True/False

1. Google's runaway success can be attributed to performance excellence based on speed, accuracy, and ease of use.

Ans: True
Difficulty: Easy
Ref: Learning From Others

2. One's learning style has no real relevance for performance success today.

Ans: False
Difficulty: Easy
Ref: Learning About Yourself

3. In *The Evolution of Management Thought,* Daniel Wren traces management as far back as 500BC.

Ans: False
Difficulty: Moderate
Ref: Introduction

4. Since so much has changed in management science, the writings of classical theorists like Mary Parker Follett are not very relevant to the way organizations are managed today.

Ans: False
Difficulty: Moderate
Ref: Introduction

5. Even though the way we manage work and organizations is changing — managers today can benefit from studying the history of management thought.

Ans: False
Difficulty: Moderate
Ref: Introduction

6. Many modern management concepts have parallels in some of the historical management writings, and contemporary managers are trying to perfect many ideas that have deep historical roots.

Ans: True

Classical management approaches

7. The three branches of classical management approaches are scientific management, theory x and y, and bureaucratic organization.

Ans: False
Difficulty: Easy
Ref: Introduction

8. The ideas of visionary leadership, respect for workers, cooperation and the dangers of bureaucracy have only recently been developed and written about by modern management theorists.

Ans: True
Difficulty: Moderate
Ref: Introduction

9. Henri Fayol and Mary Parker Follett were important contributors to scientific management, and Frederick Taylor and Max Weber were important contributors to administrative principles.

Ans: False
Difficulty: Moderate
Ref: Classical Management Approaches

10. A major assumption of classical approaches to management is that people are much more driven by human concerns for other workers than by the need to achieve personal gain.

Ans: False
Difficulty: Easy
Ref: Classical Management Approaches

Scientific management

11. According to Frederick Taylor, the primary objective of management is to secure maximum prosperity for both the employer and the employees.

Ans: True
Difficulty: Moderate

12. Frank and Lillian Gilbreth formulated the hypothesis that employees who did their jobs without having clear and uniform specifications would lose efficiency and perform below their true capabilities.

Ans: False
Difficulty: Moderate
Ref: Classical Management Approaches

13. According to scientific management, performance-based compensation, job design and supervisory training are methods that can be used to improve productivity of people at work.

Ans: True
Difficulty: Moderate
Ref: Classical Management Approaches

14. Scientific management theories are important historically but are not very relevant for modern managers and businesses today.

Ans: False
Difficulty: Easy
Ref: Classical Management Approaches

15. One of the principles of scientific management is to develop a scientific approach to every job that includes careful selection and training of workers as well as proper supervisory support.

Ans: True
Difficulty: Moderate
Ref: Classical Management Approaches

16. Frederick Taylor's four principles of scientific management focus on developing a science for every job, carefully selecting workers based on their abilities, simplifying work, introducing work standards and giving them proper incentives.

Ans: False
Difficulty: Hard
Ref: Classical Management Approaches

17. Carefully selecting workers with the abilities to do their jobs is just one practical lesson learned from scientific management.

Ans: True

Difficulty: Moderate
Ref: Classical Management Approaches

18.   Motion studies, conducted by Frank and Lillian Gilbreth, provided the foundation for modern job simplification, work standard techniques, and incentive wage plans.

Ans: True
Difficulty: Moderate
Ref: Classical Management Approaches

19.   Frank and Lillian Gilbreth made important contributions to scientific management while, the work of Henry Fayol contributed to the development of administrative principles.

Ans: True
Difficulty: Moderate
Ref: Classical Management Approaches

20.   Scientific management is primarily concerned with getting people at work to do what is necessary to improve productivity.

Ans: True
Difficulty: Easy
Ref: Classical Management Approaches

21.   Training supervisors to support workers so they can perform to the best of their abilities is another practical lesson learned from scientific management.

Ans: True
Difficulty: Moderate
Ref: Classical Management Approaches

22.   For UPS, productivity standards have cut down on inefficiencies and increased productivity.

Ans: True
Difficulty: Hard
Ref: Classical Management Approaches

23.   Frederick Taylor's four principles of scientific management focus on developing a science for every job, carefully selecting workers based on their abilities, job standardization and simplification, work standards, and supporting workers through careful planning of the work.

Ans: False

Difficulty: Moderate
Ref: Classical Management Approaches

Administrative principles

24. Administrative study is the science of reducing a job or task to its basic physical motions.

Ans: False
Difficulty: Easy
Ref: Classical Management Approaches

25. Mary 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 scientific management principles in the workplace.

Ans: False
Difficulty: Moderate
Ref: Classical Management Approaches

26. Max Weber's ideas developed in reaction to performance deficiencies in the organizations of his day.

Ans: True
Difficulty: Moderate
Ref: Classical Management Approaches

27. Henri Fayol identified five rules of management — foresight, organization, command, coordination, and control — that closely resemble the four management functions studied today.

Ans: True
Difficulty: Moderate
Ref: Classical Management Approaches

28. Using time and motion studies to improve its worker performance is an example of the use of management techniques derived from administrative management.

Ans: False
Difficulty: Easy
Ref: Classical Management Approaches

29. Henri Fayol set forth several management principles that could be taught to people to improve the quality of management practice.

Ans: True
Difficulty: Easy
Ref: Classical Management Approaches

30. Henri Fayol's coordination principle specifies that one person should be in charge of all activities that have the same performance objective.

Ans: False
Difficulty: Easy
Ref: Classical Management Approaches

31. The scalar chain principle states that there should be a clear and unbroken line of communication from the top to the bottom of the organization.

Ans: True
Difficulty: Easy
Ref: Classical Management Approaches

32. The unity of command principle specifies that one person should be in charge of all activities that have the same performance objective.

Ans: False
Difficulty: Easy
Ref: Classical Management Approaches

33. The control principle specifies that each person should receive orders from only one boss.

Ans: False
Difficulty: Easy
Ref: Classical Management Approaches

Bureaucratic organization

34. Max Weber believed that people held positions of authority because of their social status; this problem could be addressed effectively through a form of organization known as bureaucracy.

Ans: True
Difficulty: Moderate
Ref: Classical Management Approaches

35.　A bureaucracy is an ideal form of organization that is rational and efficient, and is founded on the principles of logic, order, and legitimate authority.

Ans:　True
Difficulty:　Easy
Ref:　Classical Management Approaches

36.　Bureaucratic organizations are characterized by a clear division of labour, a clear hierarchy of authority, informal rules and procedures, personal coordination and control, and careers based on social status.

Ans:　False
Difficulty:　Moderate
Ref:　Classical Management Approaches

37.　Weber believed that efficiency in the utilization of resources and fairness in the treatment of employees and clients were potential advantages of bureaucratic organizations.

Ans:　True
Difficulty:　Moderate
Ref:　Classical Management Approaches

38.　Weber believed "the purely bureaucratic type of organization…is capable of attaining the highest degree of efficiency."

Ans:　True
Difficulty:　Easy
Ref:　Classical Management Approaches

39.　The behavioural management approach emphasizes satisfying social relationships, responding to pressure, and seeking personal satisfaction at work.

Ans:　True
Difficulty:　Easy
Ref:　Behavioural Management Approaches

Behavioral management approaches

40.　The behavioural management approaches include Maslow's human needs theory and Argyris's personality and organization theory and scientific management.

Ans:　False
Difficulty:　Moderate

41.   A major assumption of human resource approaches to management is that people are rational and primarily, motivated by economic incentives.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

Follett's organizations as communities

42.   Mary Parker Follett brought an understanding of groups and a deep commitment to human cooperation to her writings about businesses and other organizations.

Ans: True
Difficulty: Easy
Ref: Behavioural Management Approaches

43.   According to Mary Parker Follett, managers should develop productive communities at work by controlling and directing their employees.

Ans: False
Difficulty: Easy
Ref: Behavioural Management Approaches

44.   Mary Parker Follett believed that making every employee ownership and profit sharing in the business would create feelings of collective responsibility.

Ans: True
Difficulty: Moderate
Ref: Behavioural Management Approaches

45.   Mary Parker Follett's belief that businesses were services and that private profits should always be considered in relation to the public good foreshadowed today's concerns with managerial ethics and corporate social responsibility.

Ans: True
Difficulty: Moderate
Ref: Behavioural Management Approaches

46.   The initial focus of the Hawthorne studies reflected a scientific management perspective, but that focus later shifted toward social and human concerns in the workplace.

Ans: True
Difficulty: Easy
Ref: Behavioural Management Approaches

47.   The Hawthorne studies found consistent results to support their hypothesis that both economic incentives and the physical working conditions of the workplace affect productivity.

Ans: True
Difficulty: Moderate
Ref: Behavioural Management Approaches

48.   Neither group atmosphere nor participative supervision was found to be an important explanatory factor for improved productivity in the relay assembly test-room studies at Western Electric's Hawthorne Works.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

49.   The Hawthorne Studies shifted the attention of managers and scholars away from the technical and structural concerns emphasized by the classical management approach toward the study of social and human concerns as keys to productivity.

Ans: True
Difficulty: Moderate
Ref: Behavioural Management Approaches

50.   A key lesson from the Hawthorne studies is that people's feelings, attitudes, and relationships with co-workers have very little influence their performance as compared with compensation and incentives.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

51.   A major finding of the Hawthorne studies is physical working conditions have a much greater impact on worker performance and productivity than people's feelings, attitudes, and relationships with their co-workers.

Ans: False

52.   Non-compete clauses and non-disclosure agreements are becoming increasingly common in employment contracts.

Ans: True
Difficulty: Hard
Ref: Behavioural Management Approaches

53.   The Hawthorne studies contributed to the emergence of the human relations movement, which emphasized the notion that managers who use good human relations in the workplace will achieve higher levels of worker productivity.

Ans: True
Difficulty: Moderate
Ref: Behavioural Management Approaches

54.   The human relations movement demonstrates that people who are singled out and given special attention at work tend to perform in the way they believe they are expected to perform.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

Maslow's theory of human needs

55.   An important contribution to the human relations movement was Douglas McGregor's work which described the role that human needs play in motivating people in the workplace.

Ans: False
Difficulty: Easy
Ref: Behavioural Management Approaches

56.   Maslow's research on the importance of "human needs" has had a major impact on management.

Ans: True
Difficulty: Moderate
Ref: Behavioural Management Approaches

57.   A need is a physiological or psychological deficiency that a person wants to satisfy.

Ans: True
Difficulty: Easy
Ref: Behavioural Management Approaches

58.   Maslow's theory of human needs uses his satisfaction principle that describes the relative importance of five need levels that are arranged in a hierarchy.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

59.   According to Maslow, the more the need to be self-actualized is satisfied, the weaker it becomes.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

60.   According to Maslow, when the needs at a particular level are met, these needs are no longer a motivator, and the next higher level of needs becomes operative.

Ans: True
Difficulty: Easy
Ref: Behavioural Management Approaches

61.   Physiological needs refer to the needs for physical closeness and relationships with others.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

62.   Safety needs refer to the needs for security, protection, and stability in the events of daily life.

Ans: True
Difficulty: Easy
Ref: Behavioural Management Approaches

63.   Social needs concern the needs for respect, prestige, recognition, and self-esteem; and a personal sense of competency and mastery.

Ans: False

Difficulty: Moderate
Ref: Behavioural Management Approaches

64. Esteem needs involve the needs for love, affection, and belongingness in one's relationships with other people.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

65. Self-actualization is a terms used by Maslow to explain why managers who understand and help people satisfy higher order needs at work will achieve greater levels of productivity and fulfillment.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

66. According to the Maslow's progression principle of human needs, a satisfied need is not a motivator of behaviour.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

67. According to Maslow, social needs involve one's need for respect, recognition, and affiliation.

Ans: False
Difficulty: Easy
Ref: Behavioural Management Approaches

McGregor's Theory X and Theory Y

68. Douglas McGregor believed that managers can increase employee performance by focusing on improving the physical conditions in the work environment because these are more important than the social needs of employees.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

69. Theory X managers assume that subordinates are: willing to work, capable of self-control, willing to accept responsibility, imaginative and creative, and capable of self-direction.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

70. Theory Y managers assume that subordinates are lazy, dislike work, lack ambition, are irresponsible, and prefer to be given directions rather than to manage their own work.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

71. Based on McGregor's Theory, we would assume that Theory X managers are more effective in motivating people because they believe that their subordinates like work and are self-motivated and are willing to accept responsibility.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

72. Both the Hawthorne Studies and McGregor's Theory predict that the behaviour of people tend to act in ways that are consistent with what managers expect of them.

Ans: True
Difficulty: Moderate
Ref: Behavioural Management Approaches

73. Theory X managers tend to be directive in their relationships with others and take a command-and-control orientation with them.

Ans: True
Difficulty: Easy
Ref: Behavioural Management Approaches

74. Based on McGregor's theory, Theory Y managers place more emphasis on workforce diversity, an employee empowerment, involvement and self-management.

Ans: True
Difficulty: Moderate
Ref: Behavioural Management Approaches

Argyris's Theory of Adult Personality

75. According to Chris Argyris, management principles and practices that are associated with classical management approaches are inconsistent with the mature adult personality.

Ans: True
Difficulty: Moderate
Ref: Behavioural Management Approaches

76. Argyris believes that implementation of classical management ideas such as the bureaucratic organization and Fayol's administrative principles will ensure that workers are productive and efficient.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

77. In contract to Weber, Argyris believes that people work more efficiently in a clear hierarchy of authority, with those at higher levels controlling people at lower levels in the organization.

Ans: False
Difficulty: Easy
Ref: Behavioural Management Approaches

78. According to Argyris's theory of personality and organization, managers who treat people as mature and responsible adults will achieve the highest productivity.

Ans: True
Difficulty: Moderate
Ref: Behavioural Management Approaches

79. Argyris believes that employee absenteeism, turnover, apathy and low morale caused by lack of adequate supervision and poorly defined tasks.

Ans: False
Difficulty: Moderate
Ref: Behavioural Management Approaches

Quantitative Analysis And Tools

80. Quantitative management is the study of the application of mathematical techniques to improve decision-making and problem-solving.

Ans: False
Difficulty: Moderate
Ref: Modern Management Foundations

81. The quantitative management approaches use mathematical techniques to improve managerial decision-making and problem solving.

Ans: True
Difficulty: Moderate
Ref: Modern Management Foundations

82. Management science focuses specifically on how organizations produce goods efficiently and effectively.

Ans: False
Difficulty: Easy
Ref: Modern Management Foundations

83. Management science refers to the scientific application of mathematical techniques to management problems and decision-making.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

84. Total quality management is a term used to describe the process of always finding new ways to improve.

Ans: False
Difficulty: Easy
Ref: Modern Management Foundations

85. Mathematical forecasting helps make future projections that are useful for planning.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

86. Inventory modeling is used to help allocate service personnel or workstations to minimize customer waiting time and service cost.

Ans: False
Difficulty: Moderate

87. Queuing theory is used to calculate how best to allocate resources among competing uses.

Ans: False
Difficulty: Moderate
Ref: Modern Management Foundations

88. Network models break large tasks into smaller components to allow for better analysis, planning, and control of complex projects.

Ans: True
Difficulty: Moderate
Ref: Modern Management Foundations

89. Simulation is used to create models to determine how best to allocate scarce resources.

Ans: False
Difficulty: Moderate
Ref: Modern Management Foundations

Organizations As Systems

90. Systems thinking views the organization as a collection of interrelated parts that work together to achieve a common purpose.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

91. A smaller component of a larger system is known as a subsystem.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

92. An open system interacts with its environment in the continual process of transforming resource inputs into outputs.

Ans: True

Difficulty: Moderate
Ref: Modern Management Foundations

93.   High performance by the organization as a whole occurs only when each subsystem performs its tasks well and works well in cooperation with other subsystems.

Ans: True
Difficulty: Moderate
Ref: Modern Management Foundations

Contingency Thinking

94.   According to contingency theory, appropriate managerial behaviour can be generalized or extrapolated from other situations.

Ans: False
Difficulty: Moderate
Ref: Modern Management Foundations

95.   Contingency thinking maintains that the best solution to management problems depends on the demands of the situation and that therefore, there is not one best way to manage.

Ans: True
Difficulty: Moderate
Ref: Modern Management Foundations

96.   Contingency thinking involves matching responses to the unique problems and opportunities posed by different situations and by individual and environmental differences.

Ans: True
Difficulty: Moderate
Ref: Modern Management Foundations

97.   According to contingency theory, a management solution that works well in an uncertain environment will not necessarily work well in a stable environment.

Ans: True
Difficulty: Moderate
Ref: Modern Management Foundations

98. Contingency theory is consistent with Weber's concept of bureaucracy which is an ideal form of organizing.

Ans: False
Difficulty: Moderate
Ref: Modern Management Foundations

Quality Management

99. Total Quality Management is an organization-wide commitment to continuous improvement, product quality, and customer needs.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

100. Deming's approach to quality emphasizes constant innovation, use of statistical methods, and commitment to training.

Ans: True
Difficulty: Moderate
Ref: Modern Management Foundations

101. Total Quality Management focuses primarily on specific quality issues within a particular segment within the larger organization.

Ans: False
Difficulty: Hard
Ref: Modern Management Foundations

102. Searching for ways to improve work quality and performance is the management notion of continuous improvement.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

103. ISO certification indicates conformance with a rigorous set of international quality standards.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

104. ISO certification requires companies to adopt quality benchmarks and then maintain them with strict conformity to quality that strongly discourages change or refinement.

Ans: False
Difficulty: Hard
Ref: Modern Management Foundations

Knowledge Management And Organizational Learning

105. Knowledge management is the process that uses intellectual capital for competitive advantage.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

106. The chief knowledge officer (CKO) responsibilities focus on energizing learning processes and maintaining the organization's portfolio of intellectual assets.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

107. Some of the portfolio assets that the CKO is responsible for maintaining include patents, trade secrets, and the accumulated knowledge and understanding of the entire workforce.

Ans: True
Difficulty: Moderate
Ref: Modern Management Foundations

108. A learning organization is able to continually learn and adapt itself to new experiences.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

109. The core ingredients of learning organizations include mental models, personal mastery, systems thinking, shared vision, and team learning.

Ans: True
Difficulty: Easy

110. Learning organizations make learning continuously available to everyone.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

111. Learning organizations should emphasize values that focus on information, teamwork, empowerment, participation, and leadership.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

Evidence-Based Management

112. Peters and Waterman's attributes of performance excellence include a bias toward action, closeness to the customers, autonomy and entrepreneurship, and productivity through people.

Ans: True
Difficulty: Moderate
Ref: Modern Management Foundations

113. Peters and Waterman's attributes of performance excellence include the following: hands-on and value-driven, sticking to the knitting, simple form and lean staff, and simultaneous loose-tight properties.

Ans: True
Difficulty: Moderate
Ref: Modern Management Foundations

114. According to the text, team oriented organizations value people as human assets, respect diversity and support employee involvement.

Ans: False
Difficulty: Moderate
Ref: Modern Management Foundations

115. The people oriented approach to organizations focuses on respecting diversity, valuing people as human assets, and high degree of employee involvement.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

116. Evidence based management involves making decisions on substantive and empirically proven hard facts.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

117. High performance organizations consistently achieve high-performance results while also creating a high quality-of-work-life for their employees.

Ans: True
Difficulty: Easy
Ref: Modern Management Foundations

Multiple Choice

118.   Google's commitment to performance excellence is based on what foundational principles?
a) Speed, accuracy, ease of use
b) Speed, affordability, ease of use
c) Accuracy, privacy, ease of use
d) Accuracy, speed, innovation
e) None of the above

Ans: A
Difficulty: Hard
Ref: Learning From Others

119.   Which of the following statements accurately describes the role of management history relative to contemporary management thought?
a) Since the world of work and business are changing — often dramatically in some industries — managers have little to gain from studying the history of management thought.
b) Many modern management concepts have parallels in some of the historical management writings.
c) Contemporary managers are not trying to reinvent management practice; rather they are trying to perfect ideas that have deep historical roots.
d) A and B.
e) B and C.

Ans: E
Difficulty: Moderate
Ref: Introduction

120.   The three branches of the classical approach to management are _____.
a) Behaviourism, rationalism, and self-actualization.
b) Scientific management, administrative principles, and bureaucratic organization.
c) Authoritarian, permissive, and homeostatic.
d) Economic, modern, and self-actualizing.
e) Open, closed, and entropic.

Ans: B
Difficulty: Easy
Ref: Classical Management Approaches

121. The view that people will rationally consider available opportunities and do whatever is necessary to achieve the greatest personal economic gain is the underlying assumption of which approach to management thought?
a) Quantitative approach.
b) Socioeconomic approach.
c) Modern approach.
d) Classical approach.
e) Behavioural approach.

Ans: D
Difficulty: Moderate
Ref: Classical Management Approaches

122. According to Frederick Taylor, the principal object of management should be _____.
a) Profitability.
b) Efficiency.
c) Achieving the greatest good for society.
d) The good of the community.
e) Securing maximum prosperity for employer and employee.

Ans: E
Difficulty: Moderate
Ref: Classical Management Approaches

123. Who is known as the father of scientific management?
a) Frank Gilbreth.
b) Max Weber.
c) Henri Fayol.
d) Frederick Taylor.
e) Lillian Gilbreth.

Ans: D
Difficulty: Easy
Ref: Classical Management Approaches

124. Mudd has been watching some of the workers on his shift sort and put inventory in storage bins. It appears to him that much time and effort are being wasted. Mudd 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. Mudd is applying the principles of _____.
a) scientific management
b) organizational behaviour
c) management science
d) contingency theory
f) administrative management

Ans: A
Difficulty: Hard
Ref: Classical Management Approaches

125. A follower of Frederick Taylor would be least likely to try to _____.
a) make results-based compensation a performance incentive.
b) select workers with the right abilities to do the job.
c) offer workers proper training.
d) motivate workers by encouraging them to work in small groups.
e) train supervisors to support workers by carefully planning their work.

Ans: C
Difficulty: Moderate
Ref: Classical Management Approaches

126. The practical lessons of scientific management include all of the following EXCEPT:
a) Make results-based compensation a performance incentive.
b) Select workers with the right abilities to do the job.
c) Allow workers to have input into the determination of work methods and performance standards.
d) Carefully design jobs with efficient work methods.
e) Train supervisors to support workers by carefully planning their work.

Ans: C
Difficulty: Hard
Ref: Classical Management Approaches

127. _____ refer(s) to a job science that includes careful selection and training of workers along with proper supervisory support.
a) Administrative principles.
b) Scientific management.
c) Contingency theory.
d) Self-actualization.
e) Fayol's principles of management.

Ans: B
Difficulty: Moderate

128. Al Davis and his friends wanted to start their own car detailing business. It was decided that to differentiate their cleaning services from others they would break down the various jobs associated with cleaning the inside and outside of a car, and each would specialize. With which of the following management approaches do their actions most agree?
a) Administrative principles.
b) Scientific management.
c) Contingency theory.
d) Self-actualization.
e) Fayol's principles of management.

Ans: B
Difficulty: Hard
Ref: Classical Management Approaches

129. _____ is the science of reducing a job or task to its basic physical motions.
a) Job design.
b) Motion study.
c) Workflow analysis.
d) Task analysis.
e) Role analysis.

Ans: B
Difficulty: Easy
Ref: Classical Management Approaches

130. _____ pioneered the use of motion studies as a management tool:
a) Frederick Herzberg.
b) Max Weber.
c) Abraham Maslow.
d) Frank and Lillian Gilbreth.
e) Mary Parker Follett and James D. Mooney.

Ans: D
Difficulty: Easy
Ref: Classical Management Approaches

131. The work of Frank and Lillian Gilbreth on motion studies provided the basis for later advances in which of the following management areas?
a) Job simplification.
b) Incentive wage plans.
c) Work standards.
d) All of the above.
e) None of the above.

132. United Parcel Service makes use of calibrated productivity standards as well as the timing of package sorting, delivery, and pickup to keep productivity at the highest level per employee. In developing worker productivity standards, UPS obviously makes use of _____.
a) Behavioural theories.
b) Self-actualization.
c) Systems theory.
d) Motion studies.
e) Administrative principles.

133. Henri Fayol's _____ closely resemble the _____ that are used in contemporary businesses.
a) Three rules of management … systems and contingency approaches.
b) Administrative principles … systems and contingency approaches.
c) Five duties of management … four functions of management.
d) Notions of planning and organizing … ideas of command and coordination.
e) Principles of collective and social responsibility … functions of management.

134. According to Henri Fayol, the five rules of management are _____.
a) Foresight, organization, command, coordination, and control.
b) Authority, responsibility, discipline, remuneration, and initiative.
c) Centralization, stability, initiative, communication, and espirit de corps.
d) Prediction, hypothesis, observation, experimentation, and verification.
e) Standardization, centralization, negative entropy, communication, and homeostasis.

135. Henri Fayol is noted for originating which of the following concepts?
a) The scalar chain principle.
b) The unity of command principle.
c) The unity of direction principle.
d) All of the above.
e) None of the above.

136. The _____ principle, as defined by Henri Fayol, states that there should be a clear and unbroken line of communication from top to bottom in the organization's hierarchy of authority.
a) Scalar chain.
b) Unity of command.
c) Unity of direction.
d) Communication control.
e) Hawthorne.

137. The _____ principle, as defined by Henri Fayol, states that each person should receive orders from only one boss.
a) Scalar chain.
b) Unity of command.
c) Unity of direction.
d) Management order.
e) Organization.

138. The _____ principle, as defined by Henri Fayol, states that one person should be in charge of all activities having the same performance objective.
a) Scalar chain.
b) Unity of command.
c) Unity of direction.
d) Classical design.
e) Hawthorne.

139. Today's concerns for managerial ethics and corporate social responsibility were foreshadowed by the classical writings of _____ which argued that businesses were services and that private profits should always be considered in relation to the public good.
a) Frederick Taylor.
b) Henri Fayol.
c) Mary Parker Follett.

d) Max Weber.
e) Lyndall Urwick.

Ans: C
Difficulty: Moderate
Ref: Classical Management Approaches

140. Which of the following best states the impetus for the development of a bureaucratic organization?
a) Max Weber was trying to define the one best way to perform a job.
b) Max Weber was attempting to upset German society.
c) Max Weber was reacting to the performance deficiencies in organizations of his day.
d) Max Weber was attempting to identify a common set of employee needs in German society.
e) Max Weber was interested in formulating exact rules of behaviour for German managers.

Ans: C
Difficulty: Moderate
Ref: Classical Management Approaches

141. Max Weber was concerned that people in nineteenth-century organizations were in positions of authority due to their _____ rather than their _____.
a) Political connections … leadership traits.
b) Social standing … job-related capabilities.
c) Leadership qualities … job requirements.
d) Economic wealth … social standing.
e) Managerial competence … economic wealth.

Ans: B
Difficulty: Moderate
Ref: Classical Management Approaches

142. Max Weber believed that _____ could correct performance deficiencies in late 19th century German organizations.
a) A loosely structured system.
b) Bureaucracy.
c) A contingent organization
d) An organic organization.
e) An adaptive organization.

Ans: B
Difficulty: Moderate
Ref: Classical Management Approaches

143. _____ is an ideal, intentionally rational, and very efficient form of organization founded on the principles of logic, order, and legitimate authority.
a) A democratically structured system.
b) A contingent organization

c) An organic organization.
d) An adaptive organization.
e) Bureaucracy.

Ans: E
Difficulty: Easy
Ref: Classical Management Approaches

144. Weber's conception of bureaucratic organizations included all of the following characteristics EXCEPT:
a) Clear division of labour.
b) Clear hierarchy of authority.
c) Formal rules and procedures.
d) Impersonality.
e) Careers based on social and/or political connections.

Ans: E
Difficulty: Moderate
Ref: Classical Management Approaches

145. Assume that an organization has a clear division of labour, standard rules and procedures, a well-defined hierarchy of authority; members selected for technical competence, and explicitly defined duties and responsibilities. This is an example of _____.
a) A closed system.
b) An open system.
c) A bureaucracy.
d) Negative entropy.
e) Scientific management.

Ans: C
Difficulty: Hard
Ref: Classical Management Approaches

146. Efficiency in the utilization of resources and fairness in the treatment of employees and clients are potential advantages of _____.
a) A bureaucracy.
b) An open system.
c) A closed system.
d) Scientific management.
e) Self-actualization.

Ans: A
Difficulty: Easy
Ref: Classical Management Approaches

147. Which one of the following statements about bureaucracy is true?
a) The work of Max Weber is too outdated to be used in the modern science of management.

b) The work of Max Weber still has a major impact on the present trends and directions of management.
c) The work of Max Weber influenced only European management thinkers.
d) Bill Gates bases the operations of Microsoft on Max Weber's theories of specialization and division of labour.
e) Max Weber believed that a bureaucracy was the most rigid and apathetic form of organization.

Ans: B
Difficulty: Moderate
Ref: Classical Management Approaches

148. The foundations of the behavioural approach to management include all of the following components EXCEPT:
a) The Hawthorne Studies.
b) Maslow's theory of human needs.
c) McGregor's Theory X and Theory Y.
d) The human systems contingency model.
e) Argyris's theory of personality and organization.

Ans: D
Difficulty: Moderate
Ref: Behavioural Management Approaches

149. The behavioural (or human resource) approach to management basically assumes that _____.
a) People at work will seek satisfying social relationships, respond to group pressures, and search for personal fulfillment.
b) Management problems are best solved by qualitative rather than by quantitative analysis.
c) People are easily understandable creatures.
d) People are completely rational and responsive to economic incentives.
e) Environmental reinforcements have little to do with people's work behaviour.

Ans: A
Difficulty: Moderate
Ref: Behavioural Management Approaches

150. Mary Parker Follett, a classical management theorist, believed that _____.
a) Groups were mechanisms through which diverse individuals could combine their talents for a greater good.
b) Organizations are communities in which managers and workers should labour in harmony.
c) The manager's job is to help people in organizations cooperate with one another and achieve an integration of interests.
d) All of the above.
e) None of the above.

Ans: D
Difficulty: Moderate
Ref: Behavioural Management Approaches

151. Mary Parker Follett believed that making every employee an owner in the business would create feelings of
_____.
a) Collective responsibility.
b) Stockholder ownership.
c) Personal control.
d) Individual achievement.
e) Corporate sharing.

Ans: A
Difficulty: Easy
Ref: Behavioural Management Approaches

152. Mary Parker Follett believed that business problems involve a wide variety of factors that must be considered in relationship to one another. This belief foreshadowed the contemporary management concern with _____.
a) Environmental analysis.
b) Systems.
c) Job design.
d) Corporate culture.
e) Multiculturalism.

Ans: B
Difficulty: Moderate
Ref: Behavioural Management Approaches

153. The Hawthorne Studies refer to _____ that was conducted at the Hawthorne Works of the Western Electric Company (predecessor to today's Lucent Technologies).
a) An intensive training program for workers.
b) An education program for fast-track managers.
c) A research program on technology.
d) A research program on management decision-making.
e) A research program on individual productivity.

Ans: E
Difficulty: Moderate
Ref: Behavioural Management Approaches

154. 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.

Ans: C
Difficulty: Moderate
Ref: Behavioural Management Approaches

155. A key conclusion from the Hawthorne relay assembly test room studies was that _____.
a) Workers cannot be productive at various levels of illumination.
b) Workers are basically rational.
c) Workers perform well when they share pleasant social relations with one another and when supervision is participatory.
d) Workers are more productive when their pay scale is increased to match their effort.
e) Workers are more productive when their work areas are well lighted.

Ans: C
Difficulty: Moderate
Ref: Behavioural Management Approaches

156. Which of the following statements about the Hawthorne Studies is incorrect?
a) The studies were started to identify the influence that "social factors" had on productivity.
b) The studies were started to determine the effect that different levels of lighting had on productivity.
c) In one study, workers' productivity increased as the level of illumination at their workstations was decreased.
d) The "social setting" of the various experiments influenced the results of the studies.
e) People would restrict output to avoid the displeasure of the group, even if it meant sacrificing pay.

Ans: A
Difficulty: Moderate
Ref: Behavioural Management Approaches

157. The Hawthorne Studies have been criticized for which of the following reasons?
a) Poor research design.
b) Weak empirical support for the conclusions drawn.
c) The tendency of researchers to over generalize their findings.
d) All of the above.
e) None of the above.

Ans: D
Difficulty: Moderate
Ref: Behavioural Management Approaches

158. The Hawthorne Studies shifted the attention of managers and scholars away from the technical and structural concerns emphasized by the classical management approach and toward _____.
a) A more scientific approach to management.
b) In-depth studies of actual case histories and individual experiences.
c) The use of computers to deal with more complex mathematical models.
d) The study of social and human concerns as keys to productivity.
e) A Theory X approach to management science.

Ans: D
Difficulty: Moderate
Ref: Behavioural Management Approaches

159. The Hawthorne Studies contributed to the emergence of the _____ movement as an important influence on management thought during the 1950s and 1960s.
a) Employee Involvement.
b) Human relations.
c) Social relations.
d) Scientific relations.
e) Cultural relations.

Ans: B
Difficulty: Easy
Ref: Behavioural Management Approaches

160. _____ was based on the viewpoint that managers who used good human relations in the workplace would achieve productivity.
a) Modern relations.
b) Social relations.
c) Scientific relations.
d) Cultural relations.
e) Human relations.

Ans: E
Difficulty: Moderate
Ref: Behavioural Management Approaches

161. The study of individuals and groups in organizations is the social sciences field known as _____.
a) Organizational behaviour
b) Contingency theory
c) Systems theory
d) Modern behavioural methods.
e) Theory X and Theory Y

Ans: A
Difficulty: Easy
Ref: Behavioural Management Approaches

162. Maslow's work in the area of human needs is important to which area of management thought?
a) Classical approach.
b) Scientific management.
c) Systems theory.
d) Human relations movement.
e) Contingency theory

Ans: D
Difficulty: Easy
Ref: Behavioural Management Approaches

163. A psychological or physiological deficiency that a person feels compelled to satisfy is known as a(n) _____.
a) desire.
b) need.
c) drive.
d) obsession.
e) satisfaction deficit.

Ans: B
Difficulty: Easy
Ref: Behavioural Management Approaches

164. Maslow's hierarchy of needs theory includes which of the following needs?
a) Food, shelter, sex, money, and prestige.
b) Physiological, spiritual, social, and psychological fulfillment.
c) Physical safety, financial security, and social status.
d) Physiological, safety, social, esteem, and self-actualization.
e) Respect, prestige, recognition, security, and power.

Ans: D
Difficulty: Moderate
Ref: Behavioural Management Approaches

165. _____ needs refer to the needs for basic biological maintenance such as food, water, and physical well-being.
a) Physiological
b) Safety
c) Social
d) Esteem
e) Self-actualization

Ans: A
Difficulty: Easy
Ref: Behavioural Management Approaches

166. _____ needs refer to the needs for security, protection, and stability in the events of daily life.
a) Physiological
b) Safety
c) Social
d) Esteem
e) Self-actualization

Ans: B
Difficulty: Easy
Ref: Behavioural Management Approaches

167. _____ needs concern the needs for love, affection, and belongingness in one's relationships with other people.
a) Physiological
b) Safety
c) Social
d) Esteem
e) Self-actualization

Ans: C
Difficulty: Easy
Ref: Behavioural Management Approaches

168. _____ needs involve the needs for respect, prestige, recognition, and self-esteem; and a personal sense of competency and mastery.
a) Physiological
b) Safety.
c) Social
d) Esteem
e) Self-actualization

Ans: D
Difficulty: Easy
Ref: Behavioural Management Approaches

169. _____ needs include the needs for being self-fulfilled and to grow and use abilities to the fullest and most creative extent.
a) Physiological
b) Safety
c) Social
d) Esteem
e) Self-actualization

Ans: E
Difficulty: Moderate
Ref: Behavioural Management Approaches

170. According to the deficit principle of Maslow's theory of human needs, _____.
a) People have a variety of needs, or deficits, that they must satisfy at any given time.
b) Each person has different needs.
c) People are not motivated by a satisfied need.
d) People are always in need of something.
e) No matter what their condition in life, all people are looking for basic security.

Ans: C
Difficulty: Moderate
Ref: Behavioural Management Approaches

171. According to the progression principle of Maslow's theory of human needs, _____.
a) The five human needs must all be satisfied before people can progress to self-actualization.
b) A need at any level only becomes activated when the next lower-level need has been satisfied.
c) The most basic human need is the need for self-actualization.
d) Human needs are never truly fulfilled.
e) Human needs progress from stronger needs to weaker needs.

Ans: B
Difficulty: Moderate
Ref: Behavioural Management Approaches

172. At which need level of Maslow's hierarchy do the deficit and progression principles cease to operate?
a) Physiological needs.
b) Safety needs.
c) Social needs.
d) Esteem needs.
e) Self-actualization needs.

Ans: E
Difficulty: Moderate
Ref: Behavioural Management Approaches

173. Wendy is a manger in a non-profit organization. She is interested in using Maslow's need hierarchy to guide her approach to managing the volunteers working for this non-profit organization. In order to promote productivity, Wendy should _____.
a) Create jobs that satisfy the needs of the volunteers.
b) Create work environments that satisfy the needs of the volunteers.
c) Ensure that the work is fulfilling for the volunteers.
d) All of the above.
e) None of the above.

Ans: D
Difficulty: Moderate
Ref: Behavioural Management Approaches

174. According to Douglas McGregor, managers should pay more attention to _____.
a) Motion studies.
b) Social responsibility.
c) Behaviour modification techniques.
d) Quantitative analysis.
e) Social and self-actualization needs.

Ans: E
Difficulty: Moderate
Ref: Behavioural Management Approaches

175. Theory X managers tend to see their subordinates as _____.
a) Creative, responsible, and self-motivated.
b) Motivated by challenging work.
c) Irresponsible, resistant to change, lacking in ambition, disliking work, and preferring to be led rather than to lead.
d) Liking work because they prefer to lead rather than to be led.
e) Basically rational.

Ans: C
Difficulty: Moderate
Ref: Behavioural Management Approaches

176. According to McGregor, Theory Y managers tend to see their subordinates as _____.
a) Passive, dependent, and reluctant.
b) Irresponsible, resistant to change, lacking in ambition, disliking work, and preferring to be led rather than to lead.
c) Willing to work, willing to accept responsibility, capable of self-direction, capable of self-control, imaginative, and creative.
d) Disliking work because they prefer to be led rather than to lead.
e) Basically rational and motivated by money.

Ans: C
Difficulty: Moderate
Ref: Behavioural Management Approaches

177. McGregor believed that managers holding either Theory X or Theory Y assumptions could create situations in which employees acted as expected. This phenomenon is known as _____.
a) The Hawthorne Effect.
b) Theory Z.
c) A self-fulfilling prophecy.
d) Self-actualization.
e) Expectancy theory.

Ans: C
Difficulty: Moderate
Ref: Behavioural Management Approaches

178. Douglas McGregor would describe managers who tend to be directive in their relationships with others and who take a command-and-control orientation as _____ managers.
a) Scientific principles.
b) Theory X.
c) Theory Y.
d) Theory Z.
e) Administrative principles.

Ans: B
Difficulty: Moderate
Ref: Behavioural Management Approaches

179. A manager who allows his or her subordinates to participate in decision-making, who delegates authority to them, and who offers them greater job autonomy and job variety would be classified   by Douglas McGregor as a _____ manager.
a) Democratic.
b) Human relations.
c) Theory X.
d) Theory Y.
e) Theory Z.

Ans: D
Difficulty: Moderate
Ref: Behavioural Management Approaches

180. According to Chris Argyris, certain management principles found in the classical approaches are inconsistent with _____.
a) The administrative-principles approach.
b) Theory X.
c) The mature adult personality.
d) Rational principles.
e) The findings of quantitative analysis.

Ans: C
Difficulty: Moderate
Ref: Behavioural Management Approaches

181. According to Chris Argyris, management practices that are influenced by _____ are inconsistent with the mature adult personality.
a) Classical management approaches.
b) Behavioural management approaches.
c) Human resource management approaches.
d) Quantitative management approaches.
e) Modern management approaches.

Ans: A
Difficulty: Moderate
Ref: Behavioural Management Approaches

182. Argyris believes that implementation of classical management ideas such as the bureaucratic organization and Fayol's administrative principles will do all of the following EXCEPT:
a) Create conditions for psychological failure among the workers.
b) Ensure that workers are productive and efficient.
c) Create dependent and passive workers.
d) Cause workers to have little sense of control over their work environments.
e) Undermine worker performance.

183. According to Argyris's theory of personality and organization, managers who treat people as _____ will achieve _____.
a) Dependent workers … the highest productivity.
b) Dependent workers … high profitability.
c) Mature and responsible adults … mediocre productivity.
d) Mature and responsible adults … the highest productivity.
e) Friendly workers … high productivity and profitability.

184. Argyris believes that absenteeism, turnover, apathy, alienation, and similar behavioural problems in the workplace occur because of _____.
a) A mismatch between workers' mature personalities and management practices.
b) Task specialization.
c) Theory Y management.
d) A lack of situational thinking.
e) Poor communication between managers and employees.

185. Which of the following statements accurately describe quantitative management approaches?
a) Quantitative management approaches developed about the same time as human resource approaches to management.
b) Quantitative approaches are based on the assumption that mathematical techniques can be used to improve managerial problem solving.
c) Quantitative approaches are increasingly driven by computer technology.
d) All of the above statements accurately describe quantitative management approaches.
e) None of the above statements accurately describe quantitative management approaches.

186. Management science focuses specifically on _____.
a) how organizations create products and services
b) finding new ways to improve quality
c) determining the one best way to manage
d) applying mathematical techniques to solve management problems

e) improving organizational systems and subsystems

Ans: D
Difficulty: Moderate
Ref: Modern Management Foundations

187. A real estate developer wants to control costs and complete building a new apartment complex on time. The developer will use the_____ quantitative approach.
a) Network models
b) Inventory analysis
c) Queuing theory
d) Linear programming
e) Mathematical forecasting

Ans: A
Response: Moderate
Ref: Modern Management Foundations

188. An oil exploration company is worried about future petroleum reserves in various parts of the world. The oil company will use the_____ quantitative approach.
a) Network models
b) Inventory analysis
c) Queuing theory
d) Linear programming
e) Mathematical forecasting

Ans: E
Difficulty: Moderate
Ref: Modern Management Foundations

189. A "big box" retailer is trying to deal with pressures on profit margins by minimizing   costs of inventories while never being "out of stock" for their customers. The big box   retailer will use the_____ quantitative approach.
a) Network models
b) Inventory analysis
c) Queuing theory
d) Linear programming
e) Mathematical forecasting

Ans: B
Difficulty: Moderate
Ref: Modern Management Foundations

190. A grocery store is getting complaints from customers that waiting times are too long for checkout during certain times of the day. The grocery store will use the_____ quantitative approach.
a) Network models

b) Inventory analysis
c) Queuing theory
d) Linear programming
e) Mathematical forecasting

Ans: C
Difficulty: Moderate
Ref: Modern Management Foundations

191. _____ is the total set of managerial activities that an organization uses to create its products or services.
a) Management science
b) Managerial effectiveness
c) Operations management
d) A transformation system
e) Scientific management

Ans: C
Difficulty: Easy
Ref: Modern Management Foundations

192. A _____ is a collection of interrelated parts that function together to achieve a common purpose.
a) Contingency.
b) System.
c) Mathematical model.
d) Quantitative structure.
e) Need hierarchy.

Ans: B
Difficulty: Easy
Ref: Modern Management Foundations

193. A smaller component of a larger system is known as _____.
a) A subsystem.
b) A supersystem.
c) A department.
d) A team.
e) A contingent operation.

Ans: A
Difficulty: Easy
Ref: Modern Management Foundations

194. A system that actively interacts with its environment is best described as a(n)
a) subsystem.
b) closed system.
c) department.

d) transformation system
e) open system

195. A system is defined as open because _____.
a) It is permissive in observing the various principles of management.
b) Its subsystems do not relate to one another.
c) It uses Theory X management assumptions.
d) It interacts with its environment in the continual process of transforming resource inputs into outputs.
e) It treats its employees as responsible adults.

196. Chevrolet-Pontiac of Canada is a division of General Motors and is composed of several departments. Using the systems theory, it would be classified as _____.
a) an entropic system
b) a subsystem
c) either a system or a subsystem depending on the frame of reference
d) either an open or a closed system depending on the frame of reference
e) a closed system

197. During the 1960s, there were many people who were offended by what they viewed as the gross commercialism of their environment. As a result, many went to live in communes. The members of the communes tried to make the communes as self-sufficient as possible. The commune dwellers tried to create _____ that did not interact with the external environment.
a) subsystems
b) closed systems
c) transformation systems
d) resource-independent systems
e) open systems

198. Matching responses to the unique problems and opportunities posed by different situations is called _____.

a) Quantitative analysis.
b) Rationalism.
c) The theory of applicability.
d) Contingency thinking.
e) Self-actualization.

Ans: D
Difficulty: Easy
Ref: Modern Management Foundations

199. Matching managerial responses to the problems and opportunities created by individual and environmental differences is the focus of _____.
a) Quantitative management.
b) Systems analysis.
c) Contingency thinking.
d) Hierarchical analysis.
e) Human resources thinking.

Ans: C
Difficulty: Moderate
Ref: Modern Management Foundations

200. In her role as supervisor of a diverse workforce, Melissa uses whatever style of management seems to fit the individual employee's needs. Her management style conforms to which theory of management?
a) Bureaucratic management
b) Total Quality Management
c) The contingency approach
d) Theory X and Y
e) Maslow's Theory

Ans: C
Difficulty: Hard
Ref: Modern Management Foundations

201. According to contingency theories, _____.
a) The best management approach is based on Theory Y assumptions.
b) There is no one best management approach.
c) The best management approach employs formal mathematical models.
d) The best management approach takes human factors into consideration.
e) The best management approach focuses on the economic realities of decision making.

Ans: B
Difficulty: Moderate
Ref: Modern Management Foundations

202. Which of the following is a true statement about Total Quality Management?

a) It focuses on applying quantitative management approaches to the production of goods and services.
b) It is a process of making a commitment to applying quality standards and principles to the way operations are managed in all parts of the organization.
c) It focuses on reducing the cost of production.
d) States that there is one best way to manage people and operations.
e) Is a method of determining how to best allocate scarce resources among competing uses.

Ans: B
Difficulty: Hard
Ref: Modern Management Foundations

203. Continuous improvement is_____
a) another term used to describe total quality management.
b) a method used to make future projections
c) a process of finding better ways to improve operations
d) a method of reducing production and operating costs.
e) a method of determining resource allocation.

Ans: C
Difficulty: Easy
Ref: Modern Management Foundations

204. The basic principles behind TQM that Deming taught the Japanese include:
a) Tally defects, analyze and trace them to the source, make corrections, measure what follows.
b) Tally defects, analyze and trace them to the source, redesign the manufacturing process
c) Tally defects, analyze and trace them to the source, make corrections
d) Tally defects, analyze and trace them to the source, make corrections, solicit customer feedback
e) None of the above

Ans: A
Difficulty: Moderate
Ref: Modern Management Foundations

205. Operations and management services in organizations worldwide have adopted international quality standards known as:
a) Knowledge management
b) Continuous improvement
c) ISO certification
d) Total Quality Management
e) Evidence based management

Ans: C
Difficulty: Moderate
Ref: Modern Management Foundations

206. _____ is the process of using intellectual capital for competitive advantage.

a) Knowledge management
b) Continuous improvement
c) ISO certification
d) Total Quality Management
e) Evidence based management

Ans: A
Difficulty: Easy
Ref: Modern Management Foundations

207. All of the following are intellectual assets of an organization's portfolio which the Chief Knowledge Officer (CKO) oversees except:
a) Patents
b) Intellectual property rights
c) Trade secrets
d) Accumulated knowledge of the workforce
e) ISO certification

Ans: E
Difficulty: Hard
Ref: Modern Management Foundations

208. A _____ is able to continually learn and adapt itself to new experiences.
a) Learning organization.
b) Systems organization.
c) Change organization.
d) Values organization.
e) Experience-based organization.

Ans: A
Difficulty: Easy
Ref: Modern Management Foundations

209. During a job interview, Jim was told by one of the team leaders that the company uses lessons of experience to promote continuous change and improvement. Jim interviewed for a job in which kind of organization?
a) A Theory X organization.
b) A contingency organization.
c) A learning organization.
d) A bureaucratic organization.
e) A mature organization.

Ans: C
Difficulty: Moderate
Ref: Modern Management Foundations

210. Which of the following is NOT a core ingredient of learning organizations?

a) Mental models.
b) Personal mastery.
c) Systems thinking.
d) Shared vision.
e) Individual learning.

Ans: E
Difficulty: Moderate
Ref: Modern Management Foundations

211. Which of the following statements provides an incorrect description of learning organizations?
a) Learning organizations should emphasize values that focus on information, teamwork, empowerment, participation, and leadership.
b) Learning organizations depend on leadership that sets an example for others by embracing change and communicating enthusiasm.
c) Learning organizations refer to vendors that provide training programs for other organizations.
d) Learning organizations require a value-driven culture.
e) Learning organizations make learning continuously available to everyone.

Ans: C
Difficulty: Moderate
Ref: Modern Management Foundations

212. Peters and Waterman's attributes of performance excellence include all of the following EXCEPT:
a) A bias toward action.
b) Closeness to the customers.
c) Closeness of supervision.
d) Autonomy and entrepreneurship.
e) Productivity through people.

Ans: C
Difficulty: Moderate
Ref: Modern Management Foundations

213. Peters and Waterman's attributes of performance excellence include all of the following EXCEPT:
a) Strategic opportunities.
b) Hands-on and value-driven.
c) Sticking to the knitting.
d) Simple form and lean staff.
e) Simultaneous loose-tight properties.

Ans: A
Difficulty: Moderate
Ref: Modern Management Foundations

Essay Questions

214.What can be learned from classical management thinking?

Ans: The classical management approaches encompass scientific management, administrative principles, and bureaucratic organization. The basic assumption of the classical management approaches is that people are rational and are primarily driven by economic concerns.

The useful lessons from scientific management, as espoused by Frederick Taylor, are: make results-based compensation a performance incentive; carefully design jobs with efficient work methods; carefully select workers with the abilities to do these jobs; train workers to perform the jobs to the best of their abilities; and train supervisors to support workers so they can perform the jobs to the best of their abilities. In addition, the work of Frank and Lillian Gilbreth, also done within the scientific management tradition, provided a foundation for later advances in job simplification, work standards, and incentive wage plans.

The contributions of the administrative principles branch of the classical management approach are exemplified by the work of Henri Fayol and Mary Parker Follett. Henri Fayol developed rules and principles of management that served as guides to management practice. His rules of managerial foresight, organization, command, coordination, and control are similar to the modern planning, organizing, leading, and controlling functions of management. Fayol's scalar chain, unity of command, and unity of direction principles also served to guide management practice. Follett brought an understanding of groups and a deep commitment to human cooperation to her writings about businesses and other organizations. Her insights about groups and human cooperation include the following: groups are mechanisms through which individuals could combine their talents for a greater good; organizations should be viewed as communities in which managers and workers work in harmony; and the manager's job is to help organization members cooperate with one another and achieve an integration of interests. Follett's work also anticipated many modern management concepts and practices, including employee ownership, profit sharing, gain-sharing, systems concepts, managerial ethics, and corporate social responsibility.

Max Weber viewed bureaucracy as an ideal, intentionally rational, and very efficient form of organization founded on principles of logic, order, and legitimate authority. The characteristics of bureaucratic organizations include the following: a clear division of labour, a clear hierarchy of authority, formal rules and procedures, impersonality, and careers based on merit. Weber believed that by designing and operating organizations as bureaucracies, productivity could be optimized.

Difficulty: Moderate

Ref: Classical Management Approaches

215.What did the behavioural management approaches contribute to management thinking?

Ans: The basic assumption of the behavioural management approaches is that people are social and self-actualizing. These approaches include the Hawthorne studies, Maslow's theory of human needs, McGregor's Theory X and Theory Y, and Argyris's theory of adult personality. The key contribution of the Hawthorne studies is that people's feelings, attitudes, and relationships with co-workers influence their performance. Maslow's hierarchy of human needs suggests that managers who can help people satisfy their important needs at work will achieve productivity. Douglas McGregor, the developer of Theory X and Theory Y, argued that managers should devote more attention to people's social and self-actualizing needs at work. McGregor asserted that managers must shift their perspective from Theory X — a set of negative assumptions about human behaviour — to Theory Y — a set of positive assumptions about human behaviour. McGregor believed that managers who hold either set of assumptions can create self-fulfilling prophecies — that is, through their behaviour they can create situations where subordinates act to confirm the managers' original expectations. Theory Y assumptions are central to contemporary ideas about employee participation, involvement, empowerment, and self-management. Argyris argued that organizations were too often structured and operated in ways that were incongruous with the needs and characteristics of the adult personality. He maintained that implementation of classical management ideas such as the bureaucratic organization and Fayol's administrative principles would create conditions for psychological failure among the workers, create dependent and passive workers, cause workers to have little sense of control over their work environments, and

undermine worker performance. To have high individual and organizational performance, Argyris advocated transforming organizations so they would be compatible with the capacities and characteristics of the adult personality.
Difficulty: Moderate
Ref: Behavioural Management Approaches

216.Assume you are a manager working in one of today's Fortune 500 Companies. Discuss how you would try to influence workers' motivation using the classical approach to management. How would you try to influence workers' motivation using the behavioural management approach to management?

Ans: The students should draw on the material in their answers to the preceding two questions to address the applied issue in this question. The students should identify both the ideas they are using and how they are using them. The emphasis should be on the practical application of these ideas.
Difficulty: Hard
Ref: Classical Management Approaches, Behavioural Management Approaches

217.What is systems thinking? What is contingency thinking? Why are both types of thinking useful for managers in contemporary organizations?

Ans: Systems thinking views organizations as open systems that interact with their environment in a continual process of transforming resource inputs into product outputs. Systems thinking also views the organization as a collection of interrelated parts or subsystems that must function together to achieve a common purpose. Each subsystem needs to perform its tasks well and to work well with the other subsystems.
Contingency thinking tries to match managerial responses with the problems and opportunities unique to different situations, particularly those posed by individual and environmental differences. Contingency approaches to management assert that there is no one best way to manage. Instead, managers should understand individual and situational differences and respond to them in appropriate ways.
Systems thinking and contingency thinking recognize the realities of complex modern organizations and their interplay with dynamic and competitive global environments. Failure to embrace either systems thinking or contingency thinking undermines the effective management and leadership of organizations.
Difficulty: Moderate
Ref: Modern Management Foundations

218.Why is knowledge management such a critical component of today's organizations? Why is Google a good example of a dynamic knowledge management company?

Ans: Our technology-driven world is both rich with information and demanding in the pace and uncertainty of change. And although this is a setting in which knowledge workers excel, Peter Drucker has warned that "knowledge constantly makes itself obsolete." His message is worth hearing. It suggests that neither people nor organizations can afford to rest on past laurels; future success will be earned only by those who continually build and use knowledge to the fullest extent possible.
The term knowledge management describes the processes through which organizations use information technology to develop, organize, and share knowledge to achieve performance success. You can spot the significance of knowledge management with the presence of an executive job title—chief knowledge officer. The "CKO" is responsible for energizing learning processes and making sure that an organization's portfolio of intellectual assets is well managed and continually enhanced. These assets include such things as patents, intellectual property rights, trade secrets, and special processes and methods, as well as the accumulated knowledge and understanding of the entire workforce.

Google can be considered a knowledge management company. It not only runs a business model based on information searches; it operates as an organization with an information-rich culture driven by creativity and knowledge. Google morphs and grows and excels, in part, because the firm is organized and operates in ways that continually tap the developing knowledge of its members. Its information technologies and management philosophies help and encourage employees located around the world to share information and collaborate to solve problems and explore opportunities. The net result is a firm that seems to keep competitors and the business community at large always guessing what its next steps might be.
Difficulty: Hard
Ref: Knowledge Management and Organizational Learning

219. Erica is the CEO of a multinational company that is planning to expand into China. Which of the 21st Century manager attributes would be the most important in her job?

Ans: Managers of the 21st century will have to excel as never before to meet the expectations held of them and of the organizations they lead.

Erica would need to be a global strategist. She needs to understand the interconnections between Canada and China, the cultural differences between Canada and China, and be able to plan with these differences in mind.
Difficulty: Moderate
Ref: 21ST-CENTURY LEADERSHIP

220. The core of an evidence-based management approach is the application of 'the scientific method' to the decision-making process. Define evidence-based management approach and describe the scientific method used in this approach.

Ans: Evidence-based management, or EBM, is defined as the process of making management decisions on "hard facts"- that is about what really works, rather than on "dangerous
half-truths"- things that sound good but lack empirical substantiation.
Evidence-based management proceeds from the premise that using better, deeper logic and employing facts to the extent possible permits leaders to do their jobs better. Evidence-based management is based on the belief that facing the hard facts about what works and what doesn't, understanding the dangerous half-truths that constitute so much conventional wisdom about management, and rejecting the total nonsense that too often passes for sound advice will help organizations perform better.
The scientific method is a well-established practice that refers to techniques for investigating phenomena, acquiring new knowledge, or correcting and integrating previous knowledge. To be termed scientific, a method of inquiry must be based on gathering observable, empirical and measurable evidence subject to specific principles of reasoning. It includes the following guidelines:
• A research question or problem is identified
• One or more hypotheses, or possible explanations, are stated
• A research design is created to systematically test the hypotheses
• Data gathered through the research are analyzed and interpreted
• The hypotheses are accepted or rejected based upon the evidence
Difficulty: Moderate
Ref: Evidence-Based Management

221. Is the following statement an underlying principle of Maslow's theory? "A need at any level is activated only when the next-lower-level need is satisfied".

Ans: Yes. The above statement is the progression principle of the Maslow's theory - the five needs exist in a hierarchy of "prepotency".

According to Maslow, people try to satisfy the five needs in sequence. They progress step by step from the lowest level in the hierarchy up to the highest. Along the way, a deprived need dominates individual attention and determines behaviour until it is satisfied. Then, the next-higher-level need is activated. At the level of self-actualization, the deficit and progression principles cease to operate.

Difficulty: Moderate

Ref: Maslow's Theory Of Human Needs