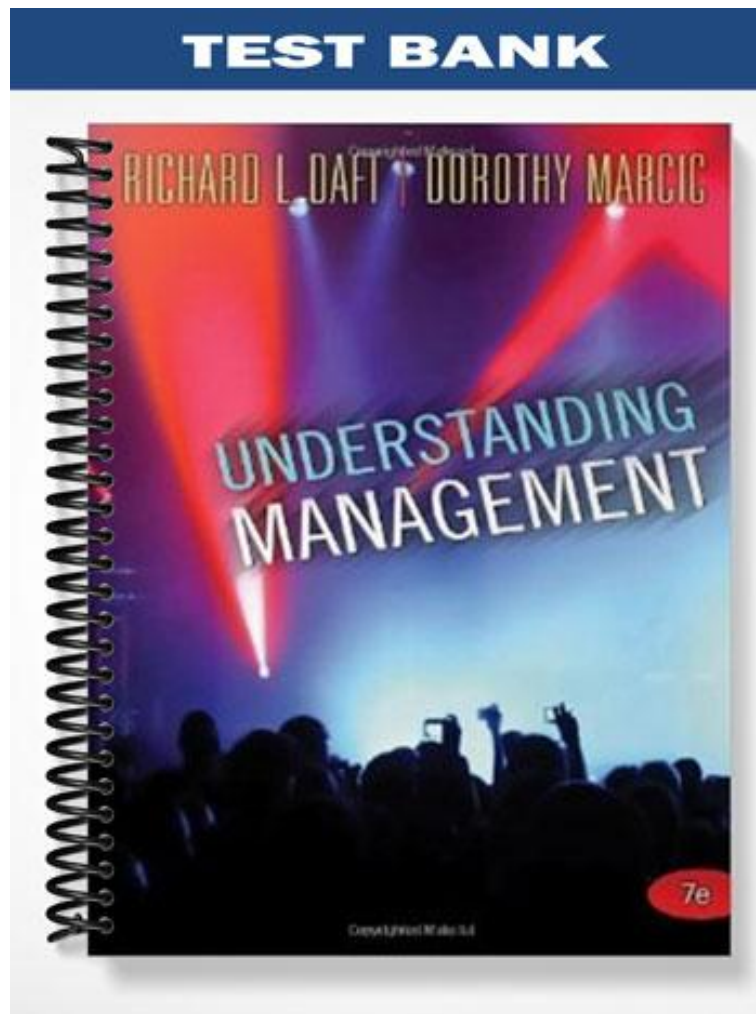


TEST BANK



Chapter 2

The Evolution of Management Thinking

True/False Questions

1. According to the opening case, today, Cemex specializes in delivering concrete in the most technologically advanced parts of the world.
Answer: False Level: 2 Page: 41 Type: F
2. Managers today face the ultimate paradox: keep everything running efficiently and profitably, while, at the same time, change everything.
Answer: True Level: 3 Page: 42 Type: F
3. Studying history is a way to achieve strategic thinking, see the big picture, and improve conceptual skills.
Answer: True Level: 2 Page: 43 Type: F
4. Political forces are aspects of a culture that guide and influence relationships among people.
Answer: False Level: 1 Page: 43 Type: F
5. The unwritten, common rules and perceptions about relationships among people and between employees and management refers to the economic contract.
Answer: False Level: 1 Page: 43 Type: F
6. Economic forces pertain to the availability, production, and distribution of resources in a society.
Answer: True Level: 1 Page: 43 Type: F
7. The early study of management as we know it today began with what is now called the technology-driven workplace.
Answer: False Level: 2 Page: 45 Type: F
8. The classical perspective on management emerged during the early eighteenth century.

Answer: False Level: 2 Page: 45 Type: F

9. Frederick W. Taylor developed Scientific Management and emphasized the fourteen principles of management that should guide managerial behavior.

Answer: False Level: 1 Page: 46 Type: F

10. Scientific management developed a standard method for performing each job.

Answer: True Level: 1 Page: 46 Type: F

11. Since Taylor was the sole contributor in the area of scientific management, he was awarded the title of “father of scientific management.”

Answer: False Level: 1 Page: 46 Type: F

12. One of the important reasons for the success of UPS is the concept of bureaucracy.

Answer: True Level: 2 Page: 48 Type: F

13. Max Weber emphasized efficiency instead of effectiveness in organizations through his bureaucratic model.

Answer: False Level: 1 Page: 48 Type: F

14. Fayol's Unity of Direction Principle emphasizes that each subordinate receives orders from one, and only one.

Answer: False Level: 2 Page: 50 Type: F

15. Unity of direction principle proposes that similar activities in an organization should be grouped together under one manager.

Answer: True Level: 1 Page: 50 Type: F

16. The hypothetical chain that provides horizontal links between unionized workers in different departments in an organization is called the scalar chain.

Answer: False Level: 2 Page: 50 Type: F

17. Follett and Barnard were early advocates of a more humanistic perspective on management that emphasized the importance of understanding human behavior, needs, and attitudes in the workplace as well as social interactions and group processes.

Answer: True Level: 2 Page: 51 Type: F

18. Most early interpretations of the Hawthorne studies agreed that money was the cause of the increased output.
- Answer: False Level: 2 Page: 52 Type: F
19. The Hawthorne studies led to the early conclusion that positive human relations can lead to significantly higher performance.
- Answer: True Level: 1 Page: 52 Type: F
20. Maslow's hierarchy of needs started with belongingness, progressed to safety, and finally to esteem.
- Answer: False Level: 2 Page: 53 Type: F
21. According to Douglas McGregor, Theory X and Theory Y provide two opposing views of workers, where Theory X recognizes that workers enjoy achievement and responsibility, while Theory Y recognizes that workers will avoid work whenever possible.
- Answer: False Level: 1 Page: 54 Type: F
22. Theory Y proposes that organizations can take advantage of the imagination and intellect of all of their employees.
- Answer: True Level: 2 Page: 54 Type: F
23. The behavioral science approach develops theories about human behavior based on scientific methods and study.
- Answer: True Level: 1 Page: 54 Type: F
24. Operations management represents the field of management that specializes in the physical production of goods and services.
- Answer: True Level: 1 Page: 57 Type: F
25. There are four components to the systems theory: inputs, outputs, feedback and the customers.
- Answer: False Level: 1 Page: 57 Type: F
26. Outputs, from a systems theory viewpoint, are the material, human, financial, or information resources used to produce goods and services.
- Answer: False Level: 2 Page: 57 Type: F

27. In systems theory, an open system is open to the suggestions and recommendations of its workers.
- Answer: False Level: 1 Page: 57 Type: F
28. When the shop foreman receives and rewards valuable suggestions from its workers, and this leads to continual improvement of production, synergy has occurred.
- Answer: True Level: 2 Page: 58 Type: A
29. One of the advantages provided by good coordination within an organization is that entropy is reduced.
- Answer: False Level: 2 Page: 58 Type: F
30. To survive, closed systems must interact with the environment.
- Answer: False Level: 1 Page: 58 Type: F
31. Contingency theory suggests that managers would be more successful if they learned the best way to manage and motivate their employees, and then applied this knowledge in a universally consistent way.
- Answer: False Level: 2 Page: 59 Type: A
32. The inherent focus of TQM is on managing the total organization to deliver quality to the customer.
- Answer: True Level: 1 Page: 59 Type: F
33. Benchmarking involves finding out what the customer wants.
- Answer: False Level: 2 Page: 60 Type: F
34. The implementation of small, incremental improvements in all areas of the organization on an ongoing basis refers to continuous improvement.
- Answer: True Level: 1 Page: 60 Type: F
35. The learning organization is an attitude or philosophy about what an organization can become.
- Answer: True Level: 2 Page: 60 Type: F
36. Although team leadership is critical, in learning organizations the traditional boss is practically eliminated.

Answer: True Level: 2 Page: 61 Type: F

37. In learning organizations, managers learn to think in terms of "control over" rather than "control with" others.

Answer: False Level: 1 Page: 61 Type: F

38. The fundamental unit in a learning organization is command-and-control management teams.

Answer: False Level: 2 Page: 61 Type: F

39. Giving employees the power, freedom, knowledge, and skills to make decisions and perform effectively refers to empowerment.

Answer: True Level: 1 Page: 61 Type: F

40. People are a cost to be minimized for managers in learning organizations.

Answer: False Level: 2 Page: 61 Type: F

41. Peter Drucker coined the word knowledge work more than 40 years ago.

Answer: True Level: 2 Page: 64 Type: F

Multiple Choice Questions

1. Which of these, according to the opening case, represents a management challenge for Cemex?

- a. Finding an Asian headquarter given its focus on the developing world
- b. Locating opportunities in the advanced part of the world
- c. Finding a business approach that accepted, rather than resisted, the natural chaos of the marketplace
- d. Finding entrepreneurial suppliers to match Cemex's innovative culture
- e. Introducing information technology in a mundane cement business

Answer: c Level: 3 Page: 41 Type: F

2. Sam Walton was way ahead of open-book management when he _____ to/with the employees in the 1960s.

- a. opened the financial records
- b. allowed decision making
- c. gave bonuses
- d. developed technology skills
- e. managed the openings of Wal-Mart

Answer: a Level: 2 Page: 42 Type: F

3. A significant changing force in today's workforce are the changing attitudes of _____.

- a. suppliers
- b. customers
- c. generation X employees
- d. CEO's and board members
- e. industry leaders

Answer: c Level: 2 Page: 43 Type: F

4. Which of these forces refer to those aspects of a culture that guide and influence relationships among people?

- a. Social
- b. Political
- c. Economic
- d. Technological
- e. Legal

Answer: a Level: 1 Page: 43 Type: F

5. Which of these forces comprises unwritten, common rules and perceptions about relationships?

- a. Economic force
- b. Political force
- c. Social force
- d. Legal force
- e. Personal force

Answer: c Level: 1 Page: 43 Type: F

6. The passage of new laws, such as the Family Leave Act, exemplify the effect of

- a. economic forces.
- b. political forces.
- c. social forces.

11. During difficult times, managers often look for ideas to cope with _____ turbulence.

- a. environmental
- b. employee
- c. market share
- d. industry
- e. legal

Answer: a Level: 2 Page: 44 Type: F

12. The railroads and internet serve the same basic function: _____.

- a. transporting information
- b. connecting buyers and sellers
- c. traveling with speed
- d. managing product
- e. developing industry performance

Answer: b Level: 2 Page: 45 Type: F

13. The nineteenth and early twentieth centuries saw the development of which management perspective?

- a. The human relations movement
- b. The behavioral sciences approach
- c. The classical perspective
- d. The quantitative management approach
- e. The TQM approach

Answer: c Level: 2 Page: 45 Type: F

14. Which of these perspectives emphasize a rational, scientific approach to the study of management and sought to make organizations efficient operating machines?

- a. The human relations movement
- b. The behavioral sciences approach
- c. The scientific management movement
- d. The quantitative management approach
- e. The TQM approach

Answer: c Level: 1 Page: 46 Type: F

15. Frank Gilbreth felt that efficiency equated with _____.

- a. one best way to do work

- b. leadership flows from the top down
- c. procedures and policies
- d. scientific management
- e. bureaucracy

Answer: a Level: 2 Page: 46 Type: F

16. _____ is considered the “first lady of management.”

- a. Mary Parker Follett
- b. Lillian Gilbreth
- c. Carly Fioroni
- d. Maxine Weber
- e. Anne Adams

Answer: b Level: 2 Page: 46 Type: F

17. The three subfields of the classical perspective include

- a. quantitative management, behavioral science, and administrative management.
- b. bureaucratic organization, quantitative management, and the human relations movement.
- c. administrative management, bureaucratic organization, and scientific management.
- d. scientific management, quantitative management, and administrative management.
- e. none of the above.

Answer: c Level: 2 Page: 46 Type: F

18. Who is considered as the “father of scientific management?”

- a. Frank B. Gilbreth
- b. Elton Mayo
- c. Henry Gantt
- d. Douglas McGregor
- e. Frederick W. Taylor

Answer: e Level: 1 Page: 46 Type: F

19. _____ is a bar graph that measures planned and completed work along each stage of production by time elapsed.

- a. Time and Work chart
- b. Gantt chart
- c. Time and Motion chart

- d. Production and Delivery chart
- e. Gilbreth chart

Answer: b Level: 1 Page: 46 Type: F

20. Fredrick Taylor's contributions were in the field of

- a. scientific management.
- b. human resource management.
- c. human relations.
- d. quantitative management.
- e. total quality management.

Answer: a Level: 1 Page: 46 Type: F

21. Which of the following is not a criticism of scientific management?

- a. It does not appreciate the social context of work.
- b. It does not appreciate the higher needs of workers.
- c. It does not appreciate the careful study of tasks and jobs.
- d. It does not acknowledge variance among individuals.
- e. It tends to regard workers as uninformed and ignored their ideas and suggestions.

Answer: c Level: 2 Page: 47-48 Type: F

22. Standardization of work and wage incentives are characteristics of

- a. bureaucratic organizations.
- b. scientific management.
- c. quantitative management.
- d. administrative management.
- e. behavioral science.

Answer: b Level: 2 Page: 47 Type: F

23. Weber felt selection of employees should be based on:

- a. education
- b. competence
- c. connections
- d. management skills
- e. efficient systems

Answer: b Level: 2 Page: 48 Type: F

24. Which of these is a major criticism of scientific management?

- a. It ignored the social context of work.
- b. It ignored the impact of compensation on performance.
- c. It overemphasized individual differences.
- d. It overemphasized the intelligence of workers.
- e. It emphasized the social context of work.

Answer: a Level: 2 Page: 48 Type: F

25. Bureaucratic organizations approach was a subfield within the _____.

- a. classical perspective
- b. systems theory
- c. scientific management
- d. learning organization
- e. management science view

Answer: a Level: 2 Page: 48 Type: F

26. Organizations, according to Weber's ideas on bureaucracy, should be based on which of these?

- a. Personal loyalty
- b. Personal references
- c. Rational authority
- d. Family ties
- e. Charismatic authority

Answer: c Level: 2 Page: 48 Type: F

27. Positions organized in a hierarchy of authority is an important characteristic of

- a. scientific management.
- b. bureaucratic organizations.
- c. quantitative management.
- d. the human relations movement.
- e. total quality management.

Answer: b Level: 1 Page: 48 Type: F

28. Archies' Antiques, Inc., is characterized by separation of management from ownership and by clearly defined lines of authority and responsibility. These characteristics are consistent with the principles of

- a. scientific management.
- b. bureaucratic organizations.

- c. administrative management theory.
- d. human resource management.
- e. all of the above.

Answer: b Level: 2 Page: 48 Type: A

29. Which of the following is NOT a characteristic of Weberian bureaucracy?

- a. Labor is divided with clear definitions of authority and responsibility that are legitimized as official duties.
- b. Positions are organized in a hierarchy of authority, with each position under the authority of a higher one.
- c. All personnel are selected and promoted based on technical qualifications.
- d. Administrative acts and decisions are recorded in writing.
- e. Management is the same as the ownership of the organization.

Answer: e Level: 3 Page: 48 Type: F

30. UPS is successful in the small package delivery market. One important reason for this success is the concept of

- a. globalization.
- b. employee flexibility.
- c. loose standards.
- d. bureaucracy.
- e. non-bureaucratic organizational system.

Answer: d Level: 2 Pages: 49 Type: F

31. Scientific management focused on _____, and administrative principles focused on _____.

- a. individual productivity, total organization
- b. organization productivity, individual effort
- c. efficient procedures, management by principle
- d. employee ability, employee loyalty
- e. employee competence, work flow through the organization

Answer: a Level: 2 Page: 49 Type: F

32. Mary Parker Follett contributed to which field?

- a. Administrative principles approach to management
- b. Scientific management approach
- c. Total quality management approach
- d. Quantitative approach to management

e. Systems approach to management

Answer: a Level: 1 Page: 50 Type: F

33. Mary Parker Follett thought of leadership as _____, rather than techniques.

- a. systems
- b. top managers
- c. people
- d. efficiencies
- e. floor managers

Answer: c Level: 2 Page: 50 Type: F

34. Chester Bernard felt that _____ could help a poorly managed organization.

- a. bureaucracy
- b. line managers
- c. efficiencies
- d. informal relations
- e. top/down flow of information

Answer: d Level: 2 Page: 50 Type: F

35. The assembly line is most consistent with which of the following general principles of management?

- a. Unity of command
- b. Division of work
- c. Unity of direction
- d. Scalar chain
- e. Quality management

Answer: c Level: 2 Page: 50 Type: A

36. The principle that similar activities in an organization should be grouped together under one manager is the essence of the classical perspective known as

- a. unity of command.
- b. division of work.
- c. unity of direction.
- d. scalar chain.
- e. quality management.

Answer: c Level: 2 Page: 50 Type: F

37. The use of specialization to produce more and better work with the same level of effort is

consistent with the administrative management principle of

- a. unity of command.
- b. unity of direction.
- c. scalar chain.
- d. division of work.
- e. none of the above

Answer: d Level: 1 Page: 50 Type: F

38. Which of these refers to a chain of authority extending from top to the bottom of the organization and including every employee?

- a. Unity of command
- b. Division of labor
- c. Unity of direction
- d. Scalar chain
- e. None of the above

Answer: d Level: 1 Page: 50 Type: F

39. A social group within an organization is part of the

- a. formal organizational structure.
- b. informal organization.
- c. scalar chain.
- d. reorganization process.
- e. top management level.

Answer: b Level: 1 Page: 50 Type: F

40. A significant contribution of Chester Barnard was the concept of

- a. bureaucracy.
- b. the informal organization.
- c. total quality management.
- d. scientific management.
- e. traditional theory of authority.

Answer: b Level: 1 Page: 50 Type: F

41. Which of these emphasized power sharing between managers and employees?

- a. Humanistic perspective
- b. Classical perspective
- c. Scientific management

- d. Bureaucratic organizations
- e. Contingency perspective

Answer: a Level: 1 Page: 51 Type: F

42. Which management theory states that people have free will?

- a. human relations movement
- b. acceptance theory of authority
- c. management science
- d. bureaucracy
- e. administrative principles

Answer: b Level: 2 Page: 51 Type: F

43. Which of these refers to the management thinking and practice that emphasizes satisfaction of employees' basic needs is the key to increased worker productivity?

- a. Scientific management perspective
- b. Human resource perspective
- c. Management science perspective
- d. Behavioral sciences approach
- e. Human relations movement

Answer: e Level: 2 Page: 52 Type: F

44. A "diary farm" view of management, i.e., contented cows give more milk, so satisfied workers will give more work was espoused by

- a. human relations management.
- b. human resource perspective.
- c. behavioral science approach.
- d. management science perspective.
- e. none of the above.

Answer: a Level: 2 Page: 52 Type: F

45. Most early interpretations of the Hawthorne studies argued that the factor that best explained increased output was

- a. money.
- b. days off.
- c. human relations.
- d. lighting.
- e. free food.

Answer: c Level: 2 Page: 52 Type: F

46. Maslow's hierarchy of needs started with which of these needs?

- a. Esteem
- b. Love
- c. Safety
- d. Physiological
- e. Belongingness

Answer: d Level: 1 Page: 53 Type: F

47. The human resources perspective of management links leadership with _____.

- a. top management
- b. employee tasks
- c. floor managers
- d. efficiencies
- e. profit maximization

Answer: b Level: 2 Page: 53 Type: F

48. In building IBM in 1914, Watson's key to increased productivity was _____.

- a. bureaucracy
- b. tough leadership
- c. employee centered management
- d. scientific management
- e. profit maximization

Answer: c Level: 2 Page: 53 Type: F

49. The classical perspective on management, according to Douglas McGregor, is consistent with which of the following?

- a. Theory X manager
- b. Theory Y manager
- c. Theory Z manager
- d. Theory A manager
- e. None of the above

Answer: a Level: 2 Page: 54 Type: F

50. Tommy believes his employees are responsible, creative, and able to work with minimal direction. He is a

- a. Theory X manager.
- b. Theory Y manager.
- c. Theory Z manager.
- d. Theory A manager.
- e. contingency theory manager.

Answer: b Level: 2 Page: 54 Type: A

51. Beth Brant, production supervisor at Trustworthy Tools Mfg., Inc. believes that her employees dislike work, avoid responsibility, and therefore they need to be controlled and directed. Beth is a

- a. Theory X manager.
- b. Theory Y manager.
- c. realistic manager.
- d. Theory Z manager.
- e. Theory J manager.

Answer: a Level: 3 Page: 54 Type: A

52. According to your text, which of the following organizations successfully practices Theory Y?

- a. United Parcel Service
- b. Signet Painting, Inc.
- c. U.S. Postal Service
- d. Alcan Aluminum Ltd. (AA)
- e. All of the above

Answer: b Level: 2 Page: 54 Type: F

53. The behavioral sciences approach is based on which of the following disciplines?

- a. Anthropology
- b. Economics
- c. Sociology
- d. Psychology
- e. All of the above

Answer: e Level: 1 Page: 54 Type: F

54. Organizational development is one specific set of management techniques based in the _____ approach.

- a. management science
- b. systems theory

- c. behavioral sciences
- d. scientific management
- e. quantitative

Answer: c Level: 2 Page: 54 Type: F

55. The management science perspective emerged after World War II to treat problems associated with

- a. modern global warfare.
- b. environmental issues.
- c. employee involvement.
- d. Germany.
- e. improving manufacturing.

Answer: a Level: 2 Page: 55-56 Type: F

56. The management science perspective applies all of the following to managerial problems EXCEPT

- a. statistics.
- b. qualitative techniques.
- c. mathematics.
- d. quantitative techniques.
- e. all of the above are correct.

Answer: b Level: 2 Page: 56 Type: F

57. Which of the following would be classified as input for Coca-Cola, Inc.?

- a. Soda
- b. Advertising
- c. Water
- d. Employee satisfaction
- e. All of the above

Answer: c Level: 2 Page: 57 Type: A

58. Which of the following would be classified as an output for Coca-Cola, Inc.?

- a. Soda
- b. Profits
- c. Employee satisfaction
- d. All of the above
- e. None of the above

Answer: d Level: 3 Page: 57 Type: A

59. Operations research grew out of World War II groups and is based on _____.

- a. group dynamics
- b. employees in crisis
- c. production in turbulent times
- d. mathematical equations
- e. a humanistic approach

Answer: d Level: 2 Page: 57 Type: F

60. According to the systems theory, a beautician at a hair salon would be a(n)

- a. output.
- b. environment.
- c. input.
- d. transformation process.
- e. none of the above.

Answer: c Level: 3 Page: 57 Type: A

61. For IBM, according to the systems theory, which of these would not be an input?

- a. Raw material
- b. Information
- c. Financial resources
- d. Human resources
- e. Employee satisfaction

Answer: e Level: 2 Page: 57 Type: A

62. Which of these is not a component of systems theory?

- a. Inputs
- b. Autonomy
- c. Feedback
- d. Environment
- e. Outputs

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

63. Which of the following, according to the systems theory, is transformation process for a business?

- a. Incoming trainees

- b. Retiring employees
- c. Managers
- d. Training
- e. Recruiters

Answer: d Level: 2 Page: 57 Type: A

64. The teamwork philosophy is based in part on the assumption that five people working together can produce more than five people working individually. This philosophy is consistent with the concept of

- a. transformation.
- b. entropy.
- c. synergy.
- d. feedback.
- e. quality.

Answer: c Level: 3 Page: 57 Type: A

65. Which of these must interact with the environment to survive?

- a. Closed system
- b. Entropy
- c. Synergy
- d. Universal view
- e. Open system

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

66. Then tendency for a system to run down and die refers to

- a. entropy.
- b. synergy.
- c. open system.
- d. case property.
- e. contingency perspective.

Answer: a Level: 1 Page: 58 Type: F

67. It is often difficult to make decisions about subsystems, because they are _____.

- a. interdependent
- b. independent
- c. managed differently
- d. filled with employees
- e. organizationally based

Answer: a Level: 2 Page: 58 Type: F

68. $10 + 10 = 25$ reflects which of these?

- a. Entropy
- b. Synergy
- c. Open system
- d. Closed system
- e. Weberian math

Answer: b Level: 3 Page: 58 Type: F

69. In which of the following perspectives is every situation viewed as unique?

- a. A universalist view
- b. A contingency view
- c. A case view
- d. Scientific management view
- e. None of the above

Answer: c Level: 2 Page: 59 Type: F

70. _____ is often considered the “father of the quality movement.”

- a. Weber
- b. Gilbreth
- c. Follett
- d. Deming
- e. Gehrke

Answer: d Level: 2 Page: 59 Type: F

71. Which of these focuses on managing the whole organization to deliver quality to customers?

- a. Bureaucracy
- b. Theory Z
- c. Management-by-objective
- d. Total Quality Management
- e. Organization-customer relationship

Answer: d Level: 1 Page: 59 Type: F

72. Elements of TQM include

- a. employee detachment.
- b. focus on profits.
- c. benchmarking.
- d. accidental improvement.
- e. all of the above.

Answer: c

Level: 1

Page 59

Type: F

73. In order to determine how to deal with a problem employee, Sharon evaluated the employee, the problem, and the context in which the problem occurred. She is applying which of the following perspectives?

- a. Participative view
- b. Universalist view
- c. Autonomy view
- d. Contingency view
- e. Humanist view

Answer: d

Level: 3

Page: 59

Type: A

74. A consultant who recommends the effectiveness of sensitivity training to every organization he serves is violating the basics of which of the following perspectives?

- a. Efficiency perspective
- b. Universalist perspective
- c. Contingency perspective
- d. Scientific management perspective
- e. Quantitative perspective

Answer: c

Level: 2

Page: 59

Type: A

75. Which of these is a process whereby companies find out how others do something better than they do and then try to imitate or improve on it?

- a. TQM
- b. Continuous improvement
- c. Benchmarking
- d. Empowerment
- e. MBO

Answer: c

Level: 1

Page: 60

Type: F

76. In a _____ organization all employees look for problems.

- a. continuous improvement

- b. bureaucratic
- c. empowered
- d. learning
- e. total quality management

Answer: d Level: 2 Page: 60 Type: F

77. The implementation of small incremental improvements in all areas of the organization on an ongoing basis is referred to as

- a. benchmarking.
- b. empowerment.
- c. systems theory.
- d. contingency perspective.
- e. continuous improvement.

Answer: e Level: 1 Page: 60 Type: F

78. Which of these teams is the fundamental unit in a learning organization?

- a. Informal
- b. Vertical
- c. Industrial
- d. Self-directed
- e. Union-based

Answer: d Level: 2 Page: 61 Type: F

79. In learning organizations, _____ is(are) a manager's primary source of strength, not a cost to be minimized.

- a. technology
- b. competitors
- c. government
- d. levels of management
- e. people

Answer: e Level: 2 Page: 61 Type: F

80. Developing a learning organization involves making specific changes in all of the following areas EXCEPT

- a. leadership.
- b. empowerment.
- c. participative strategy.
- d. adaptive cultures.

e. government controls.

Answer: e Level: 1 Page: 60-62 Type: F

81. Which of these means giving employees the power, freedom, knowledge, and skills to make decisions and perform effectively?

- a. Empowerment
- b. TQM
- c. Promotion
- d. Benchmarking
- e. Culture

Answer: a Level: 1 Page: 61 Type: F

82. _____ becomes extremely important in organizations that deal with ideas rather than material goods.

- a. Scientific management
- b. Open information
- c. Theory X
- d. Manufacturing
- e. Economic forces

Answer: b Level: 2 Page: 62 Type: F

83. _____ are information systems that unite a company's major business functions, such as order processing, product design, purchasing, and inventory.

- a. Knowledge managements
- b. E-businesses
- c. Enterprise resource plannings
- d. Extranets
- e. E-commerces

Answer: c Level: 1 Page: 62 Type: F

84. _____ are organizations that sell their product or service over the internet directly to individual consumers.

- a. B2B
- b. B2C
- c. B2D
- d. C2C
- e. D2B

Answer: b

Level: 1

Page: 62

Type: F

85. _____ are organizations that sell their product or service over the internet directly to other commercial entities.

- a. B2B
- b. B2C
- c. B2D
- d. C2C
- e. D2B

Answer: a

Level: 1

Page: 62

Type: F

86. The notion that jobs are so structured that employees don't have to think, stems from what theory of management practice?

- a. scientific management
- b. human relations
- c. human resource management
- d. total quality management
- e. bureaucracy

Answer: a

Level: 2

Page: 64

Type: F

Scenario Questions

Scenario—Jasmine Lye

The opportunity to gain a foothold in the snack cracker industry had just been found. Jasmine Lye, an account executive manager for Baked Wheat Industries had developed an interest in wheat crackers two months ago when one of her newly hired account execs, Tricia Parker, had convinced her about the high margins and promising future associated with that market. Lye had always believed that if you do your homework in hiring the best people then it only makes sense to listen to their recommendations and implement their suggestions.

Lye had given her approval to Parker to explore opportunities to move into this promising new market. This morning, Parker had reported that the Jackson Corporation had severed its contract with Feel Good Crackers Incorporated. Apparently, the Feel Good salesman had shared sensitive information about Jackson at a cocktail party. Parker had already established a good relationship with Feel Good buyers and so recognized this as an opportunity to expand her market into wheat crackers.

1. Lye's management style reflects a belief in

- a. Theory Y.
- b. developing her employees through control.
- c. grieving theory.
- d. all of the above.
- e. none of the above.

Answer: a Type: A

2. Lye's behavior provides an example of

- a. the use of scalar rope.
- b. division of organization.
- c. the principle of inversion.
- d. unity of direction.
- e. all of the above.

Answer: d Type: A

3. From a System's theory perspective

- a. Lye should increase teamwork, leading to more entropy.
- b. Lye should listen to and reward her people well to increase synergy.
- c. the Jackson account was lost because Feel Good was too closed to its environment.
- d. all of the above.
- e. none of the above.

Answer: b Type: A

4. Contingency theory recommends

- a. Lye should manage all of her employees the way she manages Parker.
- b. the goal of every manager should be high return on investment, so Lye should expand her market only if it increases ROI.
- c. Parker should focus on her expertise, recognizing the potential risk of failure with a new market.
- d. all of the above.
- e. none of the above.

Answer: e Type: A

Short-Answer Questions

1. The _____ can be defined as one in which everyone is engaged in identifying and solving problems, enabling the organization to continuously experiment, change, and improve, thus increasing its capacity to grow, learn, and achieve its purpose.

Answer: learning organization

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2. _____ refer to the aspects of a culture that guide and influence relationships among people.

Answer: Social forces

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3. _____ refer to the influence of political and legal institutions on people and organizations.

Answer: Political forces

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4. _____ pertain to the availability, production, and distribution of resources in a society.

Answer: Economic forces

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5. A management perspective that emerged during the nineteenth and early twentieth centuries that emphasized a rational, scientific approach to the study of management and sought to make organizations efficient operating machines is called _____.

Answer: classical perspective

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6. List three of the basic ideas of scientific management.

Answer: Any three of the following develop standard methods for doing each job; select workers with appropriate abilities; train workers in standard methods; support workers and eliminate interruptions; and provide wage incentives.

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7. Weber's vision of organizations that would be managed on an impersonal, rational basis is called a(n) _____.

Answer: bureaucracy

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8. A subfield of the classical management perspective that focused on the total organization rather than the individual worker, delineating the management functions of planning,

organizing, commanding, coordinating, and controlling is called _____.

Answer: administrative principles Page: 49

9. According to Fayol, similar activities in an organization should be grouped together under one manager. This administrative principle is known as _____.

Answer: unity of direction Page: 50

10. A management perspective that emerged around the late nineteenth century that emphasized understanding human behavior, needs, and attitudes in the workplace is referred to as a(n) _____.

Answer: humanistic perspective Page: 51

11. A management perspective that suggests jobs should be designed to meet higher-level needs by allowing workers to use their full potential is called a(n) _____.

Answer: human resources perspective Page: 53

12. List the three assumptions associated with McGregor's Theory X.

Answer: (1) Individuals have an innate dislike of work and will try to avoid it; (2) Most people must be coerced to get them to put out a reasonable level of effort; and (3) The typical person prefers to be told what to do.

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13. A management perspective that emerged after World War II, and applied mathematics, statistics, and other quantitative techniques to managerial problems is referred to as a(n) _____.

Answer: management science perspective Page: 56

14. List the five components of the basic systems theory of organizations.

Answer: inputs; a transformation process; outputs; feedback; and the environment.

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15. The concept that the whole is greater than the sum of its parts is known as _____.

Answer: synergy Page: 58

16. The _____ view of management is an integration of the case and universalist viewpoints.

Answer: contingency

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17. The process by which companies find out how others do something better than they do and then try to copy and/or improve it is known as _____.

Answer: benchmarking

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18. _____ means giving employees the power, freedom, knowledge, and skills to make decisions and perform effectively.

Answer: Empowerment

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19. There are three types of e-commerce. They are _____.

Answer: business-to-business, business-to-consumer, and consumer-to-consumer

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20. The efforts to systematically to find, organize, and make available a company's intellectual capital and to foster a culture of continuous learning and knowledge sharing so that a company's activities build on what is already known is called _____.

Answer: knowledge management

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Essay Questions

1. Discuss the advantages and disadvantages of Taylor's Scientific Management.

ANSWER:

The advantages of scientific management included the standardization of work, the systematic study of work, the linking of performance and pay, and improved productivity. The disadvantages included its failure to consider the social context within which work took place and its failure to appreciate workers' needs, other than their need for money.

Level: 2

Page: 46-47

2. The writings of Fayol, Taylor, and Weber provide the foundation for modern management. Identify the school of thought associated with each writer and compare the focus that each writer takes in relation to the organization.

ANSWER:

Fayol is associated with the Administrative School, focusing on the manager level. Taylor is associated with Scientific Management, and focused on the work level. Weber

is associated with the Bureaucratic Model, and his focus was on the level of the organization.

Level: 2 Page: 46, 48, 50

- 3 Briefly describe what happened in the Hawthorne Studies and explain the results and conclusions of these studies.

ANSWER:

Harvard researchers, working under the direction of Elton Mayo, were studying the effects of various lighting conditions on worker performance at the Western Electric plant in Hawthorne, Illinois. Each time an experimental change was made, performance improved, regardless of the change. The early conclusion was that workers perceived that their work was important enough to hire researchers to work with them, and this recognition of importance was sufficient to motivate improved performance. This conclusion led to the development of the Human Relations Movement, stressing the importance of satisfied, happy workers. Recent analysis suggests that money may have been the single most important motivating factor.

Level: 3 Page: 51-52

- 4 Briefly describe systems theory, including synergy and negative entropy.

ANSWER:

Systems theory suggests that an organization can be considered a system composed of a number of interrelated subsystems. These subsystems include people, structure, technology, and goals. A change in one subsystem results in a rippling effect on the other subsystems. Managed properly, the subsystems work well together and produce more as a whole system than the parts could produce working alone. This is synergy. Negative entropy is the ability to resist the natural tendency to disintegrate.

Level: 2 Page: 57-58

- 5 Discuss the differences between the case view, the universalist view, and the contingency view.

ANSWER:

These viewpoints relate to the applicability of management principles. The case view holds that every situation is unique, thus there are no universal principles. Conversely, the universalist view believes that the same management principles will work across every situation in every organization. The contingency view is an integration of these two, i.e., while there are no universal principles, there are common patterns and characteristics. The manager's task is to identify what principles will work when, based on an analysis of key contingencies.

Level: 2

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- 6 Identify and briefly describe the interacting elements in a learning organization.

ANSWER:

The answer should focus on the following elements: Leadership, open information, empowered employees, strong, adaptive culture, team-based structure, and participative strategy. Refer to exhibit 2-1 in text.

Level: 2

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7. What are the three important adjustments that need to be to create a learning organization in order to promote continuous learning? Why is each important?

ANSWER:

Shifting to team-based structures, empowering employees, and sharing information are the three adjustments that need to be made. Team-based structures are the basic foundation of the structure. Empowering gives employees the freedom, resources, information, and skills to make decisions and perform effectively. Sharing information gives the employees the ability to identify needs and solve problems because they are given the information about what's happening in the organization.

Level: 2

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8. What makes consumer-to-consumer e-commerce possible? What are some examples of consumer-to-consumer e-commerce?

ANSWER:

Consumer-to-consumer e-commerce is made possible when an Internet-based business acts as an intermediary between and among consumers. Examples of these are eBay and other Web-based auctions, Napster, and ShareBear.

Level: 1

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