

## Chapter 2 The Management Movement

### True/False Questions

[QUESTION]

1. One of the significant achievements of the Sherman Antitrust Act was that the psychological and physical aspects of a job such as boredom, monotony, and fatigue were studied or considered in the design of most jobs.

Answer: False

Difficulty: Medium

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[QUESTION]

2. The Wagner Antitrust Act of 1890 sought to check corporate practices “in restraint of trade.”

Answer: False

Difficulty: Medium

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[QUESTION]

3. Taylor observed that most wage systems were based on attendance and position, without providing sufficient impetus for employees to produce more than required.

Answer: True

Difficulty: Medium

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[QUESTION]

4. Scientific management is a philosophy about the relationship between a technique and its levels of efficiency.

Answer: False

Difficulty: Medium

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[QUESTION]

5. Taylor saw the value of matching the job to the social background of the worker.

Answer: False

Difficulty: Medium

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[QUESTION]

6. Scientific management pioneers believed employees could be motivated by economic rewards, provided those rewards were related to individual performance.

Answer: True

Difficulty: Medium

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[QUESTION]

7. Carl Barth's major contribution was the application of Taylor's theory of scientific management to educational and municipal organizations.

Answer: False

Difficulty: Medium

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[QUESTION]

8. The Gantt chart graphically depicts both expected and actual profits.

Answer: False

Difficulty: Medium

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[QUESTION]

9. The major difference between the works of Taylor and Fayol was in their orientation—Taylor stressed the management of operative work, whereas Fayol emphasized the management of organization.

Answer: True

Difficulty: Medium

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[QUESTION]

10. The major difference in the works of Taylor and Fayol was in their approach to management.

Answer: False

Difficulty: Easy

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[QUESTION]

11. The 1930s and most of the 1940s were a period of solidification and popularization of management as a discipline.

Answer: False

Difficulty: Medium

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[QUESTION]

12. After the Great Depression of 1929-32, unions sought and gained great advantages for the working class.

Answer: True

Difficulty: Easy

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[QUESTION]

13. The Norris-La Guardia Act of 1932 severely restricted the use of injunctions to limit union activity.

Answer: True

Difficulty: Easy

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[QUESTION]

14. The purpose of the Hawthorne studies was to define the relationship between physical working conditions and productivity of the worker.

Answer: True

Difficulty: Medium

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[QUESTION]

15. When researchers lowered the levels of illumination in the room at the Hawthorne plant's study site, they noticed a drop in the levels of productivity.

Answer: False

Difficulty: Medium

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[QUESTION]

16. Owner-managers, captains of industry, and financial managers are all examples of professional managers who came into existence in the early 1920s.

Answer: False

Difficulty: Easy

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[QUESTION]

17. The professional manager does not necessarily have a controlling interest in the enterprise for which he or she works.

Answer: True

Difficulty: Easy

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[QUESTION]

18. James F. Lincoln developed a plan that combined an incentive system with a request for cooperation because he understood that effective cooperation came about by politeness and consideration for another person's feelings.

Answer: False

Difficulty: Medium

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[QUESTION]

19. Dennison advocated finding "like-minded" people, grouping them, and then developing the total organizational structure.

Answer: True

Difficulty: Easy

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[QUESTION]

20. The Scanlon plan gave workers a bonus for tangible savings in labor costs.

Answer: True

Difficulty: Medium

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[QUESTION]

21. The mathematical and modeling approach to quantify management was the brainchild of Oliver Sheldon and Ralph C. Davis.

Answer: False

Difficulty: Medium

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[QUESTION]

22. The Scanlon Plan encouraged individual rewards as opposed to group rewards.

Answer: False

Difficulty: Medium

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[QUESTION]

23. Henri Fayol was the first management scholar to present explicitly a functional analysis of the management process.

Answer: True

Difficulty: Medium

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[QUESTION]

24. The term “management theory jungle” was developed by Harold Koontz to refer to the division of thought that resulted from the multiple approaches to studying the management process.

Answer: True

Difficulty: Medium

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[QUESTION]

25. Under the systems approach to management, the organization is seen as an open system that is influenced by its internal and external environmental factors.

Answer: True

Difficulty: Easy

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[QUESTION]

26. Proponents of the contingency approach to management believed that the best way to manage was through the use of mathematical forecasting techniques.

Answer: False

Difficulty: Medium

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[QUESTION]

27. According to Ouchi, American-type organizations are characterized by rapid evaluation and promotion, and nonspecialized career paths.

Answer: False

Difficulty: Easy

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[QUESTION]

28. Ouchi's Theory Z attempts to integrate American and Japanese management practices; combining the American emphasis on individual responsibility with the Japanese emphasis on collective decision making, slow evaluation and promotion, and holistic concern for employees.

Answer: True

Difficulty: Easy

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[QUESTION]

29. Total quality management (TQM) emphasizes finding and correcting mistakes, so that the entire organization excels in all dimensions of products and services that are important to the customer.

Answer: False

Difficulty: Medium

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[QUESTION]

30. Projections about organizations and management in the future proclaim that organizations of the future will have to adapt to their employees, not the other way around.

Answer: True

Difficulty: Medium

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### Multiple Choice Questions

[QUESTION]

31. Which of the following was one of the facets of the Industrial Revolution in America according to Daniel Wren?

A) Efficiency

B) Automation

C) Government regulation

D) Power

E) Safety

Answer: D

Difficulty: Easy

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[QUESTION]

32. During the last quarter of the nineteenth century, American business was dominated and shaped by \_\_\_\_\_.

- A) owner-managers
- B) scientific managers
- C) career managers
- D) captains of industry
- E) leaders of industrial conglomerates

Answer: D

Difficulty: Easy

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[QUESTION]

33. What differentiated Rockefeller, Duke, and Carnegie from their “laissez-faire” predecessors?

- A) They developed extensive programs to train workers.
- B) They utilized sophisticated methods of production.
- C) They offered better compensation to their workers.
- D) They involved workers in management decision making.
- E) They pursued profits and self-interest above all else.

Answer: E

Difficulty: Easy

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[QUESTION]

34. Which of the following describes the actions of employees who intentionally restrict output?

- A) Soldiering
- B) Partnering
- C) Restricting
- D) Stopping
- E) Impeding

Answer: A

Difficulty: Medium

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[QUESTION]

35. The scientific method involved finding “\_\_\_\_\_” to perform a task.

- A) a series of possible ways
- B) the cheapest way
- C) the one best way
- D) the most efficient method
- E) the most automated way

Answer: C

Difficulty: Easy

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[QUESTION]

36. Taylor saw the value of matching the job to the \_\_\_\_\_.

- A) industry
- B) pay scale
- C) piece-rate structure
- D) worker
- E) environment

Answer: D

Difficulty: Medium

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[QUESTION]

37. Which of the following is true about scientific management?

- A) It results in conflict in interests between workers and management.
- B) It emphasizes maximum output with human effort through the elimination of interdependence.
- C) It studies the relationship between a technique and its efficiency.
- D) It is a philosophy about the relationship between people and work.
- E) It deals solely with the proper design of the job, irrespective of the worker.

Answer: D

Difficulty: Hard

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[QUESTION]

38. Taylor and scientific management were (and still are) attacked as being inhumane and aimed only at:

- A) minimizing compensation.
- B) maximizing profits.
- C) tightening management control.
- D) creating interdependencies.
- E) increasing output.

Answer: E

Difficulty: Hard

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[QUESTION]

39. Carl Barth worked to \_\_\_\_\_ Taylor's ideas.

- A) popularize
- B) question
- C) refute
- D) add to
- E) affirm

Answer: A

Difficulty: Easy

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[QUESTION]

40. What was Morris Cooke's contribution to scientific management?

- A) He applied scientific management to educational and municipal organizations.
- B) He studied the effects of the physical environment on worker output.
- C) He used motion picture films to eliminate wasted motion.
- D) He researched the areas of fatigue, monotony, micromotion study, and morale.
- E) He championed the formation of junior boards as a training and mentoring tool.

Answer: A

Difficulty: Hard

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[QUESTION]

41. What was Henry Lawrence Gantt's contribution to scientific management?

- A) He applied scientific management to educational and municipal organizations.
- B) He invented a chart that graphically depicts both expected and completed production.
- C) He studied the effects of the physical environment on worker output.
- D) He researched the areas of fatigue, monotony, micromotion study, and morale.
- E) He championed the formation of junior boards as training and mentoring tool.

Answer: B

Difficulty: Hard

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[QUESTION]

42. Henry Lawrence Gantt is best known for his work in \_\_\_\_\_.

- A) micromotion
- B) worker compensation
- C) planning
- D) communication
- E) production control

Answer: E

Difficulty: Easy

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[QUESTION]

43. The \_\_\_\_\_ graphically depicts both expected and completed production.

- A) Scalar chain
- B) needs theory
- C) Gantt chart
- D) Taylor illustration
- E) Scanlon plan

Answer: C

Difficulty: Medium

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[QUESTION]

44. Frank and Lillian Gilbreth studied hand and body movements to eliminate \_\_\_\_\_.

- A) worker-management conflict
- B) slippage
- C) boredom and monotony
- D) wasted motion
- E) errors

Answer: D

Difficulty: Medium

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[QUESTION]

45. Gantt was one of the first management pioneers to state publicly the:

- A) social responsibility of management and business.
- B) separation of management involvement from production.
- C) interdependence of management and labor.
- D) importance of harmony and unity in an organization.
- E) need for formal channels of communication.

Answer: A

Difficulty: Medium

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[QUESTION]

46. Frank and Lillian Gilbreth contributed greatly to research in the area of \_\_\_\_\_.

- A) planning
- B) worker compensation
- C) micromotion study
- D) communication
- E) production control

Answer: C

Difficulty: Easy

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[QUESTION]

47. Which of the following is a principle of management identified by Henri Fayol?

- A) Unification of work
- B) Social responsibility
- C) Decentralization
- D) Productivity
- E) Remuneration

Answer: E

Difficulty: Medium

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[QUESTION]

48. Henri Fayol identified \_\_\_\_\_ as a management principle.

- A) unification of work
- B) social responsibility
- C) decentralization
- D) productivity
- E) equity

Answer: E

Difficulty: Medium

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[QUESTION]

49. \_\_\_\_\_ identified planning, organizing, commanding, coordinating, and controlling as elements of management.

- A) Frederick Taylor
- B) Henri Fayol
- C) Lillian Gilbreth
- D) James Lincoln
- E) Chester Barnard

Answer: B

Difficulty: Medium

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[QUESTION]

50. How did Fayol and Taylor differ in orientation in their management theories?

- A) Taylor stressed the management of operative work and Fayol emphasized the management of organization.
- B) Taylor stressed on proper planning, while Fayol paid attention to the technical details of management.
- C) Fayol emphasized management's role in an organization, while Taylor focused on coordination of operations.
- D) Fayol stressed on an incentive system for better output, while Taylor emphasized better working conditions.
- E) Taylor paid attention to scientific research, while Fayol emphasized the human element at the workplace.

Answer: A

Difficulty: Medium

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[QUESTION]

51. The Golden Age of Unionism saw an increased emphasis on:

- A) understanding employees and their needs.
- B) methods used to conduct work.
- C) reducing soldiering and increasing productivity.
- D) over time for fuelling chances of growth.
- E) individual bargaining with the union.

Answer: A  
Difficulty: Medium  
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[QUESTION]

52. Which of the following Acts resulted in an obligation for employers to recognize and collectively bargain with the union?

- A) Fair Labor Standards Act of 1938
- B) Railway Labor Act of 1926
- C) Norris-La Guardia Act of 1932
- D) National Labor Relations Act of 1935
- E) Labor Rights Act of 1936

Answer: B  
Difficulty: Medium  
Page: 30

[QUESTION]

53. Which of the following Acts severely restricted the use of injunctions to limit union activity?

- A) Fair Labor Standards Act of 1938
- B) Railway Labor Act of 1926
- C) Norris-La Guardia Act of 1932
- D) National Labor Relations Act of 1935
- E) Labor Rights Act of 1936

Answer: C  
Difficulty: Medium  
Page: 30

[QUESTION]

54. Which of the following Acts resulted in full, enforceable rights of employees to join unions and to engage in collective bargaining with their employer?

- A) Fair Labor Standards Act of 1938
- B) Railway Labor Act of 1926
- C) Norris-La Guardia Act of 1932
- D) National Labor Relations Act of 1935
- E) Labor Rights Act of 1936

Answer: D  
Difficulty: Medium  
Page: 30

[QUESTION]

55. Which of the following Acts resulted in establishment of minimum wages and requirement of time-and-a-half pay for hours worked over 40 in one week?

- A) Labor Rights Act
- B) National Labor Relations Act
- C) Norris-La Guardia Act
- D) Fair Labor Standards Act

E) Equal Pay Act

Answer: D

Difficulty: Medium

Page: 30

[QUESTION]

56. Which of the following is credited with the finding that effective supervision makes a significant impact on productivity and employee morale?

- A) The Bethlehem Steel studies
- B) The Frank and Lillian Gilbreth studies
- C) The Gantt and Cooke studies
- D) The Lincoln Electric Company studies
- E) The Hawthorne studies

Answer: E

Difficulty: Easy

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[QUESTION]

57. The attention shown to the employees by experimenters positively biases their productivity. This phenomenon is known as the \_\_\_\_\_ effect.

- A) Bethlehem Steel
- B) Hawthorne
- C) Gantt and Cooke
- D) Lincoln Electric
- E) McCormick

Answer: B

Difficulty: Easy

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[QUESTION]

58. Which of the following is true about the researchers who conducted the Hawthorne studies?

- A) They sought to analyze the relationship between productivity and peer influence.
- B) They utilized noise distractions on workers as part of their experiments at the Hawthorne plant.
- C) They found that employees reacted to the psychological and social conditions at work.
- D) They were criticized for failure to include variables, such as wage payments and length of workday.
- E) They concluded that supervision on the employee had a minimal effect on productivity levels.

Answer: C

Difficulty: Hard

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[QUESTION]

59. Which of the following was a direct result of the Great Depression?

- A) It weakened public confidence in business organizations.
- B) The captains of industry became more and more prevalent.

- C) Owner-managers gained momentum in organizations.
- D) A piece-rate method of compensation emerged.
- E) It led to an increased focus on the methods used to conduct work.

Answer: A

Difficulty: Medium

Page: 32

[QUESTION]

60. Which of the following is one of the categories under which managers were placed until the 1930s?

- A) Owner-managers
- B) Scientific managers
- C) Career managers
- D) Professional managers
- E) Operational managers

Answer: A

Difficulty: Easy

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[QUESTION]

61. Which of the following is one of the categories under which managers were placed until the 1930s?

- A) Scientific managers
- B) Financial managers
- C) Career managers
- D) Professional managers
- E) Operational managers

Answer: B

Difficulty: Easy

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[QUESTION]

62. \_\_\_\_\_ designed a plan that coupled an incentive system with a request for cooperation.

- A) Henri Fayol
- B) Frederick Taylor
- C) Lillian Gilbreth
- D) James F. Lincoln
- E) Chester Barnard

Answer: D

Difficulty: Easy

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[QUESTION]

63. Which of the following uses participation as a training and motivational tool by selecting promising young employees from various company departments to form a junior board of directors?

- A) The Scanlon plan
- B) The Fayol employee asset plan
- C) Taylor's scientific management
- D) The McCormick multiple-management plan
- E) Given's bottom-up approach

Answer: D

Difficulty: Medium

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[QUESTION]

64. The \_\_\_\_\_ management philosophy encouraged widespread delegation of authority to solicit the participation of all employees.

- A) process
- B) bottom-up
- C) functional
- D) multiple
- E) team-based

Answer: B

Difficulty: Easy

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[QUESTION]

65. Which of the following theories focuses on the management functions of planning, controlling, organizing, staffing, and leading?

- A) The McCormick multiple-management theory
- B) Theory Z
- C) The Contingency approach
- D) The Process approach
- E) The Systems approach

Answer: D

Difficulty: Easy

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[QUESTION]

66. Ralph C. Davis was the first American to publish a functional breakdown of the management process. Which of the following is a function of the management process according to him?

- A) Delegating
- B) Commanding
- C) Organizing
- D) Analyzing
- E) Coordination

Answer: C

Difficulty: Medium

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[QUESTION]

67. The \_\_\_\_\_ approach to management provides a framework for visualizing internal and external environmental factors as an integrated whole.

- A) scientific
- B) Theory Z
- C) process
- D) systems
- E) Scanlon

Answer: D

Difficulty: Easy

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[QUESTION]

68. The \_\_\_\_\_ approach to management theorizes that different situations and conditions require different management approaches.

- A) contingency
- B) multiple-management
- C) Theory Z
- D) total quality
- E) systems

Answer: A

Difficulty: Easy

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[QUESTION]

69. Which of the following attempts to integrate American and Japanese management practices?

- A) Theory Z
- B) Multiple-management
- C) The total quality approach
- D) Deming's theory
- E) The systems approach

Answer: A

Difficulty: Easy

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[QUESTION]

70. According to Peters and Waterman, which of the following characteristics of excellent companies refers to a tendency to get on with things and a willingness to experiment?

- A) A bias for action
- B) Autonomy and entrepreneurship
- C) Hands on; value driven
- D) Process driven; innovative
- E) Simultaneous loose-tight properties



[QUESTION]

74. Contrast the management styles put forth by McCormick and Scanlon.

Answer: The McCormick multiple-management plan used participation as training and motivating tool by selecting several promising young people from various departments within the company to form a junior board of directors. The Scanlon plan provided workers bonuses for tangible savings in labor costs.

Difficulty: Hard

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[QUESTION]

75. Discuss the contribution of Harold Koontz to the study of management.

Answer: The late 1950s saw a new era in the study of management. Mathematical and decision theory schools of thought developed for the study of management. The decision theory school was based largely on economic theory and the theory of consumer choice. The mathematical school viewed management as a system of mathematical relationships. At about the same time that these quantitative approaches were flourishing, behavioral scientists were studying management in terms of small-group relations; they depended heavily on psychology and social psychology. Drawing on the work of Chester Barnard and sociological theory, another school saw management as a system of cultural interrelationships. Harold Koontz was the first management scholar to discuss this fragmentation movement in detail. Koontz accurately referred to this division of thought that resulted from the multiple approaches to studying the management process as the management theory jungle.

Difficulty: Medium

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Page: 35

[QUESTION]

76. Describe the “Japanese-type” organization.

Answer: Japanese-type organizations are characterized by: Lifetime employment, collective decision making, collective responsibility, slow evaluation and promotion, implicit control mechanisms, nonspecialized career paths, holistic concern for employees as a person.

Difficulty: Easy

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[QUESTION]

77. Describe the “American-type” organization.

Answer: American-type organizations are characterized by: Short-term employment, individual decision making, individual responsibility, rapid evaluation and promotion, explicit control mechanisms, specialized career path, segmented concern for employee as an employee.

Difficulty: Easy

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[QUESTION]

78. Describe the Theory Z-type organization.

Answer: Theory Z-type organizations are characterized by: Long-term employment; consensual, participative decision making; individual responsibility; slow evaluation and promotion; implicit, informal control with explicit, formalized measures; moderately specialized career paths; holistic concern, including family.

Difficulty: Medium

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[QUESTION]

79. Outline Peters and Waterman's eight characteristics of excellent companies.

Answer: Peters and Waterman's eight characteristics of excellent companies include: A bias for action; close to the customer; autonomy and entrepreneurship; productivity through people; hands on and value driven; "stick to the knitting"; simple form with lean staff; simultaneous loose-tight properties.

Difficulty: Medium

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[QUESTION]

80. Outline the future implications of organizational and managerial structures in the twenty-first century, as discussed in the book *Beyond Workplace 2000*.

Answer: Most American companies will find that they no longer can gain a competitive advantage from further improvements in quality, service, cost, or speed, because the gap between rivals on these traditional measures of performance will all but close. The product or service companies provide and the business processes they employ will be in a constant state of change. They will be forced to develop a much better understanding of what they do truly well and will invest their limited resources in developing and sustaining superiority in that unique knowledge, skill, or capability. Organizational structures will become extremely fluid. There will be a meltdown of the barrier between leader and follower, manager and worker. The central theme is that future organizations will be more fluid and less rigid than in the past. Organizations of the future will have to adapt to their employees, not the other way around.

Difficulty: Medium

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