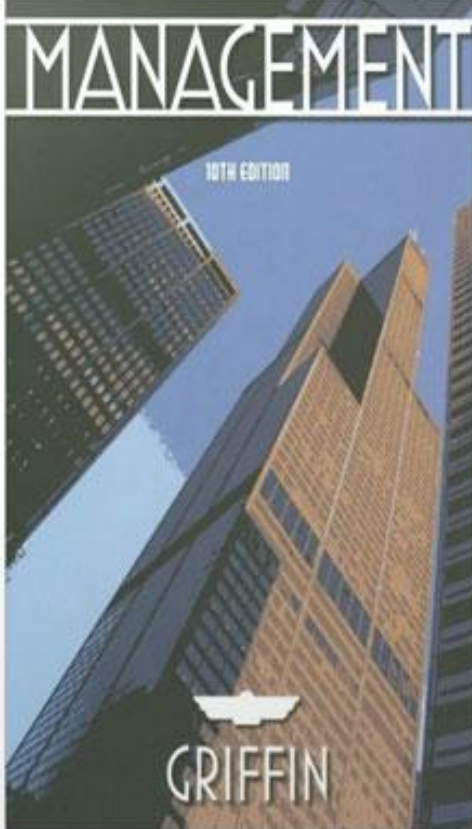


TEST BANK



CHAPTER 2

Traditional and Contemporary Issues and Challenges

TRUE-FALSE QUESTIONS

Ans: F Page: 34 Type: Comp LO: 1 AACSB: R	1. T F	Theory is abstract and of no practical use in today's environment.
Ans: T Page: 34 Type: Comp LO: 1 AACSB: R	2. T F	Theory and history are important to all managers today.
Ans: T Page: 34 Type: Def LO: 1 AACSB: A	3. T F	Theory is simply a conceptual framework for organizing knowledge and providing a blueprint for action.
Ans: T Page: 35 Type: Comp LO: 1 AACSB: R	4. T F	Understanding the historical context of management provides a sense of heritage and can help managers avoid the mistakes of others.
Ans: F Page: 37 Type: Def LO: 2 AACSB: A	5. T F	Classical management consists of two distinct branches: behavioral management and human resource movement.
Ans: T Page: 34 Type: Comp LO: 1 AACSB: R	6. T F	Companies (such as Coca-Cola, Ford, and GE) maintain significant libraries on their corporate histories that show a sense of heritage and pride.
Ans: T Page: 36 Type: App LO: 2 AACSB: R	7. T F	Iron Mountain's use of time and motion studies to improve its workers' output is an example of the use of management techniques derived from scientific management.

Ans: F
 Page: 37
 Type: Comp
 LO: 2
 AACSB: R

Ans: F
 Page: 37
 Type: Comp
 LO: 2
 AACSB: R

Ans: F
 Page: 43
 Type: App
 LO: 2
 AACSB: R

Ans: F
 Page: 36
 Type: Def
 LO: 2
 AACSB: A

Ans: F
 Page: 41
 Type: Def
 LO: 3
 AACSB: A

Ans: F
 Page: 41
 Type: Def
 LO: 3
 AACSB: A

Ans: F
 Page: 43
 Type: Def
 LO: 3
 AACSB: A

Ans: T
 Page: 44
 Type: Def
 LO: 4
 AACSB: A

Ans: F
 Page: 44
 Type: Def
 LO: 3
 AACSB: A

8. T F Scientific management is conceptual and easily adapted to top-level management.

9. T F Administrative management focuses on the jobs of individual office assistants.

10. T F Janice is very concerned with worker morale, and she frequently surveys employees to determine their level of job satisfaction. She feels that people really want to work, to take more responsibility, and to make a contribution. Her approach reflects application of Theory X.

11. T F According to Barnard's theory about managerial authority, managers ultimately get their authority from the people who work above them.

12. T F The Hawthorne studies showed that piece-rate pay was an effective way of increasing work output.

13. T F The fundamental premise of administrative management is that the social aspects of the workplace are more important to increasing worker productivity than economic incentives.

14. T F According to McGregor, Theory X managers engage in optimistic managerial thinking.

15. T F When compared to management science, operations management is focused more on applications.

16. T F Scientific management focuses specifically on the development of scientific models.

<p>Ans: F Page: 45 Type: Comp LO: 4 AACSB: R</p>	17. T F	In its current stage of development, quantitative management is able to accurately model even such complex processes as human behavior.
<p>Ans: T Page: 46 Type: Def LO: 5 AACSB: A</p>	18. T F	An open system actively interacts with its environment.
<p>Ans: T Page: 47 Type: Comp LO: 5 AACSB: R</p>	19. T F	Open systems thinking tends to develop synergy in organizations.
<p>Ans: F Page: 47 Type: App LO: 5 AACSB: R</p>	20. T F	Sears bought Lands' End in the belief that the two companies would enhance each other's performance. Sears apparently expected some entropy from the purchase.
<p>Ans: T Page: 48 Type: Def LO: 5 AACSB: A</p>	21. T F	The approaches to management that try to find the <i>one best way</i> to solve a management problem are called universal approaches.
<p>Ans: F Page: 48 Type: Comp LO: 6 AACSB: R</p>	22. T F	According to contingency theory, appropriate managerial behavior can be generalized or extrapolated from other situations.
<p>Ans: T Page: 51 Type: Comp LO: 6 AACSB: E</p>	23. T F	Financial institutions pushed legislatures for deregulation in order to compete globally. Deregulation enabled unethical behavior because there was less oversight.
<p>Ans: T Page: 52 Type: Comp LO: 6 AACSB: R</p>	24. T F	To succeed, managers must monitor their environment and change to keep pace with it.
<p>Ans: T Page: 52 Type: Comp LO: 6 AACSB: R</p>	25. T F	Improving quality tends to increase productivity.
<p>Ans: T Page: 52 Type: Def LO: 6 AACSB: A</p>	26. T F	Tax preparation is an example of a service industry.

MULTIPLE-CHOICE QUESTIONS

Choose the best answer from the responses listed.

Ans: B
Page: 34
Type: Comp
LO: 1
AACSB: R

Ans: E
Page: 35
Type: Fact
LO: 1
AACSB: A

Ans: E
Page: 35
Type: App
LO: 1
AACSB: R

Ans: E
Page: 36
Type: App
LO: 1
AACSB: R

Ans: D
Page: 36
Type: Comp
LO: 1
AACSB: R

Ans: D
Page: 37
Type: Def
LO: 2
AACSB: A

27. Which of the following statements relative to the theory and practice of management is TRUE?
- Academic theories have little application in business because they are not grounded in reality.
 - The value of theory is that it provides a systematic framework for management activities.
 - Theory is, by definition, very abstract and quite difficult to understand.
 - Managers never develop their own theories of how to run an organization.
 - Management theories tend to be mutually exclusive.
28. Which of the following statements most correctly describes the early practice of management?
- The practice of management dates back about 100 years.
 - Early economists were concerned with managerial efficiency and effectiveness.
 - By 1900, most organizations were large.
 - Survival was not an issue in most organizations before 1900.
 - The scientific study of management as a field of inquiry dates back to the nineteenth century.
29. Which of the following historical books did not influence management?
- The Second World War*
 - Iliad*
 - The Prince*
 - Republic*
 - War and Peace*
30. Robert Owen (1771–1858), a British industrialist, recognized the importance of the human aspect of production. Owen believed workers deserved all EXCEPT which of the following?
- Respect and dignity
 - Reduced hours
 - Good working conditions
 - Decent pay
 - A retirement plan
31. Charles Babbage emphasized the application of mathematics to production problems. Thus, his work was a forerunner of
- administrative management.
 - the contingency theory.
 - the behavioral school of management thought.
 - operations management.
 - the systems theory.
32. _____ management focuses on the work of individuals.
- Administrative
 - Behavioral
 - Human relations
 - Scientific
 - Contingency

Ans: B
Page: 37
Type: Def
LO: 2
AACSB: A

Ans: A
Page: 37
Type: App
LO: 2
AACSB: R

Ans: B
Page: 37
Type: App
LO: 2
AACSB: R

Ans: B
Page: 37
Type: App
LO: 2
AACSB: R

Ans: E
Page: 37
Type: App
LO: 2
AACSB: R

33. Scientific management evolved at the dawn of the twentieth century because
- labor was in abundant supply.
 - worker efficiency was low.
 - capital was in short supply.
 - information was rapidly changing.
 - piecework pay systems were not working.
34. Klaus is a plant manager for Opel automobiles. It appears to him that much time and effort are being wasted. He decides to analyze the workers' overall task and then select and train workers for specific parts of the job so as to increase workers' productivity. He is applying the principles of
- scientific management.
 - organizational behavior.
 - management science.
 - contingency theory.
 - administrative management.
35. At Toyota, each task that operating employees and machines perform is carefully studied to promote maximum productivity. In some cases, tasks are studied using time and motion studies to standardize work methods. What management approach is Toyota using?
- Human relations management
 - Scientific management
 - Management science
 - Contingency theory
 - Administrative management
36. One of the most common complaints that buyers have about Internet retail is the inability of many retailers to fill orders correctly and in a timely fashion. Which of the following management approaches can retailers use to improve per-order efficiency?
- The classical perspective
 - Scientific management
 - Management science
 - Contingency theory
 - Administrative management
37. Rolf is in the business of making crowns, bridges, and dentures that dentists use to repair teeth. It is a highly competitive business, and Rolf has decided that to improve his business he needs to improve the efficiency with which he produces the dental work. Which of the following management approaches would be of most help to Rolf in pursuing this goal?
- Management science
 - Contingency theory
 - Administrative management
 - The bureaucratic perspective
 - Scientific management

Ans: E
 Page: 37
 Type: App
 LO: 2
 AACSB: R

Ans: A
 Page: 37
 Type: Def
 LO: 2
 AACSB: A

Ans: A
 Page: 37
 Type: App
 LO: 2
 AACSB: R

Ans: B
 Page: 37
 Type: App
 LO: 2
 AACSB: R

Ans: B
 Page: 38
 Type: App
 LO: 2
 AACSB: R

38. Bill and his friends wanted to start their own house painting business. It was decided that to differentiate their services from others, they would break down the various jobs associated with painting; landscape protection, equipment preparation, trim, main body, and clean-up, and each would specialize. With which of the following management approaches do their actions most agree?
- Management science
 - Contingency theory
 - Administrative management
 - The bureaucratic perspective
 - Scientific management
39. Who among the following was NOT associated with scientific management?
- Mary Parker Follett
 - Lillian Gilbreth
 - Henry Gantt
 - Frederick Taylor
 - Harrington Emerson
40. A manager who wants to use the principles of scientific management will
- emphasize time and motion studies.
 - need a deep understanding of worker needs and feelings.
 - not be required to closely supervise his or her subordinates.
 - never actually increase worker productivity.
 - not have to carefully select and train his or her employees.
41. Many large companies offer incentive pay if employees participate in wellness programs. For example, Rockford Acromatic Products offers \$300 to employees who lower their cholesterol through lifestyle change instead of taking prescription drugs. This is a form of
- increased efficiency.
 - piecework pay system.
 - soldiering.
 - Theory X.
 - Theory Y.
42. The use of a Gantt chart to schedule workers' duties, breaks, and lunches at a day-care center is an application of one of the principles associated with
- the classical perspective.
 - scientific management.
 - management science.
 - the contingency theory.
 - administrative management.

Ans: C
Page: 38
Type: Comp
LO: 2
AACSB: R

Ans: C
Page: 39
Type: App
LO: 2
AACSB: R

Ans: B
Page: 39
Type: Comp
LO: 2
AACSB: R

Ans: C
Page: 38
Type: App
LO: 2
AACSB: R

Ans: D
Page: 39
Type: Comp
LO: 2
AACSB: R

43. Which of the following is NOT a technique Frederick Taylor used to enhance worker productivity?
- Study and time each element of the job.
 - Design the most efficient way of doing each part of a job.
 - Place both workers and managers on salary to reduce friction.
 - Supervise workers and managers to make sure they follow procedures and rest only when told to.
 - Allow managers to plan the work to be done.
44. The plant manager for an electronics manufacturer is often heard saying that the way to motivate workers is to provide them with attractive wage and benefit packages. What school of thought does his view reflect?
- Quantitative
 - Behavioral
 - Classical
 - Contingency
 - Systems
45. Chester Barnard, former president of New Jersey Bell Telephone Company, made notable contributions to management regarding
- individual job efficiency.
 - legitimate authority.
 - management processes.
 - dynamic organizations.
 - individual rights and liberties.
46. Bill and his friends wanted to start their own house painting business. It was decided that to differentiate their services from others, they would break down the various jobs associated with painting; landscape protection, equipment preparation, trim, main body, and clean-up, and each would specialize. After being in business for a couple of months, they experiment with ladder placement and spray pressure to determine the most efficient painting process. Which of the following management theorists would be most helpful to these entrepreneurs?
- Henry Gantt
 - Frederick Taylor
 - Frank Gilbreth
 - Harrington Emerson
 - Max Weber
47. Henri Fayol, a French industrialist, was the first to identify all EXCEPT which of the following managerial functions?
- Planning
 - Organizing
 - Leading
 - Supporting
 - Controlling

Ans: D
 Page: 38
 Type: Def
 LO: 2
 AACSB: A

Ans: E
 Page: 38
 Type: Def
 LO: 2
 AACSB: A

Ans: C
 Page: 38
 Type: Def
 LO: 2
 AACSB: A

Ans: D
 Page: 38
 Type: Def
 LO: 2
 AACSB: A

Ans: B
 Page: 40
 Type: Comp
 LO: 2
 AACSB: R

Ans: C
 Page: 40
 Type: Comp
 LO: 2
 AACSB: R

48. Which of these management pioneers developed a chart for scheduling work over a span of time?
- Lillian Gilbreth
 - Frederick Taylor
 - Harrington Emerson
 - Henry Gantt
 - Max Weber
49. A Gantt chart is a
- listing of the steps required to complete a job.
 - method for developing employee wage systems.
 - device used in doing time and motion studies.
 - checklist used in equipment maintenance.
 - means of scheduling individual work or whole projects.
50. _____ focuses on the management of the entire firm as opposed to the jobs of individual workers.
- Management science
 - The contingency theory
 - Administrative management
 - The bureaucratic perspective
 - Scientific management
51. All of the following were primary contributors to administrative management EXCEPT
- Max Weber.
 - Henri Fayol.
 - Lyndall Urwick.
 - Hugo Munsterberg.
 - Chester Barnard.
52. Contributions of the classical perspective include all of the following EXCEPT
- laid the foundation for later developments in management theory.
 - appropriate for dynamic organizations.
 - identified important management processes and functions.
 - identified important management skills
 - focused attention on management as a valid subject of scientific inquiry.
53. Limitations of the classical perspective include all of the following EXCEPT
- more appropriate for stable organizations..
 - more appropriate for simple organizations.
 - more appropriate for dynamic organizations.
 - often prescribed universal procedures that are not appropriate in some settings.
 - even though some writers were concerned with the human element, many viewed employees as tools rather than resources.

Ans: A
Page: 39
Type: Comp
LO: 2
AACSB: R

Ans: E
Page: 39
Type: Def
LO: 2
AACSB: A

Ans: C
Page: 39
Type: App
LO: 2
AACSB: R

Ans: C
Page: 39
Type: Comp
LO: 2
AACSB: R

Ans: D
Page: 41
Type: Def
LO: 3
AACSB: A

54. Contemporary organization theory has its roots in
- Weber's work on bureaucracy.
 - Fayol's 14 principles of management.
 - Barnard's work on acceptance of authority.
 - Taylor's work on job design.
 - Gilbreth's work in time and motion studies.
55. Barnard's theory on the acceptance of managerial authority states that
- supervisors have inherent authority.
 - supervisors have charismatic authority.
 - if subordinates view a supervisor's directive as appropriate to organizational goals, they will accept his or her authority.
 - so long as subordinates are able to comply with a supervisor's directives, they will accept his or her authority.
 - supervisors have no authority unless subordinates are willing to grant it to them.
56. Government run healthcare in other countries requires end of life counseling. The question "Do you feel like a burden to your family?" suggests to some that ending treatment will ease the burden on the family and State. It could be argued that the government sees itself as more important than the individual. This example deals with one of the drawbacks to the use of the _____ perspective of management.
- human resource
 - behavioral
 - classical
 - contingency
 - industrial psychology
57. Which of the following statements about the classical perspective of management is FALSE?
- The classical perspective of management laid the foundation for later management theory developments.
 - The classical perspective of management identified the key management processes.
 - The classical perspective of management prescribed action unique to each situation.
 - The classical perspective of management focused attention on management as a viable topic of scientific inquiry.
 - The classical perspective of management identified important management functions and skills.
58. Industrial psychology is the practice of applying
- psychology to the masses.
 - statistical measures to psychological output.
 - efficiency measures to psychological output.
 - psychology to worker motivation and selection.
 - industrial advancements to medical research.

Ans: D
 Page: 41
 Type: Fact
 LO: 3
 AACSB: A

Ans: C
 Page: 42
 Type: Comp
 LO: 3
 AACSB: R

Ans: D
 Page: 42
 Type: Comp
 LO: 3
 AACSB: R

Ans: D
 Page: 42
 Type: Fact
 LO: 3
 AACSB: A

Ans: D
 Page: 42
 Type: Comp
 LO: 3
 AACSB: R

59. Elton Mayo conducted experiments at Western Electric’s Hawthorne plant from 1927–1932. He discovered that
 - a. peer pressure improved production.
 - b. unions control worker production.
 - c. rate busters don’t make their quota.
 - d. social pressure was more important than financial incentive.
 - e. chiselers assisted low producers.

60. Which of the following statements characterizes the thinking that emerged from the Hawthorne studies?
 - a. If jobs are properly designed and proper incentives provided, predictable results will follow.
 - b. Workers will perform their jobs as they are told to and will maximize their output so as to increase their pay.
 - c. Concern for the worker will lead to greater worker satisfaction, which will then lead to increased output.
 - d. Workers generally dislike work and need to be closely supervised to ensure adequate productivity.
 - e. People are motivated primarily by money.

61. Which of the following statements about the Hawthorne studies is FALSE?
 - a. The Hawthorne studies initiated work in the human relations movement.
 - b. The Hawthorne studies indicated the need to consider the social aspects of the organization.
 - c. The Hawthorne studies showed that group norms exert a powerful influence on the members of a group.
 - d. The Hawthorne studies confirmed that incentive pay plans are an effective means of increasing production.
 - e. The Hawthorne studies found that money cannot be used as a motivator for workers.

62. All of the following were primary contributors to the behavioral management perspective EXCEPT
 - a. Hugo Munsterberg
 - b. Abraham Maslow
 - c. Elton Mayo
 - d. Henri Fayol
 - e. Douglas McGregor

63. Which of the following statements BEST describes the human relations view of management?
 - a. U.S. productivity exceeds that of any other country.
 - b. Highly paid workers will be more productive.
 - c. Groups are NOT as productive as the same number of individuals working independently.
 - d. Happy workers are productive workers.
 - e. Minorities and women are equally productive to white males.

Ans: D
Page: 42
Type: App
LO: 3
AACSB: R

64. Nipurna is a high school guidance counselor. A student observed that Nipurna acted like a Theory Y manager. That would mean that Nipurna
- believes that people do not like to work.
 - is constantly directing a student that wants to avoid taking responsibility.
 - will often threaten her students to get them to work toward school goals.
 - believes that people naturally like work.
 - All of these

Ans: A
Page: 42
Type: App
LO: 3
AACSB: R

65. Dr. Weaver is one of two emergency room physicians in charge of the staff. A patient observed that Dr. Weaver acted like a Theory X manager. That would mean that Dr. Weaver believes
- that people prefer to be directed.
 - in the contingency approach to management.
 - in the importance of TQM.
 - that people are committed to goals.
 - that people naturally seek out work.

Ans: C
Page: 42
Type: App
LO: 3
AACSB: R

66. Nipurna is a high school guidance counselor. Nipurna is well liked by the staff and students whom she supervises. She recognizes that they have excellent problem-solving skills and are committed to excellence. She lets the people she supervises assume as much responsibility as they are capable of handling. It would appear that she
- takes a Theory Z approach to management.
 - uses ideas from scientific management.
 - believes in McGregor's approach to managing people.
 - uses the qualitative perspective of management.
 - is applying principles from management science.

Ans: C
Page: 42
Type: Comp
LO: 3
AACSB: R

67. Theory X managers believe workers are
- happy.
 - lucky.
 - lazy.
 - motivated.
 - committed.

Ans: E
Page: 43
Type: Def
LO: 3
AACSB: A

68. Topics in the field of organizational behavior include all EXCEPT which of the following?
- Job satisfaction
 - Stress
 - Leadership
 - Organizational politics
 - Operations

Ans: B
 Page: 43
 Type: App
 LO: 3
 AACSB: R

Ans: E
 Page: 43
 Type: Comp
 LO: 4
 AACSB: R

Ans: C
 Page: 44
 Type: App
 LO: 4
 AACSB: R

Ans: C
 Page: 42
 Type: App
 LO: 3
 AACSB: R

Ans: A
 Page: 45
 Type: Def
 LO: 4
 AACSB: A

69. Dr. White is one of two emergency room physicians in charge of the staff. As a supervisor, she believes that her subordinates are valuable resources and focuses her attention on the interpersonal processes such as group dynamics that occur in the emergency room. Her views are consistent with the _____ management perspective.
- quantitative
 - behavioral
 - classical
 - contingency
 - systems
70. Contributions of the behavioral management perspective include all of the following EXCEPT
- challenged the view that employees are tools
 - furthered the belief that employees are valuable resources.
 - provided important insights into motivation and group dynamics.
 - focused managerial attention on motivation and group dynamic processes.
 - challenged the complexity of individual behavior and made predictions of that behavior.
71. When a manufacturing plant uses mathematical models to plan production schedules and to schedule equipment maintenance, it is drawing on
- scientific management.
 - administrative management.
 - management science.
 - TQM.
 - the contingency approach.
72. The Army uses aircraft simulators to train helicopter pilots, which decreases the fuel consumption, helicopter maintenance, storage requirement, and air traffic control congestion. This is an example of
- scientific management.
 - administrative management.
 - operations management.
 - behavior perspective.
 - classical perspective.
73. Operations management is concerned with
- the application of various processes and systems used by an organization.
 - systems created to store and provide information for managerial decision making.
 - the scientific analysis of the work elements of a job.
 - the development of mathematical and statistical tools and techniques for managerial decision making.
 - None of the above

Ans: E
Page: 45
Type: Def
LO: 4
AACSB: A

Ans: D
Page: 45
Type: App
LO: 4
AACSB: R

Ans: E
Page: 45
Type: Def
LO: 4
AACSB: A

Ans: D
Page: 45
Type: App
LO: 4
AACSB: R

Ans: D
Page: 45
Type: Comp
LO: 4
AACSB: R

Ans: A
Page: 46
Type: Comp
LO: 4
AACSB: R

74. _____ management techniques do not account for individual behaviors and attitudes.
- Scientific
 - Administrative
 - Systems
 - Human relations
 - Quantitative
75. Which school of management thought would be most useful to a package delivery company that wanted to determine the most efficient routes for each of its drivers to follow?
- Organizational behavior
 - Scientific management
 - Administrative management
 - Management science
 - Systems management
76. What are the two branches of quantitative management?
- Scientific management and administrative management
 - Theory X and Theory Y
 - Contingency theory and systems theory
 - Human relations and organizational behavior
 - Management science and operations management
77. The Blue Rooster is a bakery. It sells 12 flavors of bread, made fresh daily. Some doughs require time to rise. If they are handled too soon or too late the texture and flavor is ruined. The importance of scheduling indicates that The Blue Rooster should adopt the _____ perspective.
- organizational behavior
 - scientific management
 - administrative management
 - management science
 - systems management
78. Which two managerial functions utilize quantitative management the most?
- Controlling and organizing
 - Planning and organizing
 - Organizing and leading
 - Controlling and planning
 - Leading and controlling
79. Limitations of the quantitative management perspective include all of the following EXCEPT
- difficult to apply.
 - cannot fully explain or predict the behavior of people in organizations.
 - mathematical sophistication may come at the expense of other important skills.
 - models may require unrealistic assumptions.
 - models may require unfounded assumptions.

Ans: A
 Page: 46
 Type: Comp
 LO: 4
 AACSB: R

Ans: B
 Page: 46
 Type: Comp
 LO: 5
 AACSB: R

Ans: D
 Page: 47
 Type: Def
 LO: 5
 AACSB: A

Ans: A
 Page: 47
 Type: Def
 LO: 5
 AACSB: A

Ans: C
 Page: 47
 Type: App
 LO: 5
 AACSB: R

Ans: E
 Page: 47
 Type: Def
 LO: 5
 AACSB: R

80. Which of the following statements describes the inherent strength in the quantitative management theory?
- The quantitative management theory provides numerous decision-making tools and techniques.
 - The quantitative management theory has realistic assumptions that permit close approximations of organizational processes.
 - The quantitative management theory has allowed accurate modeling of individual behaviors and attitudes.
 - The quantitative management theory enhances development of other management skills.
 - None of these
81. _____ help managers integrate and enlarge their understanding of the three principal schools of management thought.
- Administrative management and scientific management
 - Systems theory and contingency theory
 - The human relations movement and organizational behavior
 - Management science and operations management
 - Scientific management and bureaucratic management
82. Which of the following is NOT an output?
- Profit
 - Service
 - Product
 - Complaint form
 - Information
83. According to the systems perspective of management, which of the following is NOT an example of a transformation process for an organization?
- Employee behavior
 - Control systems
 - Administrative systems
 - Technology
 - Operating systems
84. After ordering from Barnes and Noble, readers are asked to write reviews of the books. This is an example of which part of the system?
- Inputs
 - Outputs
 - Feedback
 - Transformation processes
 - Material
85. A system that actively interacts with its environment is best described as a(n)
- subsystem.
 - closed system.
 - transformation system.
 - management information system.
 - open system.

Ans: C
Page: 47
Type: App
LO: 5
AACSB: A

86. Haldeman Ford is a car dealership in East Windsor NJ. It employs 35 people. Using the systems theory, it would be classified as
- an entropic system.
 - a subsystem.
 - either a system or a subsystem depending on the frame of reference.
 - either an open or a closed system depending on the frame of reference.
 - a closed system.

Ans: D
Page: 47
Type: App
LO: 5
AACSB: R

87. Students applying to business schools look at the quality of the education and the alumni network which can help with career placement. The students are looking for a(n)
- open system.
 - closed system.
 - subsystem.
 - synergy.
 - entropy.

Ans: B
Page: 47
Type: Def
LO: 5
AACSB: A

88. The _____ stresses the importance of environmental influences on the organization.
- quantitative management theory
 - open system concept
 - behavioral management theory
 - human relations movement
 - concept of synergy

Ans: E
Page: 48
Type: Comp
LO: 5
AACSB: R

89. The appropriate management behavior that depends on the unique situation is a _____ perspective.
- classical
 - universal
 - behavioral
 - quantitative
 - contingency

Ans: B
Page: 47
Type: App
LO: 5
AACSB: R

90. The Taliban seek to isolate women and control every aspect of their lives. The Taliban try to create _____ that do not interact with the external environment.
- subsystems
 - closed systems
 - transformation systems
 - resource-independent systems
 - open systems

Ans: B
Page: 47
Type: App
LO: 5
AACSB: R

91. Harley-Davidson puts its brand on everything from motorcycles to toys and clothes. It is benefiting from
- equifinality.
 - synergy.
 - entropy.
 - a closed system.
 - subsystem interdependence.

Ans: B
 Page: 47
 Type: App
 LO: 5
 AACSB: R

Ans: D
 Page: 48
 Type: Comp
 LO: 5
 AACSB: R

Ans: E
 Page: 47
 Type: App
 LO: 5
 AACSB: R

Ans: A
 Page: 47
 Type: App
 LO: 5
 AACSB: R

Ans: A
 Page: 47
 Type: Def
 LO: 5
 AACSB: A

Ans: C
 Page: 47
 Type: App
 LO: 5
 AACSB: R

92. TransAmerica Business is a consulting firm. When hired for a job, the company has financial auditors, tax experts, management consultants, computer experts, and legal staffers who can work together to solve whatever problems face the hiring firm. This team approach to problem solving is an example of _____ at work.
- equifinality
 - synergy
 - entropy
 - a closed system
 - subsystem interdependence
93. The broader the solutions, the greater the creativity and possibility for innovation. This is a benefit of which perspective?
- Classical
 - Universal
 - Quantitative
 - Contingency
 - Behavioral
94. Information is readily available on the Internet. Then number of people subscribing to print media is shrinking. This decline is an example of
- closed system inversion.
 - open system thinking.
 - synergy.
 - subsystem failure.
 - entropy.
95. Fortis Healthcare Ltd. bought 10 private hospitals in India from Wockhardt Hospitals Ltd. The purchase expands Fortis' operations in India. What was Fortis hoping to gain by the interaction of these new businesses and its existing business?
- Synergy
 - Closed system inversion
 - Entropy
 - Subsystem enhancement
 - Open system conversion
96. When one firm buys out another because it is thought that the two firms will complement each other in such a way that the output of the combined firms will be greater than the sum of the current individual outputs of the two companies, the managers are counting on
- synergy.
 - closed system inversion.
 - entropy.
 - subsystem enhancement.
 - open system conversion.
97. Zestra was an ointment for women. The executives responsible for marketing were male. Sales were slow and then Zestra filed for Chapter 11. What happened to Zestra is an example of
- synergy.
 - closed system inversion.
 - entropy.
 - subsystem enhancement.
 - open system conversion.

Ans: E
Page: 48
Type: App
LO: 5
AACSB: R

Ans: C
Page: 48
Type: Def
LO: 5
AACSB: A

Ans: C
Page: 48
Type: App
LO: 5
AACSB: R

Ans: C
Page: 48
Type: App
LO: 5
AACSB: R

Ans: E
Page: 49
Type: App
LO: 5
AACSB: R

Ans: A
Page: 51
Type: Comp
LO: 6
AACSB: R

98. Bill Bingaman was overheard telling one of his friends, “You always think the way to solve a problem is to develop a math model that is supposed to represent the situation. It just doesn’t work that way. You have to use your head and try different approaches under different circumstances.” What management theory is Bingaman advocating?
- Systems theory
 - Organizational behavior
 - Administrative management
 - Quantitative management
 - Contingency theory
99. The theory based on the idea that the best managerial actions in a given situation depend on the elements of that situation is known as
- the equifinality theory.
 - Theory X and Y.
 - the contingency approach.
 - the systems theory.
 - quantitative management.
100. Staff Sergeant Tyra Bradford is a platoon sergeant. She uses whatever style of management seems to fit the situation. Her management style fits which theory of management?
- Bureaucratic management
 - TQM
 - The contingency approach
 - Theory X and Y
 - Qualitative management
101. Dr. White uses whatever style of management seems to best fit the needs of the individual employees. She was autocratic and rigid with a doctor who had a drug problem. During the same period, she was compassionate with a nurse who was a single parent with infant twins and bent the rules so she could have time to sort out her life. Her management style conforms to which theory of management?
- Bureaucratic management
 - TQM
 - The contingency approach
 - Theory X and Y
 - Qualitative management
102. Coca-Cola is expanding its international operations. It needs to consider all of the following challenges EXCEPT
- property ownership rights.
 - infrastructure.
 - government regulation.
 - resources.
 - stagnant work environment.
103. The _____ of businesses has increased diversity in many organizations.
- globalization
 - emphasis on quality
 - service-orientation
 - technological-orientation
 - critical mass

Ans: E
 Page: 50-51
 Type: Comp
 LO: 6
 AACSB: R

Ans: B
 Page: 50
 Type: Comp
 LO: 6
 AACSB: R

Ans: E
 Page: 52
 Type: Comp
 LO: 6
 AACSB: R

104. Which of the following does the text describe as a contemporary management challenge?

- a. Managing diversity
- b. Erratic economy
- c. Employee privacy
- d. Technology
- e. All of these

105. To obtain greater flexibility and to respond more quickly to the environment, organizations are adopting

- a. technology-free structures.
- b. flat structures.
- c. the traditional bureaucratic approach to management.
- d. a TQM philosophy.
- e. tall structures.

106. Why is quality an important management issue?

- a. Quality can be used as a basis for competition.
- b. Enhancing quality lowers costs.
- c. Improving quality tends to increase productivity.
- d. Making higher-quality products generally results in less waste.
- e. All of these

COMPLETION QUESTIONS

Ans: Theory
 Page: 34
 LO: 1
 AACSB: A

Ans: management
 Page: 36
 LO: 1
 AACSB: A

Ans: quantitative
 Page: 36
 LO: 1
 AACSB: A

Ans: administrative management
 Page: 37
 LO: 2
 AACSB: A

Ans: scientific management
 Page: 37
 LO: 2
 AACSB: R

Ans: Henry Gantt
 Page: 38
 LO: 2
 AACSB: A

107. _____ is a conceptual framework for organizing knowledge and providing a blueprint for action.

108. The planning, leading, and controlling by armies throughout history is an example of _____ in the past.

109. Charles Babbage applied mathematics to the production process. This use of mathematics makes his work a forerunner of the _____ management theory.

110. Classical management perspective consists of two distinct branches: _____ and scientific management.

111. When Nokia uses time and motion studies to improve productivity, it is applying the principles of _____.

112. _____ was a scientific management pioneer who developed a chart for scheduling work over a span of time.

- | | |
|--|--|
| <p>Ans: administrative
Page: 38
LO: 2
AACSB: A</p> | 113. Max Weber, Henri Fayol, Lyndall Urwick, and Chester Barnard all were connected to the development of _____ management. |
| <p>Ans: behavioral
Page: 41
LO: 3
AACSB: A</p> | 114. Mary Parker Follett (1868–1933) worked during the scientific management era, but she was ahead of her time in anticipating the _____ management perspective. |
| <p>Ans: Theory X
Page: 42
LO: 3
AACSB: R</p> | 115. Shang believes her managers function best if she assigns them a task and gives them specific instruction on how to get it done. She exhibits _____ behavior. |
| <p>Ans: operations
Page: 45
LO: 3
AACSB: A</p> | 116. The two branches of the quantitative approach are management science and _____ management. |
| <p>Ans: quantitative
Page: 45
LO: 4
AACSB: A</p> | 117. The perspective of management that involves the extensive use of mathematical modeling of organizational processes and that almost demands the availability of a computer is _____ management. |
| <p>Ans: operations
Page: 45
LO: 4
AACSB: A</p> | 118. The field of applied management science that is generally concerned with helping an organization more efficiently produce its goods and services is _____ management. |
| <p>Ans: systems
Page: 46
LO: 5
AACSB: R</p> | 119. Kevin is responsible for the transportation division of Iron Mountain, a document storage company. He integrates vehicles, people, and schedules into one big operating unit. He uses _____ theory. |
| <p>Ans: entropy
Page: 47
LO: 5
AACSB: R</p> | 120. A religious organization that is continually reenergized and refocused will likely avoid _____. |
| <p>Ans: synergy
Page: 47
LO: 5
AACSB: R</p> | 121. Anheuser-Busch packaged cans in local college colors. The company was trying to take advantage of the systems concept of _____. |
| <p>Ans: contingency
Page: 47
LO: 5
AACSB: R</p> | 122. Margaret treats employees fairly by treating them differently, each according to individual needs. She understands the application of _____ perspective. |
| <p>Ans: ethical
Page: 48
LO: 6
AACSB: E</p> | 123. Many schools raised _____ objections to Anheuser-Busch's marketing beverages in college colors, because the schools feared it would appear as if the schools endorsed the product and would lead to over consumption. |
| <p>Ans: ethical
Page: 48
LO: 6
AACSB: E</p> | 124. The failure of Lehman Brothers raised _____ issues about financial industry practices. |

Ans: service
 Page: 52
 LO: 6
 AACSB: A

125. The _____ economy relies heavily on intangible resources.

MATCHING QUESTIONS

Match the following numbered items with the most correct response letter. You may use a response once, more than once, or not at all.

- | | |
|---|--------------------------------------|
| 126. _____ Frederick Taylor | a. Scientific management |
| 127. _____ Henri Fayol | b. Administrative management |
| 128. _____ Hugo Munsterberg | c. Behavioral management perspective |
| 129. _____ Michael Porter | d. Human resource movement |
| 130. _____ Mary Parker Follett | e. Applied perspective |
| 131. _____ Abraham Maslow | |
| 132. _____ Concerned with improving the output of individual workers | a. The contingency perspective |
| 133. _____ The first well-developed framework of management; it has two branches | b. The classical perspective |
| 134. _____ Emphasizes such practices as time and motion studies | c. Administrative management theory |
| 135. _____ Not a universal perspective | d. Scientific management |
| 136. _____ Includes Weber's work on bureaucracy | e. Management science |
| 137. _____ The Gantt chart came out of work using this approach to management | |
| 138. _____ Grew out of the Hawthorne studies | a. The classical perspective |
| 139. _____ Suggests that managerial behavior depends on a wide variety of elements | b. Administrative management |
| 140. _____ Proposed that workers respond primarily to the social context of the workplace | c. Contingency perspective |
| 141. _____ Includes McGregor's Theory Y and Maslow's need hierarchy | d. Human relations movement |
| 142. _____ Assumes human behavior is very complex | e. Organizational behavior |
| 143. _____ A contemporary behavioral perspective | |

- | | | | |
|------------|----------------------------------|----|---|
| 144. _____ | Erratic economy | a. | Increasing importance to managers |
| 145. _____ | Employee privacy | b. | Decreasing importance to managers |
| 146. _____ | Working in offices | c. | No change in the importance to managers |
| 147. _____ | Ethics and social responsibility | | |
| 148. _____ | Quality | | |

Put the different perspectives in the chronological order in which they were developed, oldest to most current.

- | | | |
|------------|----|--------------|
| 149. _____ | a. | Quantitative |
| 150. _____ | b. | Classical |
| 151. _____ | c. | Integrating |
| 152. _____ | d. | Behavioral |

ESSAY QUESTIONS

Page: 34-35

LO: 1

AACSB: R

Page: 34-37

LO: 1

AACSB: R

Page: 37-40

LO: 2

AACSB: R

Page: 37-40

LO: 2

AACSB: R

Page: 37-38, 42

LO: 2, 3

AACSB: R

153. Why study management history and theory?
154. What advantages do students of management theory and history have over managers with only practical experience?
155. Discuss the importance of the classical school of management and identify at least two pioneers and their major contributions.
156. Imagine centuries ago, you were the manager responsible for building the Great Pyramids. You only knew and used the scientific management approach. Describe how you would have motivated workers. How was productivity?

Answer: Students should demonstrate knowledge of scientific management. (1) standardized work methods, (2) scientific selection of workers, and (3) use of monetary incentives to increase productivity. Some students will describe the workers as slaves, in which case they should note the use of additional food and rest as incentives to increase productivity.

157. Compare and contrast the approach that the proponents of scientific management take to increasing worker productivity with the approach the human relations school advocates.

Answer: Students should note that *scientific management* looked to (1) standardized work methods, (2) scientific selection of workers, and (3) use of monetary incentives to increase productivity. The *human relations movement*, on the other hand, took the position that (1) the social aspects of the workplace were more important and that (2) the way to increase productivity was to enhance worker satisfaction. The belief was that satisfaction caused performance. Both approaches were aimed at getting more output from the individual worker.

Page: 41-44
 LO: 3
 AACSB: R

Page: 41-42
 LO: 3
 AACSB: R

Page: 44-46
 LO: 4
 AACSB: R

Page: 43-46
 LO: 4
 AACSB: R

Page: 46-48
 LO: 5
 AACSB: R

Page: 51-54
 LO: 6
 AACSB: R

Page: 51-52
 LO: 6
 AACSB: R

Page: 48-49
 LO: 5
 AACSB: R

158. First, briefly trace the development of the behavioral perspective of management from its origins to the present. Then list and briefly discuss one contribution and one limitation of the behavioral perspective of management.

159. Describe the Hawthorne studies and the conclusions supported by them.

160. Briefly discuss the quantitative approach to management. Include in your answer the distinction between management science and operations management.

161. What is the difference between management science and operations management?

162. Briefly discuss the systems perspective of management. Include in your answer a discussion of the subsystems concept and its importance to the relationships between various parts of an organization.

Answer: Students should include the idea that systems take inputs from the environment, put them through some form of *transformation* process, and create *outputs*. Furthermore, the *environment reacts* to these outputs *and provides feedback to the system*. Discussion of *synergy* and *entropy* as well as *open and closed systems* would also be appropriate. *Systems are composed of subsystems that are interdependent*. Students should recognize that *a change in any subsystem could have an impact on one or more of the other subsystems*.

163. Choose one contemporary management challenge mentioned in the text. Describe a situation where a manager faced the challenge, and what were the manager's actions. Which management theory did the manager apply?

164. How is a service industry like management consulting affected by globalization?

165. Griffin presents a way of integrating the perspectives of management. Briefly explain the advantages of using such a framework.

Answer: Students should note that each school of management thought is complementary rather than mutually exclusive and that this framework recognizes this fact. Furthermore, it brings in the systems approach, which recognizes the interdependence of subsystems and the advantages to be gained from synergy. It also brings out the dangers of closed systems thinking and probable subsequent entropy. Finally, it incorporates the idea from contingency theory that universal solutions to problems are inappropriate and that even under similar circumstances, managers often have to take different corrective actions to handle a situation.

SPECIAL EXERCISE

Many of the things that happened in the following story reflect management theory at work.

Circle the correct answer:

The Russell family replaced the roof of their home. In removing the old roof, the old shingles and nails were pushed off the roof. The debris fell around the house in the grass and landscape. Mrs. Russell told her daughters Amelia, Eleanor, and Madeline that she would pay them a quarter for every nail they picked up **(166) Soldiering or Piecework Pay**.

Madeline started first and had earned \$6 by the time Eleanor was ready to begin. Madeline was a **(167) Rate Buster, Chisler**.

Eleanor complained that she could not find the nails fast enough to catch up to Madeline because Madeline had found all the easy ones. Eleanor was a **(168) Rate Buster, Chisler**.

Eventually the complaining wore Madeline down, and she searched for nails for Eleanor and gave them to her to cash in **(169) Human Resource Management, Administrative Management**.

Only when the girls had earned the same amount did Madeline again contribute to her own accumulation. Meanwhile, Amelia chose never to search for a nail **(170) Theory X, Theory Y**.

Instead she went and rode the tractor as Mr. Russell mowed the yard **(171) Open System, Closed System**.

ANSWERS TO MATCHING QUESTIONS

- 126. a
- 127. b
- 128. c
- 129. e
- 130. c
- 131. d
- 132. d
- 133. b
- 134. d
- 135. a
- 136. c
- 137. d
- 138. d
- 139. c
- 140. d
- 141. d
- 142. e
- 143. e
- 144. a
- 145. a
- 146. b
- 147. a
- 148. a
- 149. b
- 150. d
- 151. a
- 152. c

ANSWERS TO SPECIAL EXERCISE

- 166. Piecework Pay
- 167. Rate Buster
- 168. Chisler
- 169. Human Resource Management
- 170. Theory X
- 171. Open System