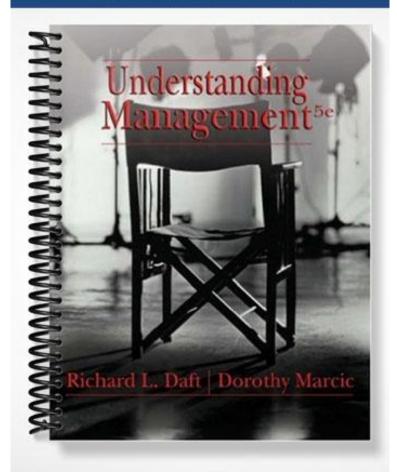
SOLUTIONS MANUAL



Chapter 2 The Environment and Corporate Culture

Pretest

- 1. The _____ environment represents the outer layer of the environment and affects organizations _____.
 - a. task, indirectly
 - b. general, directly
 - c. internal, directly
 - d. internal, indirectly
 - e. general, indirectly

Answer: e Level: 2 Page: 48 Type: DEF

- 2. China has been referred to as "the workshop of the world" because so many manufacturers have relocated their operations to China to take advantage of its cheap, productive labor. The influence of the "workshop of the world" on global manufacturing illustrates which dimension of the general environment?
 - a. national dimension
 - b. global dimension
 - c. international dimension
 - d. task dimension
 - e. ethnocentric dimension

Answer: c Level: 1 Page: 50 Type: APP

- 3. A recent ad campaign for Mecca-Cola wants to target people in Islamic communities. What environment would this group be found in?
 - a. internal environment
 - b. task environment
 - c. work environment
 - d. general environment
 - e. demographic environment

Answer: b Level: 2 Page: 57 Type: APP

- 4. Cambodia is interested in becoming a tourist attraction once again. It was a popular tourist attraction in the 1920s. A hotel chain has reopened two of the nation's older luxury hotels and has spared no expense in making them inviting to people who are willing to pay \$750 a night for a suite. Unfortunately, the hotel's 300 employees have gone on strike and closed the hotels. Cambodia's new tourist industry is failing due to the _____ dimension of its task environment.
 - a. political-legal
 - b. social-cultural
 - c. international
 - d. labor market
 - e. economic

Answer: d Level: 2 Page: 58 Type: APP

- 5. _____ means that managers do not have sufficient information about environmental factors to understand and predict environmental needs and changes.
 - a. Environmental uncertainty
 - b. Environmental munificence
 - c. Risk avoidance
 - d. Cultural valor
 - e. Organizational awareness

Answer: a Level: 2 Page: 60 Type: DEF

- 6. In response to changes in the operational environment, the partnership paradigm has changed the relationship between mangers and dimensions of the organization's task environment. Which of the following has occurred as a result of this shift in paradigm?
 - a. involvement in partner's product design and production
 - b. use of e-business links to share information
 - c. close coordination and equitable solutions to problems
 - d. long-term contracts
 - e. all of these

Answer: e Level: 3 Page: 61 Type: COMP

- 7. Symbols, stories, and heroes are important in a corporate culture because they:
 - a. entertain executive level management
 - b. address the concerns of government
 - c. acquaint customers to the organization
 - d. communicate the significant values of an organization
 - e. give employees something to talk about

Answer: d Level: 1 Page: 62 Type: COMP

- 8. During a newspaper interview, Martin Davis, the then CEO of Gulf Western was asked why half of the offices on the executive floor were vacant. He responded, "Those were my enemies. I got rid of them." From this response, you know:
 - a. the importance of a slogan in creating a culture
 - b. what kind of corporate culture existed at Gulf & Western
 - c. Gulf & Western was most definitely a consistency culture type
 - d. Gulf & Western had an active cultural ombudsman
 - e. Gulf & Western had a hero

Answer: b Level: 2 Page: 64 Type: COMP

- 9. The involvement culture has a(n) _____ focus on the involvement and participation of employees to rapidly meet changing needs from the environment.
 - a. external
 - b. internal
 - c. structural
 - d. competitive
 - e. technological

Answer: b Level: 1 Page: 69 Type: DEF

- 10. Which of the following types of organizations would be most likely to have a consistency type culture?
 - a. the fashion industry because it operates in a dynamic environment
 - b. the entertainment industry because consumer tastes change quickly
 - c. the aluminum industry because the environment in which it operates is stable
 - d. the construction industry because of its need to deal with quickly changing weather conditions that prevent budgets from being met
 - e. the hospital industry because it often experiences unplanned cost overruns

Answer: c Level 3 Page: 70 Type: APP

1.

2.

3.

		Posttest		
a. general,	internal task Itural	vironment has	two layers:	and
Answer: a	Level: 2	Page: 49	Type: DEF	
for skin lighten	ing ointments in	India were app	proximately \$15	kion. Annual sale
for skin lighten current decade demeaning pro example of a c a. legal-po b. econom c. technolo d. corporat	ing ointments in e, people in India ocess and one th	India were app have come to at no woman s	proximately \$15 view skin light	50 million. In the ening as a

- customer, task a.
- customer, general competitor, task b.
- C.
- supplier, task d.
- economic, task e.

Answer: a

Level: 2

Page: 57 Type: APP

- 4. LNM is a Dutch-based company that has set as its goal to become the largest producer of steel in the world. The largest steelmaker in the world, Arecelor, has its home offices in Luxembourg. In terms of the task environment, LMN is part of the _____ dimension for Arecelor.
 - a. supplier
 - b. customer
 - c. economic
 - d. international
 - e. competitor

Answer: e Level: 1 Page: 57 Type: APP

- 5. Environmental uncertainty:
 - a. only exists in industries that have a strong technological dimension
 - b. does not influence the adaptability of an organization culture
 - c. has no influence on the task environment
 - d. is higher when an organization has less than three factors influencing its environment
 - e. means managers lack sufficient information to deal with change

Answer: e Level: 2 Page: 60 Type: DEF

- 6. To adapt to changes in the environment, managers have shifted from an adversarial orientation to a partnership orientation when dealing with suppliers, employees, and customers. In doing so managers have:
 - a. become more trusting of their employees
 - b. increased their reliance on short-term contracts
 - c. used lawsuits to resolve conflict
 - d. taken an egocentric view of profits
 - e. done all of these

Answer: a Level: 2 Page: 61 Type: COMP

- 7. Heroes are important to an organization due to the fact that they:
 - a. exemplify key values of the organization
 - b. exemplify a strong corporate culture
 - c. serve as examples to other employees
 - d. perform deeds that are out of the ordinary but still doable by other employees
 - e. do all of the these

Answer: e Level: 2 Page: 66 Type: COMP

- 8. The _____ by which Ivan Boesky ran his securities corporation was, "Greed is healthy." It expressed his definition of the perfect organization culture and the view he expected his employees to adopt.
 - a. workplace motto
 - b. group norm
 - c. slogan

9.

10.

- d. story synopsis
- e. job heuristic

Answer: c	Level: 2	Page: 66	Type: APP			
environment. a. external; b. external; c. internal; d. internal;	stable dynamic stable	n) focus	and an orientation fo	r a		
Answer: c	Level: 3	Page: 70	Type: DEF			
A cultural leader: a. articulates a vision for the organizational culture						

- b. periodically changes the vision so employees must continue to pay close attention to his or her actions
- c. must be in low-level management in order for him or her to be effective
- d. uses story synopses as slogans to create a more adaptable culture
- e. does all of these

Answer: a Level: 3 Page: 73 Type: DEF