

The other interpersonal roles are leader and liaison.

PTS: 1 REF: p. 10 OBJ: 3 BLM: Remember

45. The marketing manager of ABC Silverware was asked to meet with the organization's research and development department to explain why the company needed to change its 25-year-old package design for cutlery. What interpersonal role would the marketing manager take on in this situation?
- liaison
 - disseminator
 - figurehead
 - resource allocator

ANS: A

In a liaison role, managers deal with people outside their units.

PTS: 1 REF: p. 10 OBJ: 3 BLM: Higher Order

46. Habitat for Humanity founder Millard Fuller was forced into assuming a figurehead role after hiring a new managing director. What did Fuller most likely do in this new role?
- He distributed critical information to employees.
 - He monitored the environment.
 - He helped the organization adapt to incremental changes.
 - He performed ceremonial duties such as greeting company visitors.

ANS: D

The figurehead role is an interpersonal role in which the manager in that role represents the company in various ways to the external environment.

PTS: 1 REF: p. 10 OBJ: 3 BLM: Higher Order

47. After the death of her husband, Miriam McAllister became the CEO of a company that is the world's leading manufacturer of kidney dialysis machines. When she took the position, it was believed that she would perform only ceremonial duties and would not want to take active part in running the company. In other words, what role was it assumed she would choose?
- resource allocator
 - monitor
 - spokesperson
 - figurehead

ANS: D

It was assumed that McAllister would perform ceremonial duties as a figurehead.

PTS: 1 REF: p. 10 OBJ: 3 BLM: Higher Order

48. Henry Mintzberg would describe Lorenzo Fluza, the owner and CEO of the company that makes Camper shoes, as taking a leader role within the organization. In this role, how does Lorenzo Fluza spend much of his time?
- a. negotiating
 - b. responding to instrumental change
 - c. performing ceremonial duties
 - d. motivating and encouraging employees

ANS: D

PTS: 1

REF: p. 10

OBJ: 3

BLM: Remember

49. A marketing manager was hired by a plumbing fixtures manufacturer to operate information booths at more than 20 different international trade shows annually. According to Henry Mintzberg, which managerial role would this marketing manager have?
- a. resource allocator
 - b. figurehead
 - c. communicator
 - d. spokesperson

ANS: D

In the spokesperson role, managers share information with people outside the firm.

PTS: 1

REF: p. 10–11

OBJ: 4

BLM: Higher Order

50. In a speech delivered to a forum for retail leaders, Dr. Hans-Joachim Koerber stated, “Sustained growth is essential. Sustaining growth is a challenge for virtually every company.” What informational role did Dr. Koerber assume?
- a. liaison
 - b. resource allocator
 - c. figurehead
 - d. spokesperson

ANS: D

In the spokesperson role, managers share information with people outside their company.

PTS: 1

REF: p. 10–11

OBJ: 4

BLM: Higher Order

51. The Ambulatory Care Nursing Association’s (ACNA) board of directors made a commitment to ask their members for feedback about their experiences with and perceptions of ACNA. The head of the organization volunteered to conduct the environmental scanning and share what she learned with the others. Which informational roles did the head of the organization assume?
- a. liaison and spokesperson
 - b. liaison and resource allocator
 - c. monitor and disseminator
 - d. monitor and negotiator

ANS: C

In the monitor role, she conducts environmental scanning. In the disseminator role, she shares what she has learned.

PTS: 1

REF: p. 10

OBJ: 4

BLM: Higher Order

52. After the death of her husband, Miriam McAllister became the CEO of a company that is the world's leading manufacturer of kidney dialysis machines. Even though she was not expected to, she was quick to ask company employees to develop ideas for new products that would lead to organizational growth in a changing environment. What decisional role did McAllister assume?
- a. leader
 - b. disseminator
 - c. resource allocator
 - d. entrepreneur

ANS: D

In the entrepreneur role, managers adapt themselves, their subordinates, and their units to incremental change.

PTS: 1

REF: p. 11

OBJ: 4

BLM: Higher Order

53. In what decisional role do managers adapt themselves, their subordinates, and their units to incremental change?
- a. resource allocator
 - b. entrepreneur
 - c. disturbance handler
 - d. liaison

ANS: B

PTS: 1

REF: p. 11

OBJ: 4

BLM: Remember

54. Spiegel announced to the media that it was close to completing its corporate restructuring and that after filing its proposed joint plan of reorganization, it would be one step closer to emerging from Chapter 11 status. According to Henry Mintzberg, which managerial role would have been adopted in order to make this announcement?
- a. disturbance handler
 - b. controller
 - c. spokesperson
 - d. entrepreneur

ANS: C

The spokesperson shares information with people outside the company.

PTS: 1

REF: p. 10–11

OBJ: 4

BLM: Higher Order

55. Connie O'Day is a middle manager for the publishers of *Free Spirit* magazine, a publication targeted at women who are not worried about finding a husband or maintaining a house and garden. O'Day spends much of her day conducting interviews with groups of women to determine what they consider most important in their lives. She also keeps an eye on the sales and content of other women's magazines. Which informational role does O'Day perform?
- a. entrepreneur
 - b. monitor
 - c. spokesperson
 - d. liaison

ANS: B

In the monitor role, managers scan their environments for information, actively contact others for information, and, because of their personal contacts, receive a great deal of unsolicited information.

PTS: 1

REF: p. 10

OBJ: 4

BLM: Higher Order

56. Which informational role do managers play when sharing information they have collected with their subordinates and others in the company?
- a. monitor
 - b. figurehead
 - c. resource allocator
 - d. disseminator

ANS: D PTS: 1 REF: p. 10 OBJ: 4
BLM: Remember

57. The sales manager is in charge of monitoring the expense accounts of her sales force. Which of the following roles is most closely associated with her actions?
- a. resource allocator
 - b. entrepreneur
 - c. disturbance handler
 - d. disseminator

ANS: A
A resource allocator decides who gets what resources.

PTS: 1 REF: p. 12 OBJ: 4 BLM: Higher Order

58. In Great Britain, Nestlé introduced a candy bar called Yorkie with the slogan “It’s *not* for girls!” A furor arose over this sexist campaign. What role were the British managers forced into?
- a. entrepreneurs
 - b. disturbance handlers
 - c. liaisons
 - d. disseminators

ANS: B
The disturbance handler role is played when managers must respond to severe problems that demand immediate attention.

PTS: 1 REF: p. 11 OBJ: 4 BLM: Higher Order

59. According to Henry Mintzberg, which role would a manager assume if trying to convince union members to accept a 25-cent-per-hour reduction in pay in order to keep the manufacturing plant open?
- a. resource allocator
 - b. entrepreneur
 - c. liaison
 - d. negotiator

ANS: D
In the negotiator role, managers negotiate schedules, projects, goals, resources, and employee raises.

PTS: 1 REF: p. 12 OBJ: 4 BLM: Remember

60. Which of the following skills is most exhibited by an accountant who has the ability to create a budget, compare the budget to the actual income statement, and determine unnecessary expenses?
- a. technical skill
 - b. human skill
 - c. conceptual skill
 - d. motivation to manage

ANS: A

Technical skills are the ability to apply the specialized procedures, techniques, and knowledge required to get the job done.

PTS: 1

REF: p. 12–13

OBJ: 4

BLM: Remember

61. Which types of skills tend to be most important to the success of lower-level managers?
- a. decisional skills
 - b. human skills
 - c. motivation to manage
 - d. technical skills

ANS: D

PTS: 1

REF: p. 12–13

OBJ: 4

BLM: Remember

62. An advertisement for a its wireless data service showed a mannequin of a laptop user perched on top of a billboard. The billboard caused fender-benders as drivers gawked, concerned that a distraught soul had climbed up and was ready to jump. Which kinds of skills would the company's marketing manager need the most to determine that the mannequin was creating bad publicity for the company?
- a. informational
 - b. conceptual
 - c. interpersonal
 - d. decisional

ANS: B

Conceptual skills are the ability to see the organization as a whole and understand how its different parts have an impact upon one another and its environment.

PTS: 1

REF: p. 13

OBJ: 5

BLM: Higher Order

63. Which of the following skills creates a competitive advantage through people by rewarding them for providing exceptional customer service?
- a. motivation to manage
 - b. conceptual skill
 - c. interpersonal skill
 - d. decisional skill

ANS: A

PTS: 1

REF: p. 13

OBJ: 5

BLM: Remember

64. Which types of skills tend to be equally important at all levels of management?
- a. technical skills
 - b. human skills
 - c. decisional skills
 - d. motivation to manage

ANS: B PTS: 1 REF: p. 13 OBJ: 5
BLM: Remember

65. Martha has been with her company for 15 years. She started at the lowest level in manufacturing and worked her way up through all the management levels. She is now the vice president of operations. Which skill was Martha most likely equally adept at through each level of her progress?
- a. technical skills
 - b. human skills
 - c. decisional skills
 - d. motivation to manage

ANS: B PTS: 1 REF: p. 13 OBJ: 5
BLM: Higher Order

66. Which set of skills increases in importance to success as people rise through the managerial ranks?
- a. human skills and technical skills
 - b. human skills and the motivation to manage
 - c. conceptual skills and the motivation to manage
 - d. conceptual skills and human skills

ANS: C PTS: 1 REF: p. 13 OBJ: 5
BLM: Remember

67. After the death of her husband, Miriam McAllister became the CEO of a company that is the world's leading manufacturer of kidney dialysis machines, and she encouraged its expansion into other hospital services. McAllister has almost doubled her company's revenues since she took control. Consider the studies of managers who fail (derailers) and managers who climb the organizational hierarchy (arrivers). What quality did McAllister, as an arriver, likely exhibit?
- a. an inability to adapt her management style to what was needed by her subordinates
 - b. sensitivity to others
 - c. coldness/alooofness
 - d. over-ambition

ANS: B
The number one mistake made by derailers is their insensitivity to others.

PTS: 1 REF: p. 13–14 OBJ: 6 BLM: Higher Order

68. Stan Dali was the most successful salesperson his realty company had ever hired. Although quickly promoted to sales manager, he was never able to reach any higher levels of management because he bullied his employees. Which type of manager is Dali an example of?
- a. the derailer
 - b. the staller
 - c. the failure
 - d. the non-arriver

ANS: A

A derailer is a manager who was successful at the beginning, but gets knocked off the fast track.

PTS: 1

REF: p. 13

OBJ: 5

BLM: Higher Order

69. Two graduates from McMaster University in the 1980's are now working for similar businesses but are at different levels in their organizations. JoAnne is the CEO of her firm and Sharon can't seem to get beyond the regional manager position she has held for over fifteen years. What likely makes JoAnne an "arriver" and Sharon a "derailer"?
- a. JoAnne's flaws are to be overly ambitious and not delegate well to subordinates, whereas Sharon's flaw is that she can be cold, aloof, and arrogant.
 - b. JoAnne's flaw is that she can be insensitive at times, whereas Sharon's flaw is she has difficulty finding the right staff.
 - c. Sharon's flaw is that she has trouble thinking strategically, whereas JoAnne's flaws are insensitivity and trouble adapting to a boss that has a different management style from hers.
 - d. Sharon's flaws are that she has difficulty with specific business problems and overmanages, whereas JoAnne's flaw is that she can be overly dependent on a mentor at times.

ANS: D

Derailers are separated from arrivers by having at least two major flaws, whereas arrivers have no more than one.

PTS: 1

REF: p. 13

OBJ: 6

BLM: Remember

70. A successful manufacturer of fishing lures hired a new CEO who proved to be a derailer. What did the new CEO, as a derailer, most likely do?
- a. refused to listen to the advice given him by the previous CEO
 - b. showed too much flexibility
 - c. preferred to take the role of figurehead
 - d. failed to think strategically

ANS: D

One of many fatal flaws that derailers have is the inability to think strategically.

PTS: 1

REF: p. 14

OBJ: 6

BLM: Remember

71. What separates derailers from arrivers?
- a. Derailers have more significant flaws than arrivers.
 - b. Arrivers may have more flaws but they are not as serious as the flaws derailers have.
 - c. Derailers have at least two major flaws and arrivers have no more than one major flaw.
 - d. Arrivers do not have the flaw of betraying trust whereas derailers have betrayed trust.

ANS: C

Derailers are separated from arrivers by having at least two major flaws, whereas arrivers have no more than one.

PTS: 1 REF: p. 14 OBJ: 6 BLM: Remember

72. As the shift supervisor at a car wash, Jakob is bossy, arrogant, and insensitive to the needs of his subordinates. He is unable to delegate any tasks to the other employees. Why will he more than likely never become a middle or top manager?
- a. He is a management laggard.
 - b. He is a derail.
 - c. He does not understand the importance of synergy.
 - d. He does not do hands-on work.

ANS: B

He shows insensitivity to others, the number one mistake made by derailers.

PTS: 1 REF: p. 13 OBJ: 6 BLM: Higher Order

73. After six months in the role, what do new managers most typically believe their job is?
- a. to exercise formal authority
 - b. to maintain control and avoid delegation
 - c. to develop people's potential
 - d. to solve problems for subordinates

ANS: D PTS: 1 REF: p. 15; Exhibit 1.5
OBJ: 7 BLM: Remember

74. What do managers tend to do after their first year of managerial experience?
- a. They exercise more formal authority.
 - b. They do less listening and more telling.
 - c. They view themselves as the boss.
 - d. They use more positive reinforcement.

ANS: D PTS: 1 REF: p. 15; Exhibit 1.5
OBJ: 7 BLM: Remember

75. After a year as a manager, what do new managers typically realize to be their job's most frequent role?
- a. troubleshooting
 - b. managing tasks
 - c. problem-solving
 - d. developing people

ANS: D PTS: 1 REF: p. 15; Exhibit 1.5
OBJ: 7 BLM: Remember

76. According to Jeffrey Pfeffer, what should company managers focus on to be more competitive?
- a. understanding changes in demographics
 - b. developing their management style
 - c. serving as better spokespersons
 - d. analyzing the competition

ANS: B

Jeffrey Pfeffer contends that what separates top-performing companies from their competitors is the way they treat their workforces.

PTS: 1

REF: p. 16

OBJ: 8

BLM: Remember

77. Leon Dodd is a member of a self-managed team at Standard Aero Alliance, Inc. (SAAI). His team's top priorities are understanding customer requirements and expectations. What does it appear that SAAI is doing?
- a. using employee benchmarking
 - b. allowing its employees to assume various decisional roles
 - c. letting its teams handle all planning functions
 - d. using its employees to create a competitive advantage

ANS: D

The use of self-managed teams is one management practice suggested as a way to create a competitive advantage through employees.

PTS: 1

REF: p. 16

OBJ: 8

BLM: Higher Order

78. A *Fortune 500* management consulting firm conducts Project Management Preparatory Academies for its clients in which participants spend 70 hours learning how to create a differential competitive advantage through their employees. Which of the following most likely accounts for the participants' interest?
- a. The maintenance of employee relations is the latest trend in business.
 - b. Satisfied employees yield satisfied customers.
 - c. The participants' companies probably lack a competitive advantage.
 - d. Employees need only job security to be satisfied in their work.

ANS: B

Research indicates that managers have an important effect on customer satisfaction because they are responsible for how satisfied their employees are at their jobs. Satisfied employees provide much better customer service.

PTS: 1

REF: p. 17

OBJ: 8

BLM: Higher Order

Narrative 1-1

Krispy Kreme has been described by many as “the hottest brand in America.” The company’s success in an environment that is not conducive to food operations succeeding is due to a mix of “shrewdness, original thinking, and entrepreneurship.” The company originated in Winston-Salem, North Carolina, where it still operates a plant that fills a 23 kg bag with donut mix every seven seconds. It recently opened a new plant in Effingham, Illinois, that fills a bag every three seconds. This second plant allows the company to reduce costs while increasing its output. Vernon Rudolph founded and ran the company until 1973, when he died without naming a successor. His death caused the company problems for the next decade.

79. Refer to the Narrative 1-1. Which of the following did the building of the Effingham plant increase for Krispy Kreme?
- a. effectiveness
 - b. synergy
 - c. advocacy
 - d. efficiency

ANS: D PTS: 1 REF: p. 3 OBJ: 1
BLM: Higher Order

80. Refer to the Narrative 1-1. Which management function had Rudolph failed to perform at the time of his death?
- a. planning
 - b. controlling
 - c. leading
 - d. organizing

ANS: A PTS: 1 REF: p. 4 OBJ: 2
BLM: Higher Order

81. Refer to the Narrative 1-1. Which of the following tasks would Rudolph, as the CEO of Krispy Kreme, have been responsible for?
- a. developing employees’ commitment to the company
 - b. making sales calls
 - c. ensuring that the baking ovens were operating efficiently on a daily basis
 - d. sourcing new suppliers for the products’ raw ingredients

ANS: A PTS: 1 REF: p. 6 OBJ: 3
BLM: Higher Order

82. Refer to the Narrative 1-1. Which role did Rudolph play as the entrepreneur who founded the company?
- a. the managerial role
 - b. the informational role
 - c. the decisional role
 - d. the organizational role

ANS: C PTS: 1 REF: p. 11 OBJ: 4
BLM: Higher Order

83. Refer to the Narrative 1-1. According to the textbook, managers need four skills to be successful. The fact that Rudolph was a skilled baker indicates he had which type of skill?
- a. technical
 - b. interpersonal
 - c. conceptual
 - d. human

ANS: A PTS: 1 REF: p. 13 OBJ: 5
BLM: Higher Order

Narrative 1-2

In April 2103, Volkswagen reported a net profit increase of 41 percent. While the future looks bright for VW today, it was not always so. In August 2005, VW's past chief executive officer, Bernd Pischetsrieder, announced another restructuring plan for the company. VW is Europe's largest carmaker and needed to make itself profitable once again. To do so, VW cut thousands of jobs through natural attrition, early retirement, and buyouts of worker contracts. The carmaker also reviewed its component parts factories in Brunswick, Kassel, and Wolfsburg to help it accomplish its organizational goal. Pischetsrieder blamed much of the company's problems on restructuring that was done in 1993. He insisted that the company missed a whole generation of managers because its former CEO eliminated a whole management layer. As a result, 45 percent of the managers at that time went into retirement over the following three to four years.

84. Refer to the Narrative 1-2. What is VW examining in its component parts factories?
- a. efficiency
 - b. synergy
 - c. effectiveness
 - d. autonomy

ANS: C PTS: 1 REF: p. 3 OBJ: 1
BLM: Higher Order

85. Refer to the Narrative 1-2. Which of the following management functions is most involved in the restructuring efforts?
- a. leading
 - b. commanding
 - c. allocating resources
 - d. organizing

ANS: D PTS: 1 REF: p. 4 OBJ: 2
BLM: Higher Order

86. Refer to the Narrative 1-2. Which of the following management functions is most involved in deciding how to replace retiring managers?
- a. leading
 - b. commanding
 - c. allocating resources
 - d. organizing

ANS: A PTS: 1 REF: p. 5 OBJ: 2
BLM: Higher Order

87. Refer to the Narrative 1-2. What role is Bernd Pischetsrieder an example of?
- a. supervisor
 - b. middle manager
 - c. team leader
 - d. top manager

ANS: D PTS: 1 REF: p. 6 OBJ: 3

BLM: Higher Order

88. Refer to the Narrative 1-2. Which role did Bernd Pischetsrieder assume in making his announcement about restructuring?
- a. figurehead
 - b. spokesperson
 - c. liaison
 - d. monitor

ANS: B PTS: 1 REF: p. 11 OBJ: 4

BLM: Higher Order

89. Refer to the Narrative 1-2. Bernd Pischetsrieder flew to Brussels to meet with employees at a VW plant and explained his plans for improving the company's profitability. What role did the CEO assume?
- a. figurehead
 - b. spokesperson
 - c. liaison
 - d. disseminator

ANS: D PTS: 1 REF: p. 10 OBJ: 4

BLM: Higher Order

Narrative 1-3

From the start, Amazon.com has been in a hurry to be a success. According to company founder and chief executive officer (CEO) Jeff Bezos, "Our initial strategy was very focused and very unidimensional. It was GBF: Get big fast."

With billions to spend from its initial stock offering (Amazon's stock quickly rose to over \$100 per share), Amazon spent \$400 million to build eight high-tech warehouses across the country. Each was capable of shipping 60 million items per year, and Amazon needed to control the entire buying transaction, beginning with online ordering, proceeding to quick warehouse handling and boxing, and ending with timely shipping and delivery.

Unfortunately, Amazon grew so fast that it soon lost control of the basics. Amazon burned money so quickly that it had to issue bonds to raise another \$2.2 billion to keep the company running. Still, it had only enough business and cash to run six of those new warehouses. Consequently, the company took a \$400 million loss to close two of the warehouses and lay off 1,500 people. Furthermore, the six remaining warehouses were poorly run. Defective products, which should have been returned to manufacturers, sat on the shelves wasting space. Mystery orders kept showing up. Instead of declining the deliveries, workers put whole truckloads of unordered items on the shelves. Amazon had so much unsold inventory in its warehouses that CEO Bezos sent out an e-mail with a point-blank message, "Get the crap out." Amazon's problem was not its sales, which were growing exponentially, but rather in poor management. As a result, its stock, once valued at over \$100 per share, dropped to a low of \$6. Amazon has lost more than \$3 billion since its inception. As for profits, founder Bezos cautioned patience.

In the year that Amazon reported its first quarterly profit, that profit amounted to only \$5 million on \$1.12 billion in sales in its fourth quarter, and Amazon still lost \$45 million for the year. Furthermore, it still has long-term debt of \$2.2 billion to pay off at the rate of \$120 million per year. Results like these would have cost any other CEO their jobs. If Amazon is ultimately to survive and be profitable, what does it need to do to become a more efficiently run company?

90. Refer to the Narrative 1-3. CEO Jeff Bezos must wrestle with basic management issues, such as how to get more done at Amazon with a minimum of effort, expense, or waste. In other words, which of the following will be the goal of the CEO's management strategy?
- a. increasing effectiveness
 - b. finding synergies
 - c. making the company more environmentally friendly
 - d. increasing efficiency

ANS: D PTS: 1 REF: p. 3 OBJ: 1
BLM: Higher Order

91. Refer to the Narrative 1-3. Which traditional management function was key in achieving the goal of getting rid of thousands of dollars' worth of unsold inventory?
- a. organizing
 - b. leading
 - c. planning
 - d. controlling

ANS: C PTS: 1 REF: p. 4 OBJ: 1
BLM: Higher Order

92. Refer to the Narrative 1-3. Which traditional management function will be key in ensuring that Amazon is never again burdened with thousands of dollars' worth of unsold inventory?
- a. organizing
 - b. leading
 - c. planning
 - d. controlling

ANS: D PTS: 1 REF: p. 5 OBJ: 2
BLM: Higher Order

93. Refer to the Narrative 1-3. What is Jeff Bezos most responsible for as CEO of Amazon?
- a. developing employee commitment to the company's performance
 - b. monitoring and managing the performance of subunits and individual managers who report to him
 - c. setting objectives consistent with top management's goals
 - d. coordinating and linking groups, departments, and divisions within the company

ANS: A PTS: 1 REF: p. 6 OBJ: 3
BLM: Higher Order

94. Refer to the Narrative 1-3. Amazon has had nearly a billion dollars in losses because of poor decisions, such as overbuilding warehouses and investing in failed dotcom companies. Which of the following skills is most important for Amazon's top managers to have to become more effective?
- a. technical skills
 - b. human skills
 - c. conceptual skills
 - d. motivating skills

ANS: C

PTS: 1

REF: p. 13

OBJ: 5

BLM: Higher Order

Narrative 1-4

In 2004, Coca-Cola and PepsiCo launched two mid-calorie sodas, C2 and Pepsi Edge, banking on the low-carb trend. Carb-conscious consumers rejected the drinks en masse since one of the key tenets of low-carb diets is to avoid refined sugar in any amount. The new brands grabbed a combined market share of less than 1 percent.

95. Refer to the Narrative 1-4. Which word best describes the product introductions, given that the objective of both soft-drink manufacturers was to increase their market share?
- a. synergistic
 - b. empathetic
 - c. inefficient
 - d. autonomous

ANS: C

Efficiency is getting work done with a minimum of effort, expense, and waste.

PTS: 1

REF: p. 3

OBJ: 1

BLM: Higher Order

96. Refer to the Narrative 1-4. Which level of management at each company was responsible for determining that the soda should be deleted from the product line?
- a. middle management
 - b. team leaders
 - c. product supervisors
 - d. top management

ANS: D

PTS: 1

REF: p. 6

OBJ: 3

BLM: Higher Order

TRUE/FALSE

1. Good management is basic to starting and growing a business, but once some measure of success has been achieved, it becomes less important.

ANS: F

Good management is basic to starting a business, growing a business, and maintaining a business once it has achieved some measure of success.

PTS: 1 REF: p. 3 OBJ: 1 BLM: Remember

2. Managers are responsible for doing the basic work in the company.

ANS: F

The manager's job is not to do the basic work in the company, but to help others do their work.

PTS: 1 REF: p. 3 OBJ: 1 BLM: Remember

3. Companies that plan have larger profits and faster growth than companies that don't.

ANS: T PTS: 1 REF: p. 4 OBJ: 2

BLM: Remember

4. The classical functions of management are (1) making things happen, (2) meeting the competition, (3) organizing people, projects, and processes, and (4) leading.

ANS: F

The classical functions of management are planning, organizing, leading, and controlling.

PTS: 1 REF: p. 4 OBJ: 2 BLM: Remember

5. Top managers are the managers responsible for facilitating team activities toward goal accomplishment.

ANS: F

Top managers are executives responsible for the overall direction of the organization; team leaders are the managers responsible for facilitating team activities toward goal accomplishment.

PTS: 1 REF: p. 6 OBJ: 3 BLM: Remember

6. Typical titles used for top managers are general manager, plant manager, regional manager, and divisional manager.

ANS: F

These are typical titles for middle managers, not top managers.

PTS: 1 REF: p. 6 OBJ: 3 BLM: Remember

7. Top managers are responsible for creating a context for change in the organization.

ANS: T PTS: 1 REF: p. 7 OBJ: 3

BLM: Remember

8. First-line managers are responsible for setting objectives consistent with organizational goals, and for planning and implementing subunit strategies for achieving these objectives.

ANS: F

Middle managers are responsible for setting the objectives and devising strategies to reach them.

PTS: 1 REF: p. 8 OBJ: 3 BLM: Remember

9. Middle managers are typically responsible for coordinating and linking groups, departments, and divisions within a company.

ANS: T PTS: 1 REF: p. 7 OBJ: 3

BLM: Remember

10. First-line managers are the only managers who do not supervise other managers.

ANS: T PTS: 1 REF: p. 8 OBJ: 3

BLM: Remember

11. Middle managers engage in plans and actions that typically produce results within two weeks.

ANS: F

First-line managers engage in such plans and actions. Middle managers plan 6 to 18 months out.

PTS: 1 REF: p. 7 OBJ: 3 BLM: Remember

12. The job of team leader is a management position.

ANS: T

The job of team leader is indeed one of the four kinds of management jobs, which are top managers, middle managers, first-line managers, and team leaders.

PTS: 1 REF: p. 8 OBJ: 3 BLM: Remember

13. Team leaders direct the work of individuals within the team structure.

ANS: F

Instead of directing individuals' work, team leaders facilitate team activities toward goal accomplishment.

PTS: 1 REF: p. 8 OBJ: 3 BLM: Remember

14. Team leaders are responsible for managing both internal team relationships and external relationships with other teams, departments, and divisions in a company.

ANS: T PTS: 1 REF: p. 8 OBJ: 3

BLM: Remember

15. While interpersonal conflict management is a critical skill for first-line managers, it is not a very important skill for team leaders.

ANS: F

It is a critical skill for team leaders. Team leaders are responsible for internal team relations. Since the entire team suffers when a conflict arises between members, team leaders must know how to help team members resolve conflicts.

PTS: 1 REF: p. 9 OBJ: 3 BLM: Remember

16. The three interpersonal subroles are monitor, disseminator, and spokesperson.

ANS: F

The three interpersonal subroles are figurehead, leader, and liaison.

PTS: 1 REF: p. 9; Exhibit 1.2 OBJ: 4
BLM: Remember

17. Henry Mintzberg concluded that managers fulfill three major roles while performing their jobs. These roles are categorized as interpersonal roles, organizational roles, and decisional roles.

ANS: F

Henry Mintzberg's roles were interpersonal roles, informational roles, and decisional roles.

PTS: 1 REF: p. 9 OBJ: 4 BLM: Remember

18. The decisional roles consist of four subroles: entrepreneur, disturbance handler, resource allocator, and spokesperson.

ANS: F

The four subroles are entrepreneur, disturbance handler, resource allocator, and negotiator.

PTS: 1 REF: p. 9; Exhibit 1.2 OBJ: 4
BLM: Remember

19. In the entrepreneur role, managers adapt themselves, their subordinates, and their units to incremental change.

ANS: T PTS: 1 REF: p. 11 OBJ: 4
BLM: Remember

20. Companies look for a total of four sets of skills in individuals to identify potential managers. These desired skills are technical skills, human skills, conceptual skills, and the motivation to manage.

ANS: T PTS: 1 REF: p. 12–13 OBJ: 5
BLM: Remember

21. Technical skill refers to the ability to see the organization as a whole, how the different parts affect each other, and how the company fits into or is affected by its environment.

ANS: F

Technical skill refers to the ability to apply the specialized procedures, techniques, and knowledge required to get the job done. The foregoing defines conceptual skill.

PTS: 1 REF: p. 12–13 OBJ: 5 BLM: Remember

22. For many managers, the knowledge, skills, and abilities that led to success early in their careers—that is, before their promotion into the ranks of management—may not necessarily help them succeed as managers.

ANS: T PTS: 1 REF: p. 13 OBJ: 5
BLM: Remember

23. Conceptual skills are most important for lower-level managers.

ANS: F

Technical skills are most important for lower-level managers.

PTS: 1 REF: p. 13 OBJ: 5 BLM: Remember

24. Upper-level managers may spend more time dealing with people than lower-level managers.

ANS: T PTS: 1 REF: p. 13 OBJ: 5
BLM: Remember

25. The motivation to manage tends to be higher among managers at higher levels in the organization than among managers at lower levels in the organization.

ANS: T PTS: 1 REF: p. 13 OBJ: 5
BLM: Remember

26. The number one mistake made by managers who were “derailed” from their fast-track movement up the managerial ranks was that they didn’t develop the necessary technical skills.

ANS: F PTS: 1 REF: p. 13 OBJ: 6
BLM: Remember

27. A management study discovered that companies that invest in their people will create long-term competitive advantages that are difficult for other companies to duplicate.

ANS: T PTS: 1 REF: p. 16 OBJ: 6
BLM: Remember

SHORT ANSWER

1. Define efficiency and effectiveness, and explain their relationship to the process of management.

ANS:

Managers need to be concerned with both efficiency and effectiveness in the work process. Efficiency is getting work done with a minimum of effort, expense, or waste. By itself, efficiency is not enough to ensure managerial success. Managers must also strive for effectiveness, which is accomplishing tasks that help fulfill organizational objectives.

PTS: 1 REF: p. 3–4 OBJ: 1 BLM: Remember

2. List and briefly identify the four classical functions of management.

ANS:

The four classical functions of management are planning (determining organizational goals and the means for achieving them), organizing (deciding where decisions will be made, who will do what jobs and tasks, and who will work for whom), leading (inspiring and motivating workers to work hard to achieve organizational goals), and controlling (monitoring progress toward goal achievement and taking corrective action when needed).

PTS: 1 REF: p. 4–6 OBJ: 2 BLM: Remember

3. Identify the four different kinds of managers. List one of the basic responsibilities for each of these four different manager types.

ANS:

Top managers are responsible for creating a context for change, developing attitudes of commitment and ownership, creating a positive organizational culture through words and actions, and monitoring their company's business environments. Middle managers are responsible for planning and allocating resources, coordinating and linking groups and departments, monitoring and managing the performance of subunits and managers, and implementing the changes or strategies generated by top managers. First-line managers are responsible for managing the performance of nonmanagerial employees, teaching people who directly report to them how to do their jobs, and making detailed schedules and operating plans based on middle management's intermediate-range plans. Team leaders are responsible for facilitating team performance, managing external relationships, and facilitating internal team relationships.

PTS: 1 REF: p. 6–9 OBJ: 3 BLM: Remember

4. What are the four major responsibilities of the typical middle manager?

ANS:

The four major responsibilities of middle managers are (1) setting objectives consistent with top management's goals and planning and implementing subunit strategies for achieving these objectives; (2) coordinating and linking groups, departments, and divisions within a company; (3) monitoring and managing the performance of subunits and individual managers who report to them; and (4) implementing the changes or strategies generated by top managers.

PTS: 1 REF: p. 7–8 OBJ: 3 BLM: Remember

5. Specify the differences in the time frames involved in planning done by top, middle, and first-line managers.

ANS:

Top managers typically create long-term plans, designed to produce results three to five years out. Middle managers are responsible for intermediate plans (6 to 18 months out). First-line supervisors engage in plans and actions that typically produce results within two weeks.

PTS: 1 REF: p. 8 OBJ: 3 BLM: Remember

6. Among the four kinds of management jobs, specify the one that is the most recent addition to organizations. List the basic responsibilities of that management job.

ANS:

The fourth kind of manager is a team leader. This relatively new kind of management job developed as companies shifted to self-managing teams, which, by definition, have no formal supervisor. Team leaders are responsible for facilitating team performance (but the team itself is responsible for performance), managing external relationships, and facilitating internal team relationships.

PTS: 1 REF: p. 8–9 OBJ: 3 BLM: Remember

7. List and briefly identify the three basic managerial roles identified by Henry Mintzberg. Include a list of the basic subroles that characterize each of these roles in your definition.

ANS:

Managers fulfill three major roles while performing their jobs: (1) interpersonal roles (e.g., talking to people), which include the subroles of figurehead, leader, and liaison; (2) informational roles (e.g., gathering and giving information), which include the subroles of monitor, disseminator, and spokesperson; and (3) decisional roles (e.g., making decisions), including the subroles of entrepreneur, disturbance handler, resource allocator, and negotiator.

PTS: 1 REF: p. 9–12 OBJ: 4 BLM: Remember

8. List and briefly identify the four kinds of skills that companies look for in managers.

ANS:

When companies look for employees who would be good managers, they look for individuals who have technical skills, human skills, and conceptual skills, as well as the motivation to manage. *Technical skills* refer to the ability to apply the specialized procedures, techniques, and knowledge required to get the job done. *Human skills* are the ability to work well with others. *Conceptual skills* relate to being able to see the organization as a whole, to appreciate how the different parts of the company affect one another and how the company fits into or is affected by its external environment. *Motivation to manage* is an assessment of how enthusiastic employees are about managing the work of others.

PTS: 1 REF: p. 12–13 OBJ: 5 BLM: Remember

9. Within the four sets of skills that companies look for in managers, specify those that tend to be more important or more prevalent in higher-level than lower-level managers.

ANS:

When companies look for employees who would be good managers, they look for individuals who have technical skills (the ability to apply the specialized procedures, techniques, and knowledge required to get the job done), human skills (the ability to work well with others), and conceptual skills (the ability to see the organization as a whole and understand how the different parts of the company affect one another and how the company fits into or is affected by its external environment), and are motivated to manage (an assessment of how enthusiastic employees are about managing the work of others). The latter two characteristics tend to be stronger in higher-level managers. Conceptual skill increases in importance as managers rise through the management hierarchy. In addition, managers at higher levels usually have a stronger motivation to manage than managers at lower levels.

PTS: 1

REF: p. 13

OBJ: 4

BLM: Remember

10. Identify three of the five most significant mistakes that managers make.

ANS:

Five of the most critical mistakes made by managers are (1) being abrasive and intimidating; (2) being cold, aloof, or arrogant; (3) betraying trust; (4) being overly ambitious; and (5) overmanaging and failing to delegate.

PTS: 1

REF: p. 14

OBJ: 6

BLM: Remember

11. Briefly explain how and why companies can create a competitive advantage through people.

ANS:

Well-managed companies are competitive because their workforces are smarter, better trained, more motivated, and more committed. Furthermore, companies that practise good management consistently have greater revenues and profits than companies that don't. Finally, good management matters because good management leads to satisfied employees who, in turn, provide better service to customers. Because employees tend to treat customers the same way that their managers treat them, good management can improve customer satisfaction.

PTS: 1

REF: p. 16

OBJ: 7

BLM: Remember

ESSAY

1. Top managers are responsible for (1) creating a context for change, (2) developing attitudes of commitment and ownership, (3) creating a positive organizational culture through words and actions, and (4) monitoring their company's business environment. Of these four dimensions, which ones do you think can also be subject to a significant impact from the day-to-day actions of middle managers, first-line managers, and team leaders? Explain the rationale for your answer.

ANS:

In their day-to-day activities, lower-level managers probably do not have a significant impact on two of the four dimensions: creating a context for change and monitoring their company's business environment. Regarding both of these dimensions, lower-level managers have neither the time available to collect the necessary information for analysis, synthesis, and decision making, nor the authority to develop and put in place overall strategies, visions, or mission statements. On the other hand, when it comes to the dimension of developing attitudes of commitment and ownership, the day-to-day treatment of peers, subordinates, and other employees will often have an impact on the attitudes and commitment of those employees and their personal acceptance of responsibility for their share of the company's performance. Similarly, by their actions, lower-level managers can demonstrate the importance of, and their commitment to, company values and strategies, thereby addressing the dimension of creating a positive organizational culture through words and actions. They can support and enhance a positive organizational culture through their actions and language by living those values and commitments and demonstrating this to all employees through personal behaviour. Employees will be more likely to accept and support the organization's culture if they see managers at all levels "living the culture" in their day-to-day work.

PTS: 1

REF: p. 6–10

OBJ: 4

BLM: Higher Order

2. Compare and contrast the managerial roles of liaison, spokesperson, and negotiator. Explain both the similarities that link these roles behaviourally and the differences that are used by Henry Mintzberg to differentiate them.

ANS:

The roles of liaison, spokesperson, and negotiator are all subroles within Mintzberg's larger framework of three major roles fulfilled by managers while performing their jobs. The liaison is an *interpersonal* subrole, the spokesperson is an *informational* subrole, and the negotiator is a *decisional* subrole. From the behavioural point of view, *each of these subroles is characterized by direct communication between the manager and other people*. Specifically, in the liaison role, managers deal with people outside their units. For example, a production manager might meet with an engineering manager to develop solutions to problems. In the spokesperson role, managers share information with people outside their departments and companies. For example, a CEO might explain company performance to the board of directors. In the negotiator role, managers negotiate schedules, projects, goals, outcomes, resources, and employee raises, as in negotiating a union contract, for example. Thus, *from the perspective of the behaviour of the manager, there is considerable similarity and overlap in these roles—Mintzberg differentiates them in terms of their primary focus*. In the case of behaviour associated with the liaison role, the primary focus is on dealing with people outside of the managers' unit (as opposed to their own subordinates or bosses), and thus the role is interpersonal. In the case of the spokesperson, the primary focus is on the sharing of information with people outside their units or companies, and thus the role is informational. Finally, in the case of the negotiator, the primary focus is on making or influencing decisions in a manner that will benefit the company, and thus the role is decisional.

PTS: 1

REF: p. 10–12

OBJ: 4

BLM: Remember

3. Compare and contrast the relative importance of the four characteristics that companies look for in managers as they rise through the management hierarchy. In other words, describe the similarities and differences in these characteristics among lower-, middle-, and upper-level managers, and explain the reasons for the differences.

ANS:

Companies look for four sets of characteristics in individuals to be promoted into the managerial ranks at any level. These characteristics are *technical skills*, *human skills*, *conceptual skills*, and the *motivation to manage*. Thus, in terms of similarities, all four of these skills are required in anyone who wants to be a manager. Companies do not want one-dimensional managers. They want managers with a balance of skills. They want managers who know their stuff (technical skills), are equally comfortable working with blue-collar and white-collar employees (human skills), are able to assess the complexities of today's competitive marketplace and position their companies for success (conceptual skills), and want to assume positions of leadership and power (motivation to manage).

There are, however, differences in the relative importance of each of these characteristics to managerial success at different levels of the management hierarchy. *Technical skills are most important for lower-level managers* because these managers supervise the line workers who produce products or serve customers. Team leaders and first-line managers need technical knowledge and skills to train new employees and help them solve problems, as well as to solve the problems that their employees cannot handle. Although technical skills become less important as managers rise through the managerial ranks, they retain importance at all levels. *Human skill (the ability to work well with others) is equally important at all levels of management*. However, since lower-level managers spend much of their time solving technical problems, upper-level managers may spend more time dealing directly with people.

Both conceptual skills and the motivation to manage increase in importance as managers rise through the managerial ranks. Conceptual skill relates to being able to see the organization as a whole and to understand how the different parts of the company affect one another and how the company fits into or is affected by its external environment, such as the local community, social and economic forces, customers, and competition. Good managers have to be able to recognize, understand, and reconcile multiple complex problems and perspectives. Motivation to manage is an assessment of how motivated employees are to interact with superiors, participate in competitive situations, behave assertively toward others, tell others what to do, reward good behaviour and punish poor behaviour, perform actions that are highly visible to others, and handle and organize administrative tasks. Managers typically have a stronger motivation to manage than their subordinates, and managers at higher levels usually have stronger motivation to manage than managers at lower levels. Furthermore, managers with stronger motivation to manage are promoted faster, are rated by their employees as better managers, and earn more money than managers with a weak motivation to manage. Thus, both conceptual skills and motivation to manage are particularly important to upper-level managers.

PTS: 1

REF: p. 12-13

OBJ: 5

BLM: Higher Order

4. Describe the transition to management during the first year. Explain how this illustrates the chapter's emphasis on human skills as being more important than technical skills for success or failure in management.

ANS:

Managers often begin their jobs by using more formal authority and emphasizing their role as boss in the management of tasks. New managers typically do not believe that their job is to manage people, other than handling the tasks of hiring and firing. However, most managers find that being a manager has little to do with “bossing” their subordinates. After six months on the job, many managers were surprised at the fast pace, the heavy workload, and the reaction that “helping” their subordinates was viewed as interference. In short, they came to realize that their initial expectations about managerial work had been wrong. After a year on the job, most of the managers no longer thought of themselves as doers, but as managers who get things done through others. In making the transition, they finally realized that people development was the most important part of their job. By the end of one year, most managers will have abandoned their authoritarian approach for one based on communication, listening, and positive reinforcement. In completing this classic transition from doer to manager, they stop trying to do everything themselves and emphasize getting work done through others. In this way, their previous satisfaction (as individual contributors) with the direct production of goods or services is replaced with the “thrill” of coaching and developing the people who work for them. As the basic activities occupying their time change, their need for technical skills becomes less, while their need for human skills remains crucial to their success. In fact, five of the most critical mistakes that managers make revolve around people skills rather than technical skills: these are being abrasive and intimidating; being cold, aloof, or arrogant; betraying trust; being overly ambitious; and failing to build a team and then delegate to that team. Thus, human skills clearly are more important than technical skills for success or failure in management.

PTS: 1

REF: p. 14–15

OBJ: 6

BLM: Higher Order