

## Chapter 02 Test Bank

1. During a manager's meeting, Paula, a district manager, discussed how to handle sensitive employee issues and indicated correctly that management is really just an art.

**FALSE**

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.*  
*Topic: Evidence-Based Management*

Feedback: Certainly management can be an art. Great managers, like great painters or actors, have the right mix of intuition, judgment, and experience. But management is also a science. That is, rather than being performed in a seat-of-the-pants, make-it-up-as-you-go-along kind of way that can lead to big mistakes, management can be approached deliberately, rationally, and systematically.

2. Jeffrey Pfeffer and Robert Sutton believed that evidence-based management is founded on the belief that facing the hard facts about what works and accepting the nonsense that passes for sound advice will help organizations perform better.

**FALSE**

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.*  
*Topic: Evidence-Based Management*

Feedback: Stanford business scholars Jeffrey Pfeffer and Robert Sutton stated that evidence-based management is founded 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 (not *accepting*) the total nonsense that too often passes for sound advice will help organizations perform better."

3. Peter Drucker was a 20th-century socialist, opposed capitalism and believed that managers were more of a hindrance than a help to most organizations.

**FALSE**

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-01 Describe the development of current perspectives on management.*  
*Topic: Evidence-Based Management*

Feedback: Peter Drucker "was the creator and inventor of modern management," says management guru Tom Peters. In 1954, Drucker published his famous text, *The Practice of Management*.

4. Ali, a CEO of a large IT organization, understands that many challenges are coming in his industry; therefore, he tells his upper-level management that it's helpful to look at theoretical perspectives of management to help make predictions and develop principles to guide future company strategies and actions.

**TRUE**

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*  
*Difficulty: 3 Hard*  
*Learning Objective: 02-01 Describe the development of current perspectives on management.*  
*Topic: Management*

Feedback: Studying theoretical perspectives of management provides good theories and a guide to action that can help managers make predictions and develop a set of principles that will guide their actions.

5. Susan, a department manager, believes that ever since the corporate office eliminated certain benefits to reduce costs, her employees have not been working as hard as in the past. This reduction in effort is known as "soldiering."

**TRUE**

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*  
*Difficulty: 3 Hard*  
*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

Topic: Scientific Management

Feedback: Frederick Taylor called deliberately working at less than full capacity *soldiering*.

6. Joe, a plant manager, wants to institute a compensation system in which more efficient workers earn higher wages. Joe is proposing to institute a differential rate system.

**FALSE**

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Topic: Scientific Management

Feedback: Frederick Taylor suggested employers institute a differential rate system, in which more efficient workers earn higher wages.

7. The Hawthorne studies succeeded in drawing attention to the importance of "social man" and how managers using good human relations could improve worker productivity.

**TRUE**

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Topic: Hawthorne Studies

Feedback: The Hawthorne studies succeeded in drawing attention to the importance of "social man" (social beings) and how managers using good human relations could improve worker productivity. This in turn led to the so-called human relations movement in the 1950s and 1960s.

8. Olde Manufacturing, a parts supplier to the auto industry, has been using the behavioral approach to management for over 100 years. However, since that method of management is too simplistic for practical use, Olde should begin implementing the newer and more sophisticated human relations movement approach to management, which is the most contemporary approach to management.

**FALSE**

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Topic: Behavioral Management

Feedback: The human relations movement was a necessary correction to the sterile approach used within scientific management, but its optimism came to be considered too simplistic for practical use. More recently, the human relations view has been superseded by the behavioral science approach to management.

9. Behavioral science relies on data from past sales to forecast human behavior to develop strategic plans and goals.

**FALSE**

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Topic: Behavioral Management

Feedback: Behavioral science relies on scientific research for developing theories about human behavior that can be used to provide practical tools for managers. The disciplines of behavioral science include psychology, sociology, anthropology, and economics.

10. When the Americans entered World War II in 1941, they used the British model to form operations research teams to determine how to deploy troops, submarines, and equipment most effectively. These techniques have evolved into quantitative management.

**TRUE**

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.

Topic: Quantitative Management

Feedback: When the Americans entered the war in 1941, they used a successful statistical British model to form operations research (OR) teams to

determine how to deploy troops, submarines, and other military personnel and equipment most effectively. OR techniques have since evolved into quantitative management.

11. The idea that two or more forces combined create an effect that is greater than the sum of their individual effects is called *syncretism*.

**FALSE**

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy  
Learning Objective: 02-01 Describe the development of current perspectives on management.  
Topic: Management Styles

Feedback: *Synergy* is the idea that two or more forces combined create an effect that is greater than the sum of their individual effects.

12. Right Office Equipment continually talks with customers after they purchase their products, and Right Office managers regularly visit customers to gather feedback on new products, product improvements, and how Right Office can better serve its customers. This is an example of an open system.

**TRUE**

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply  
Difficulty: 2 Medium  
Learning Objective: 02-05 Identify takeaways from the systems view of management.  
Topic: Open System

Feedback: An open system continually interacts with its environment, getting feedback from the outside. A closed system has little interaction with its environment, getting little feedback from the outside.

13. When Mr. Jones, the owner of a local hardware store, asks one of his lawnmower suppliers about the total ability of their product to meet customer needs, he is questioning the quality of that mower.

**TRUE**

AACSB: Analytical Thinking  
Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy  
Learning Objective: 02-07 Discuss the contributions of the quality-management view.  
Topic: Quality-Management Viewpoint

Feedback: *Quality* refers to the total ability of a product or service to meet customer needs.

14. A-Plus Manufacturing has a policy of using statistical sampling to locate errors by testing just some (rather than all) of the items in a particular production run. This strategy of minimizing errors is known as *synergy*.

**FALSE**

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply  
Difficulty: 3 Hard  
Learning Objective: 02-07 Discuss the contributions of the quality-management view.  
Topic: Quality-Management Viewpoint

Feedback: *Quality control* is a strategy for minimizing errors by managing each state of production. Statistical sampling can locate errors by testing just some (rather than all) of the items in a particular production run.

15. A local furniture retailer routinely develops and acquires new knowledge, and the employees communicate what they learn to other employees, so the company is able to modify its behavior to reflect what they have learned. This organization is an example of a learning organization.

**TRUE**

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply  
Difficulty: 3 Hard  
Learning Objective: 02-08 Define a learning organization.  
Topic: Learning Organization

Feedback: A learning organization is an organization that actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge.

16. \_\_\_\_\_ holds that there are few really new ideas and that "true is better" than new.

A. Scientific management

- B. The quality-management viewpoint
- C. Evidence-based management**
- D. Behavioral management
- E. MBO

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.*  
*Topic: Evidence-Based Management*

Feedback: Evidence-based management is based on three truths: there are few really new ideas, true is better than new, and doing well usually dominates.

17. When faced with a business problem, Sally, a young grocery store owner, discusses business problems with Don, the assistant manager and an employee for over 30 years. Sally believes Don "has seen it all" and knows there are few really new ideas; plus the business has done many simple things, such as offering friendly service, to create and maintain a competitive edge. Sally's management style is best described as

- A. evidence-based.**
- B. behavioral.
- C. family style.
- D. contingency.
- E. bottom-up.

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*  
*Difficulty: 3 Hard*  
*Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.*  
*Topic: Evidence-Based Management*

Feedback: Evidence-based management means translating principles based on best evidence into organizational practice, bringing rationality to the decision-making process.

18. Which three approaches to management are considered historical perspectives?
- A. systems, contingency, quality management
  - B. classical, scientific, quantitative
  - C. classical, operations, scientific
  - D. contemporary, historical, scientific
  - E. classical, behavioral, quantitative**

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-01 Describe the development of current perspectives on management.*  
*Topic: Management Styles*

Feedback: The historical perspective on management includes three distinct viewpoints: classical, behavioral, and quantitative.

19. Within his company, Greg has set up a system with inputs, outputs, transformation processes, and feedback. He utilizes a management style that varies according to the individual and environmental situation, with a strategy for minimizing errors by managing each stage of production. Greg is utilizing a \_\_\_\_\_ perspective.

- A. historical
- B. classical
- C. qualitative
- D. contemporary**
- E. behavioral

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*  
*Difficulty: 3 Hard*  
*Learning Objective: 02-01 Describe the development of current perspectives on management.*

Feedback: The contemporary perspective includes three viewpoints: systems, contingency, and quality management. The *systems* viewpoint sees organizations as a system, either open or closed, with inputs, outputs, transformation processes, and feedback. The *contingency* viewpoint emphasizes that a manager's approach should vary according to the individual and environmental situation. The *quality-management viewpoint* has two traditional approaches: *quality control*, the strategy for minimizing errors by managing each stage of production, and *quality assurance*, which focuses on the performance of workers, urging employees to strive for zero defects.

20. Which of the following is a key benefit of studying theoretical perspectives on management?
- A. They are effective cost-reduction tools.
  - B. They emphasize diversity.
  - C. They are effective synergy-building approaches.
  - D. They build a strong family-type culture.
  - E.** They serve as a guide to action and a source of new ideas.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-01 Describe the development of current perspectives on management.

Topic: Management Styles

Feedback: Studying management theory provides an understanding of the present, a guide to action, a source of new ideas, clues to the meaning of your managers' decisions, clues to the meaning of outside events, and positive results.

21. The classical viewpoint of management emphasized ways to
- A.** manage work more efficiently.
  - B. build more synergy.
  - C. vary according to the environment.
  - D. include MBO.
  - E. increase diversity.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Topic: Management Styles

Feedback: The classical viewpoint emphasized finding ways to manage work more efficiently.

22. Mateo, an IT manager, has been studying the actions that his workers perform in an attempt to improve their productivity. Mateo is utilizing
- A. synergy.
  - B. management science.
  - C. behaviorism.
  - D. the Hawthorne effect.
  - E.** scientific management.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-02 Discuss the insights of the classical view of management.

Topic: Scientific Management

Feedback: Scientific management emphasizes the scientific study of work methods to improve the productivity of individual workers.

23. Frank and Lillian Gilbreth identified 17 basic units of motion that they called
- A. gilbreths.
  - B. time frames.
  - C.** therbligs.
  - D. units.
  - E. action works.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Scientific Management*

Feedback: A made-up word you won't find in most dictionaries, *therblig* was coined by Frank Gilbreth and is, in fact, *Gilbreth* spelled backward, with the *t* and the *h* reversed. It refers to 1 of 17 basic motions. By identifying the therbligs in a job, Frank and his wife, Lillian, were able to eliminate motions while simultaneously reducing fatigue.

24. Amy is a package delivery service manager. She is interested in implementing \_\_\_\_\_, the management philosophy pioneered by Frederick W. Taylor and Frank and Lillian Gilbreth, which scientifically studies work methods to improve the productivity of individual workers. In this particular case, Amy will study the routes that drivers take through a congested city in order to identify ways that delivery staff can make the most deliveries in each two-hour period.

- A. human relations management
- B. scientific management**
- C. quantitative management
- D. contingency management
- E. management science

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Scientific Management*

Feedback: Scientific management emphasized the scientific study of work methods to improve the productivity of individual workers. Two of its chief proponents were Frederick W. Taylor and the team of Frank and Lillian Gilbreth.

25. Susan, a movie theater manager, recently implemented a policy stating that workers who call in sick on Friday or Saturday nights will have their free movie privileges revoked for one month. In observing her workers, she has noticed that some of them feel that the new policy is not fair, and they have not been working as hard as they did in the past. What are Susan's employees doing?

- A. sliding
- B. soldiering**
- C. skimming
- D. entitling
- E. slipping

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Scientific Management*

Feedback: Soldiering is deliberately working at less than full capacity.

26. Sal, a production manager, knows that some of his employees are upset with a new corporate policy that eliminates a tuition reimbursement program. As a result, some of these employees are participating in soldiering. To eliminate soldiering, Sal should

- A. reduce the use of scientific principles in planning work methods.
- B. carefully select workers according to their abilities and give workers training.**
- C. reduce training, but increase MBO.
- D. place workers in any task available, focusing on their interests and not their abilities.
- E. increase diversity and MBO.

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Scientific Management*

Feedback: Taylor believed that managers could eliminate soldiering by applying four principles of science: (1) evaluate a task by scientifically studying each part of the task (not use old rule-of-thumb methods); (2) carefully select workers with the right abilities for the task; (3) give workers the training and incentives to do the task with the proper work methods; and (4) use scientific principles to plan the work methods and ease the way for workers to do their jobs.

27. A pay structure in which more efficient workers earn higher wages, as suggested by Frederick W. Taylor, is known as a(n) \_\_\_\_\_ system.

- A. scale
- B. increasing wage
- C. differential rate**
- D. wide wage
- E. merited pay

*AACSB: Analytical Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Scientific Management*

Feedback: Taylor, the father of scientific management, suggested employers institute a differential rate system, in which more efficient workers earned higher wages.

28. \_\_\_\_\_ was the father of scientific management.

- A. Frank Gilbreth
- B. Tom Gallagher
- C. Abraham Maslow
- D. Peter Drucker
- E. Frederick Taylor**

*AACSB: Analytical Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Scientific Management*

Feedback: Frederick Taylor is known as the father of scientific management.

29. Tom, the manager of floral shop, is interested in implementing the principles of administrative management, which involves

- A. doing time-motion studies.
- B. focusing on unprofitable parts of an organization.
- C. increasing synergy.
- D. managing the total organization.**
- E. implementing MBO.

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Administrative Management*

Feedback: Administrative management is concerned with managing the total organization. Among the pioneering theorists were Henri Fayol and Max Weber.

30. To better meet corporate goals this year, Donna, a CEO, is encouraging her managers to focus on the major functions of management, which are

- A. planning, organizing, recruiting, monitoring, and delegating.
- B. recruiting, monitoring, delegating, and coordinating.
- C. planning, organizing, leading, controlling, and arbitrating.
- D. recruiting, planning, organizing, and leading.
- E. planning, organizing, leading, and controlling.**

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Administrative Management*

Feedback: Fayol was the first to identify the major functions of management—planning, organizing, leading, and controlling—as well as coordinating.

31. Because there are some positive aspects of bureaucracy, as proposed by Max Weber, Tammy, a restaurant manager, is interested in implementing

certain aspects of the bureaucratic approach to management within her restaurant. Like Weber, Tammy feels bureaucracy is a

- A. rational, efficient, cost-cutting tool based on principles of behaviorism.
- B. sales-generating tool.
- C. rational, efficient method of increasing diversity.
- D.** rational, efficient, ideal organization based on principles of logic.
- E. rational, cost-cutting, efficient organization based on principles of synergy.

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Administrative Management*

Feedback: Weber felt that a better-performing organization should have five positive bureaucratic features: a well-defined hierarchy of authority, formal rules and procedures, a clear division of labor, impersonality, and careers based on merit.

32. The management approach that emphasized ways to manage work more efficiently is the \_\_\_ approach.

- A.** classical
- B. quality-management
- C. systems
- D. contingency
- E. MBO

*AACSB: Analytical Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Management Styles*

Feedback: The classical management approach emphasized ways to manage work more efficiently.

33. The \_\_\_\_\_ approach to management focuses on scientific methods, time and motion studies, and job specialization with the goal of increasing productivity.

- A. contingency
- B. behavioral
- C. MBO
- D. systems
- E.** classical

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Management Styles*

Feedback: The essence of the classical viewpoint is that work activity is amenable to a rational approach, that through the application of scientific methods, time and motion studies, and job specialization it is possible to boost productivity.

34. Greg, the IT manager, feels that his employees lack the motivation to consistently meet department goals. To better understand human actions and to motivate their employees toward achievement, Greg and his supervisors need to adopt the \_\_\_ viewpoint.

- A. synergy
- B. attitude
- C.** behavioral
- D. classical
- E. scientific

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-03 Describe the principles of the behavioral view of management.*

*Topic: Behavioral Management*

Feedback: The behavioral viewpoint emphasizes the importance of understanding human behavior and of motivating employees toward achievement.

35. Order the schools of thought in the behavioral viewpoint from earliest to most recent.
- A. early behaviorism, human relations movement, scientific management
  - B. operations management, human relations movement, MBO phase
  - C.** early behaviorism, human relations movement, behavioral science
  - D. early behaviorism, industrial, human relations movement
  - E. early behaviorism, human relations movement, administrative phase

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-03 Describe the principles of the behavioral view of management.*  
*Topic: Behavioral Management*

Feedback: The behavioral viewpoint developed in three phases: early behaviorism, the human relations movement, and behavioral science.

36. Hugo Munsterberg is known as
- A. the father of scientific management.
  - B. a pioneer of scientific management.
  - C. the father of MBO.
  - D.** the father of industrial psychology.
  - E. the originator of sociology.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-03 Describe the principles of the behavioral view of management.*  
*Topic: Behavioral Management*

Feedback: Hugo Munsterberg has been called the father of industrial psychology (the study of human behavior in workplace), which is still taught in colleges today.

37. Hugo Munsterberg believed that psychologists can contribute to industry by \_\_\_\_\_. For example, Munsterberg might suggest that a company implement a monthly bonus plan that rewards workers for achieving the goals set by their managers.
- A. developing strategies to influence employees to follow their interests
  - B. encouraging employees to develop new products
  - C.** devising management strategies to influence employees to follow management's interests
  - D. helping organizations increase diversity
  - E. helping companies increase efficiency and productivity

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*  
*Difficulty: 3 Hard*  
*Learning Objective: 02-03 Describe the principles of the behavioral view of management.*  
*Topic: Behavioral Management*

Feedback: Hugo Munsterberg suggested that psychologists could contribute to industry in three ways: (1) study jobs and determine which people are best suited to specific jobs, (2) identify the psychological conditions under which employees do their best work, and (3) devise management strategies to influence employees to follow management's interests.

38. \_\_\_\_\_ suggested that organizations should be operated as "communities," with managers and subordinates working together in harmony. For example, in a publishing company run as a community, editors, editorial assistants, and publishers would work together to determine which books should be published.
- A. Adam Smith
  - B. Frank Gilbreth
  - C. Hugo Munsterberg
  - D.** Mary Parker Follett
  - E. Max Weber

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*

Difficulty: 2 Medium

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Topic: Behavioral Management

Feedback: One of Mary Parker Follett's important contributions to management theory was that conflicts should be resolved by having managers and workers talk over differences and find solutions that would satisfy both parties, a process she called *integration*.

39. Mary Parker Follett anticipated some of today's workplace trends, such as

- A. worker empowerment and scientific management.
- B.** self-managed teams and worker empowerment.
- C. quality assurance and transformation processes.
- D. management-lead teams and diversity.
- E. synergy and MBO.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Topic: Behavioral Management

Feedback: Mary Parker Follett anticipated some of today's concepts of "self-managed teams," "worker empowerment," and "interdepartmental teams"—that is, members of different departments working together on joint projects.

40. According to proponents of the Hawthorne effect,

- A. giving less attention to employees increases worker productivity.
- B. increasing diversity results in increases in worker productivity.
- C. increasing synergy increases worker productivity.
- D. cutting costs through outsourcing harms employee morale and productivity.
- E.** giving more attention to employees increases worker productivity, if they think managers care about them.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Topic: Hawthorne Studies

Feedback: The Hawthorne studies were faulted for being poorly designed and not having enough empirical data to support the conclusions. Nevertheless, they succeeded in drawing attention to the importance of "social man" (social beings) and how managers using good human relations can improve worker productivity.

41. Abraham Maslow proposed the

- A.** hierarchy of human needs.
- B. Hawthorne effect.
- C. hierarchy of production.
- D. self-managed teams.
- E. worker empowerment theory.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Topic: Maslow's Hierarchy of Needs

Feedback: In 1943, Maslow proposed his famous hierarchy of human needs: physiological, safety, love, esteem, and self-actualization.

42. Maslow's hierarchy of human needs included

- A. physiological, financial, love, esteem, and self-actualization.
- B. financial, love, friends, and self-actualization.
- C. food and shelter, companionship, ego, and self-actualization.
- D.** physiological, safety, love, esteem, and self-actualization.
- E. physiological, financial, love, and empowerment.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Topic: Maslow's Hierarchy of Needs

Feedback: In 1943, Maslow proposed his famous hierarchy of human needs: physiological, safety, love, esteem, and self-actualization.

43. Olivia, the general manager of a bowling center, believes that her workers are responsible and capable, and that they can be trusted when given responsibility. Olivia is an example of a(n) \_\_\_\_ manager.

- A. Theory Z
- B. hierarchy
- C. Theory X
- D. accountable
- E. Theory Y**

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Topic: Theory X and Y

Feedback: Theory Y represents the outlook of human relations proponents. It is an optimistic, positive view of workers. In this view, workers are considered to be capable of accepting responsibility, self-direction, and self-control and of being imaginative and creative.

44. George, who owns a small grocery store, has a reputation in the community as a tough manager. Many customers have heard George yell at his employees because he feels that workers today are lazy, lack ambition, and hate to work. George is a(n) \_\_\_\_ manager.

- A. Theory Z
- B. hierarchy
- C. Theory X**
- D. accountable
- E. Theory Y

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Topic: Theory X and Y

Feedback: Theory X managers are more likely to micromanage, which leads to employee dissatisfaction. Theory X managers believe employees are inherently lazy.

45. Behavioral science relies on scientific research for developing theories about human behavior that can be

- A. used to provide sales tools.
- B. used in behavioral science research.
- C. helpful when looking at competitive products.
- D. used to provide practical tools for managers.**
- E. used to establish MBO goals.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 02-03 Describe the principles of the behavioral view of management.

Topic: Behavioral Management

Feedback: Behavioral science relies on scientific research for developing theories about human behavior that can be used to provide practical tools for managers.

46. Which disciplines does the field of behavioral science include?

- A. psychology, sociology, forensic science, and economics
- B. psychology, forensic science, sociology, anthropology, and economics
- C. psychiatry, technology, environmental science, and forensic science
- D. chemistry, biology, earth science, and management
- E. psychology, sociology, anthropology, and economics**

AACSB: Analytical Thinking  
Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy  
Learning Objective: 02-03 Describe the principles of the behavioral view of management.  
Topic: Behavioral Management

Feedback: The disciplines of behavioral science include psychology, sociology, anthropology, and economics, all of which consider human behavior.

47. Paul English of Kayak.com uses new employees as an excuse for altering an existing open-office seating arrangement. English's action is an application of \_\_\_\_ to management.

- A. the hostility-effect approach
- B. the office politics approach
- C.** the behavioral science approach
- D. the synergy research approach
- E. a Theory X approach

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply  
Difficulty: 3 Hard  
Learning Objective: 02-03 Describe the principles of the behavioral view of management.  
Topic: Behavioral Management

Feedback: Behavioral science relies on scientific research for developing theories about human behavior that can be used to provide practical tools for managers, such as increasing productivity by changing an office seating plan.

48. Gabriel, the CEO of a large global production company, is excited about the introduction of statistics and computer simulations in the design stage of the company's products. Gabriel is using

- A. the design approach.
- B.** quantitative techniques.
- C. MBO.
- D. scientific management.
- E. behavioral management.

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply  
Difficulty: 3 Hard  
Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.  
Topic: Quantitative Management

Feedback: Quantitative management is the application to management of quantitative techniques, such as statistics and computer simulations.

49. Management science stresses the use of rational, science-based techniques and mathematical models to improve

- A. decision making and goal setting.
- B. synergy.
- C. cost-cutting and planning.
- D.** decision making and strategic planning.
- E. sales and customer relationships.

AACSB: Analytical Thinking  
Accessibility: Keyboard Navigation  
Blooms: Understand  
Difficulty: 2 Medium  
Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.  
Topic: Quantitative Management

Feedback: Management science stresses the use of rational, science-based techniques and mathematical models to improve decision making and strategic planning.

50. The new chief information officer of a national pizza chain is using mathematical tools to aid in product ordering and scheduling decisions. The CIO is using

- A. statistical management.
- B. scientific management.
- C. behavioral science.

- D.** management science.
- E. goal management.

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply

Difficulty: 3 Hard  
Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.  
Topic: Quantitative Management

Feedback: Management science focuses on using mathematics to aid in problem solving and decision making, such as aiding in product ordering and scheduling decisions.

51. Operations management focuses on managing the production and delivery of an organization's products or services

- A. more economically.
- B. by utilizing motion studies.
- C. with a more diverse workforce.

- D.** more effectively.
- E. to more customers.

AACSB: Analytical Thinking  
Accessibility: Keyboard Navigation  
Blooms: Remember

Difficulty: 1 Easy  
Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.  
Topic: Quantitative Management

Feedback: Operations management focuses on managing the production and delivery of an organization's products or services more effectively. It is a form of quantitative management.

52. A computer manufacturer is seeking to cut costs by designing an inventory system that reduces the number of finished products in stock due to overproduction and to set in place a production schedule that better matches customers' orders. These plans are an example of \_\_\_\_ in action.

- A.** operations management
- B. scientific management
- C. production management
- D. inventory oversight
- E. inventory analysis

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply

Difficulty: 3 Hard  
Learning Objective: 02-04 Discuss the two quantitative approaches to solving problems.  
Topic: Quantitative Management

Feedback: Operations management is concerned with work scheduling, production planning, facilities location and design, and decisions about the optimum inventory a company should maintain.

53. The three contemporary management perspectives are the \_\_\_\_\_ viewpoints.

- A. quality management, behavioral, and customer
- B. systems, scientific, and contingency
- C.** systems, contingency, and quality management
- D. diversity, quantitative, and qualitative
- E. contemporary, noncontemporary, and behavioral

AACSB: Analytical Thinking  
Accessibility: Keyboard Navigation  
Blooms: Understand

Difficulty: 2 Medium  
Learning Objective: 02-05 Identify takeaways from the systems view of management.  
Topic: Systems Viewpoint

Feedback: The contemporary perspective consists of three viewpoints: systems, contingency, and quality management (see Figure 2.3).

54. The systems viewpoint sees organizations as entities made up of four interrelated parts known as

- A. planning, design, monitoring, production, and feedback.
- B. planning, inputs, monitoring, outputs, and feedback.
- C.** inputs, outputs, transformation processes, and feedback.

- D. planning, design, inputs, monitoring, outputs, and follow-up feedback.
- E. vision, planning, design, production, monitoring, and follow-up feedback.

AACSB: Analytical Thinking  
Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 2 Medium  
Learning Objective: 02-05 Identify takeaways from the systems view of management.  
Topic: Systems Viewpoint

Feedback: The systems viewpoint regards the organization as a system of interrelated parts. The four parts of a system are inputs, outputs, transformation processes, and feedback.

55. The Jones family had a fire that destroyed their home. Various departments of a restoration company, from the initial cleanup crew to the assistance with the Jones family moving back in, worked together to achieve this goal. All of the company's interrelated parts working together to accomplish a goal (in this case, the restoration of the Jones home) is an example of a(n)
- A. process.
  - B. stepped process.
  - C. input-output structure.
  - D. structure.
  - E. system.**

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply  
Difficulty: 3 Hard  
Learning Objective: 02-05 Identify takeaways from the systems view of management.  
Topic: Systems Viewpoint

Feedback: A system is a set of interrelated parts that operate together to achieve a common purpose, even when it does not work well.

56. A local farmer grows and sells tomatoes and beans to the local grocers. Look at the farmer's business as a system. In which category do the tomatoes, beans, squash, profits, and losses fall?
- A. input
  - B. therblig
  - C. transformational process
  - D. result
  - E. output**

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply  
Difficulty: 3 Hard  
Learning Objective: 02-05 Identify takeaways from the systems view of management.  
Topic: Systems Viewpoint

Feedback: Outputs are the products, services, profits, losses, employee satisfaction or discontent, and the like that are produced by the organization. Whatever comes out of the system is an output.

57. Donna, a chef in a fine restaurant, utilizes top-of-the-line equipment as she prepares meals for customers. Donna and her equipment are a(n) \_\_\_\_\_ in the restaurant's system.
- A. cog
  - B. piece
  - C. output-participant
  - D. output
  - E. input**

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply  
Difficulty: 3 Hard  
Learning Objective: 02-05 Identify takeaways from the systems view of management.  
Topic: Systems Viewpoint

Feedback: Inputs are the people, money, information, equipment, and materials required to produce an organization's goods or services. Whatever goes into a system is an input.

58. The systems viewpoint regards the various parts making up the whole system as

- A. microsystems.
- B. macrosystems.
- C. subsystems.**
- D. management collections.
- E. organizational sets.

AACSB: Analytical Thinking  
Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy  
Learning Objective: 02-05 Identify takeaways from the systems view of management.  
Topic: Systems Viewpoint

Feedback: Parts making up the whole system are subsystems.

59. When a line cook in a restaurant cooks uses raw meat to cook a hamburger that becomes part of the restaurant's Super Burger Special (available only on Saturday nights during football season), the cook is taking part in a
- A. transformation process.**
  - B. conversion process.
  - C. metamorphosis.
  - D. turning point.
  - E. therblig.

AACSB: Analytical Thinking  
Accessibility: Keyboard Navigation  
Blooms: Apply  
Difficulty: 3 Hard  
Learning Objective: 02-05 Identify takeaways from the systems view of management.  
Topic: Systems Viewpoint

Feedback: Transformation processes are the organization's capabilities in management, internal processes, and technology that are applied to converting inputs into outputs. The main activity of the organization is to transform inputs into outputs. In this case, the cook uses inputs in the creation of the output, which is the Super Burger Special.

60. When the sales of a certain brand of diet soda slowed, a national grocery retailer decided to drop the price of that product, which resulted in a large increase in sales of the soda. This sales increase is a type of
- A. Big Data.
  - B. input.
  - C. quality control.
  - D. outcry.
  - E. feedback.**

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply  
Difficulty: 3 Hard  
Learning Objective: 02-05 Identify takeaways from the systems view of management.  
Topic: Systems Viewpoint

Feedback: Feedback is information about the reaction of the environment to the outputs that affects the inputs. Are the customers buying or not buying the product?

61. Right Motors calls its customers after they purchase an automobile from the dealership. In addition, every year customers are asked to complete a short survey about the car they purchased from Right Motors and their customer-service experiences with the dealership. Right Motors is an example of a(n) \_\_\_ system.
- A. open**
  - B. closed
  - C. open-door
  - D. environmental
  - E. ongoing

AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Apply  
Difficulty: 3 Hard  
Learning Objective: 02-05 Identify takeaways from the systems view of management.

Topic: Open System

Feedback: An open system continually interacts with its environment.

62. For years ABC Copier, a copier machine supplier, enjoyed strong sales and a huge share of the copier market, far ahead of its nearest competitor. However, over the years, ABC seldom asked customers for feedback. So when some of ABC's competition responded to customers' needs and started offering copiers with new features (such as wireless printing from laptop and tablet computers), ABC lost much of its market share. ABC's system is best described as

- A. open.
- B. isolated.
- C. blind.
- D. internal.
- E. closed.**

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Topic: Closed System

Feedback: A closed system has little interaction with its environment; that is, it receives very little feedback from the outside. The classical management viewpoint often considered an organization a closed system. So does the management science perspective, which simplifies organizations for purposes of analysis. However, any organization that ignores feedback from the environment opens itself up to possibly spectacular failures. In the modern era, nearly all organizations are, at least to some degree, open systems rather than closed systems.

63. The American economy consists of a complex combination of organizations and variables, such as countless companies differing in size and what they sell, current events, and markets (for example, the housing market and the stock market). According to \_\_\_\_\_, all of these independent factors interact with one another according to certain simple rules.

- A. complexity theory**
- B. a closed market system
- C. a market web
- D. contingency theory
- E. behavioral theory

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-05 Identify takeaways from the systems view of management.

Topic: Systems Viewpoint

Feedback: The systems viewpoint has led to the development of complexity theory, the study of how order and pattern arise from very complicated, apparently chaotic systems. Complexity theory recognizes that all complex systems are networks of many interdependent parts that interact with one another according to certain simple rules.

64. Cheyenne is the manager of a local small hotel. Just today Cheyenne received word that a major convention will be coming to town next month, and the demand for hotel rooms is expected to skyrocket. In a conversation with the owner, she asked, "What should our approach to pricing be for the week of the convention? Should we require payment in full at the time of the reservation?" Which management method is Cheyenne using?

- A. the devil's advocate method
- B. scientific management
- C. the synergy method
- D. the contingency viewpoint**
- E. the diversity viewpoint

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Topic: Contingency Theory

Feedback: The contingency viewpoint emphasizes that a manager's approach should vary according to, or be contingent on, the individual and the environmental situation.

65. When a manager assesses a particular situation and decides what to do according to the individual and environmental situation, the manager is utilizing the \_\_\_\_ viewpoint.

- A. behavioral
- B. systems
- C. scientific
- D. flexibility
- E. contingency**

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Topic: Contingency Theory

Feedback: The contingency viewpoint emphasizes that a manager's approach should vary according to, or be contingent on, the individual and the environmental situation. Thus, the manager who assesses a particular situation and decides what to do is using a contingency viewpoint.

66. Gary Hamel suggests we need to look at management as a process and then make improvements and innovation

- A. intuitively.
- B. only if doing so results in synergy.
- C. ongoing and systematic.**
- D. only if doing so saves money.
- E. occasionally.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.

Topic: Contingency Theory

Feedback: Gary Hamel suggests we need to look at management as a process and then make improvements and innovation ongoing and systematic.

67. The management of Prime Manufacturing is implementing a plan to minimize production mistakes by allowing teams that work in each area of the production facility to develop a plan and then monitor their area to ensure the reduction of errors. The managers are engaging in

- A. efficiency monitoring.
- B. quality control.**
- C. innovative planning.
- D. the minimal defect approach.
- E. JIT.

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Topic: Quality-Management Viewpoint

Feedback: *Quality control* is defined as the strategy for minimizing errors by managing each stage of production.

68. The management of a facility that manufactures parts for car brakes has a policy of testing only some of the items in each production run to locate errors, with the ultimate goal of minimizing errors by managing each stage of production. This process is an example of the \_\_\_\_\_ technique.

- A. zero defects
- B. minimal defects
- C. JIT
- D. quality focus
- E. quality control**

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Topic: Quality-Management Viewpoint

Feedback: Quality control techniques were developed in the 1930s at Bell Telephone Labs by Walter Shewart, who used statistical sampling to locate errors by testing only some (rather than all) of the items in a particular production run.

69. After returning home from a trade show, Mr. Jones, the president of a manufacturing company, called a meeting of his production department. He indicated that the company would soon be implementing a new policy of \_\_\_\_\_, which focuses on worker performance and urges employees to strive for zero defects.

- A.** quality assurance
- B. constancy of purpose
- C. redesign
- D. scientific management
- E. the total quality movement

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*  
*Difficulty: 3 Hard*  
*Learning Objective: 02-07 Discuss the contributions of the quality-management view.*  
*Topic: Quality-Management Viewpoint*

Feedback: Developed in the 1960s, quality assurance focuses on the performance of workers, urging employees to strive for zero defects. Quality assurance has been less successful because often employees have no control over the design of the work process.

70. \_\_\_\_\_ believed that quality stemmed from "constancy of purpose," and that managers should stress teamwork, be helpful rather than simply give orders, and make employees feel comfortable about asking questions.

- A. Frank and Lillian Gilbreth
- B. Henri Fayol
- C. Max Weber
- D. Mary Parker Follett
- E.** W. Edwards Deming

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-07 Discuss the contributions of the quality-management view.*  
*Topic: Quality-Management Viewpoint*

Feedback: Deming believed that quality stemmed from "constancy of purpose," a steady focus on an organization's mission, along with statistical measurement and reduction of variations in production, and that managers should stress teamwork, be helpful rather than simply give orders, and make employees feel comfortable about asking questions.

71. Joseph Juran defined *quality* as "fitness for use," which means that

- A. a product or service should be priced competitively.
- B. an organization should produce products that will help customers stay healthy.
- C. companies should focus on products that help the community.
- D. products should be very durable.
- E.** a product or service should satisfy a customer's real needs.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Analyze*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-07 Discuss the contributions of the quality-management view.*  
*Topic: Quality-Management Viewpoint*

Feedback: Another pioneer with Deming in Japan's quality revolution was Joseph M. Juran, who defined *quality* as "fitness for use." By this he meant that a product or service should satisfy a customer's real needs.

72. To gain a competitive edge this year, the upper management of a global IT company has decided to focus on customer service, employee training, and continuous quality improvement. This approach is known as

- A. customer focus.
- B.** total quality management (TQM).
- C. evidence-based management.
- D. competitive edging.
- E. constancy of purpose.

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*

Difficulty: 3 Hard

Learning Objective: 02-07 Discuss the contributions of the quality-management view.

Topic: Quality-Management Viewpoint

Feedback: Total quality management (TQM) is a comprehensive approach, led by top management and supported throughout the organization, dedicated to continuous quality improvement, training, and customer satisfaction.

73. Kiddie Village is a successful daycare center. It focuses on actively developing, finding, and communicating new knowledge to its employees so that workers can modify their behavior to reflect this new knowledge. Kiddie Village is an example of a(n) \_\_\_\_\_ organization.

- A. customer-focused
- B. learning**
- C. research
- D. evolving
- E. 360-degree

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-08 Define a learning organization.

Topic: Learning Organization

Feedback: A learning organization is an organization that actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge.

74. Dominique, an executive chef in a large hotel, recently attended a training conference sponsored by several top professionals in his field, where he learned numerous ways his restaurant and hotel can better serve customers. Dominique is excited that management asked him to present this information to the hotel staff so that the restaurant and hotel can make needed improvements. Dominique's hotel is a(n) \_\_\_\_\_ organization.

- A. focused
- B. learning**
- C. evolving
- D. customer-focused
- E. 360-degree

AACSB: Knowledge Application

Accessibility: Keyboard Navigation

Blooms: Apply

Difficulty: 3 Hard

Learning Objective: 02-08 Define a learning organization.

Topic: Learning Organization

Feedback: A learning organization is an organization that actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge. It can acquire knowledge by devoting significant resources to training. Transferring knowledge can be improved by reducing barriers to information sharing.

75. An organization in which the management builds a commitment to learning, works to generate ideas with impact, and works to generalize ideas with impact is creating a(n)

- A. focused organization.
- B. learning organization.**
- C. evolving atmosphere.
- D. customer-focused organization.
- E. 360-degree training structure.

AACSB: Analytical Thinking

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 02-08 Define a learning organization.

Topic: Learning Organization

Feedback: To create a learning organization, managers must perform three key functions or roles: (1) build a commitment to learning, (2) work to generate ideas with impact, and (3) work to generalize ideas with impact.

76. This question has three parts; be sure to answer each one. First, explain *soldiering*. Second, describe the four principles of science that Frederick Taylor believed managers could use to eliminate soldiering. Third, imagine that you manage a small landscaping firm where you believe that the workers are soldiering because they are resentful of having to work in high levels of heat and humidity. Describe the specific actions you would take to overcome soldiering among this group of workers.

Soldiering could be called "underachieving," or "loafing," or what Frederick Taylor called deliberately working at less than full capacity. Taylor believed that managers could eliminate soldiering by applying four principles of science: (1) evaluate a task by scientifically studying each part of the task (not use old rule-of-thumb methods); (2) carefully select workers with the right abilities for the task; (3) give workers the training and incentives to do the task with the proper work methods; and (4) use scientific principles to plan the work methods and ease the way for workers to do their jobs.

To prevent soldiering by workers at a landscaping firm, you as the manager might first examine the workers' jobs. Is it possible to change some of the tasks so that they are less exhausting for the employees? Perhaps workers should rotate between easier tasks and more difficult tasks, so that everyone gets a break from the hardest work. It may be that some workers actually enjoy the harder tasks (such as pruning and shaping hedges) or feel underutilized when they are doing more simple tasks (such as mowing the lawn). As a manager, you might talk with the workers to determine how each of them can work at the tasks they prefer while still ensuring that all the jobs are done correctly. To provide the right incentives, you might offer slightly higher hourly pay rates on days that exceed 90° F while also keeping the truck stocked with bottles of cold water so that workers don't have to buy cold drinks with their own money. By examining how your workers do their jobs and applying the principles of scientific management, you may be able to find better work methods—for example, instead of having one worker mow the front lawn and another worker mow the rear lawn, you may find that it is more efficient to have the same worker mow both lawns so that the second worker can focus on other tasks.

*AACSB: Analytical Thinking*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Discuss the insights of the classical view of management.*  
*Topic: Scientific Management*

77. This question has two parts; be sure to answer both. First, explain the five positive bureaucratic features that Max Weber believed contributed to a better-performing organization. Second, imagine that you are the manager of a small catering company that specializes in catering outdoor events, such as weddings and graduation parties. Apply each of Weber's five bureaucratic features to your business, explaining how you will use each to your advantage.

The five positive bureaucratic features that Max Weber believed contributed to a better-performing organization are (1) a well-defined hierarchy of authority; (2) formal rules and procedures; (3) a clear division of labor, with parts of a complex job being handled by specialists; (4) impersonality, without reference or connection to a particular person; and (5) careers based on merit.

As the manager of the catering company, you might apply these features as follows: You will make sure that there is a very clear hierarchy of managers. You are the manager, and you are the top dog. You set the goals and expect your employees to meet them. You also establish formal rules and procedures. For example, because your employees prepare and serve food, you may set strict policies that all food preparers must wear hair nets and plastic gloves. You might also have rules of how your employees look whenever they are catering an affair; perhaps they must wear a clean, well-pressed uniform and keep their hair neat and tidy so that they look professional.

As you set up each outdoor party, you will make sure that each worker's job is clearly specified—for example, some people will be in charge of setting up tents, tables, and chairs; others will be in charge of entertaining the crowd (for example, a clown at a child's birthday party); and others will be responsible for working on the buffet line to serve the meals. Here, impersonality doesn't mean that you treat your employees or customers in an impersonal way; rather, it means that the tasks of each job, and the responsibilities of each employee, exist outside that person. Regardless of the worker's age, gender, or any other characteristic, he or she must perform all the job functions to be considered a good worker.

Finally, you will want to make sure that you give raises and promotions based on merit. Because you will be present at some of the parties, you will see which workers go the extra mile and which do not. You will make it clear to all of your hires that all promotion decisions at the company are based on merit and not on any other quality.

*AACSB: Analytical Thinking*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Discuss the insights of the classical view of management.*  
*Topic: Administrative Management*

78. This question has two parts; be sure to answer both. First, articulate why the classical viewpoint is important, providing an example of a successful company that has benefited from applying the theories of the classical viewpoint. Second, imagine that you manage a scientific lab that develops women's health and beauty products. Give two examples of how you might apply the classical viewpoint in the lab.

The essence of the classical viewpoint is that work activity is amenable to a rational approach, that through the application of scientific methods, time and motion studies, and job specialization it is possible to boost productivity. These concepts are still in use today, the results visible to you every time you visit McDonald's or Pizza Hut.

As the manager of a scientific lab that develops women's health and beauty products, you might understand the importance of having your staff specialize. By specializing, each employee becomes an expert in key products, in understanding what customers want. So, for example, you might have one scientist who specializes in developing cosmetics, one who specializes in developing soaps and shampoos, and one who specializes in hair-care products such as mousses and gels. Following Weber's view of bureaucracy, you will make sure that your lab employees follow all required safety procedures, that they are fully trained on government regulations regarding health and beauty products, and develop products with costs in mind (that is, they try to develop products that will minimize the company's costs and maximize its profits).

*AACSB: Knowledge Application*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-02 Discuss the insights of the classical view of management.*

*Topic: Administrative Management*

*Topic: Scientific Management*

79. This question has two parts; be sure to answer both. First, explain the three ways Hugo Munsterberg believed psychologists could contribute to industry. Next, imagine that you manage a hair salon and apply each of Munsterberg's principles to your daily tasks as a manager.

Hugo Munsterberg believed psychologists could contribute to industry in three ways: (1) study jobs and determine which people are best suited to specific jobs, (2) identify the psychological conditions under which employees do their best work, and (3) devise management strategies to influence employees to follow management's interests.

In your job as the manager of a hair salon, you would study jobs and determine which people are best suited to specific jobs. For example, you may find that one stylist does her best work on women with long hair, while another stylist achieves spectacular results with color or daring hair styles. Looking at your workers, you would want to understand the psychological conditions under which employees do their best work. Because your employees work in the beauty industry, you might imagine that they care about appearances—and that they would therefore do their best work in a salon that is decorated tastefully and expertly. As you look to devise management strategies that influence employees to follow management's interests, you would look for win-win situations. For example, you might arrange with the local newspaper to profile a different member of the staff each week. The interview would make each employee feel important (and help the stylists develop a following). By developing their own followings, the stylists bring in additional revenue to the salon, which is completely in sync with management's interests.

*AACSB: Analytical Thinking*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-03 Describe the principles of the behavioral view of management.*

*Topic: Behavioral Management*

80. This question has two parts; be sure to answer both. First, explain at least one of Mary Parker Follett's ideas on how organizations should become more democratic. Next, suppose you work at an advertising agency as an account manager. You are responsible for keeping your clients (the advertisers) happy, but you do not do the creative work of designing the ads. Explain how you might manage a conflict with one of your most talented ad designers, who does not agree with the client's ideas and does not want to implement them.

Mary Parker Follett believed organizations can become more democratic with managers and employees working cooperatively. Some of her most important ideas on how organizations can become more democratic are (1) organizations should be operated as "communities," with managers and subordinates working together in harmony; (2) conflicts should be resolved by having managers and workers talk over differences and find solutions that would satisfy both parties—a process she called integration; and (3) the work process should be under the control of workers with the relevant knowledge, rather than of managers, who should act as facilitators.

As an account manager at an ad agency, you know that you need your artists and designers to create eye-catching advertisements based on the client's ideas and your ideas for translating the client's wishes into words and images. Ideally, you would identify the source of the conflict—why exactly does your designer not like the client's idea? From that point, you can offer additional perspective—"Maybe the client's ideas are bad, but the client pays the bills, and we have to give the client what he wants." From there, you can work with the designer to push his boundaries of creativity to find ways to use the client's ideas but in a manner that is appealing to the designer's artistic sensibilities.

*AACSB: Knowledge Application*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-03 Describe the principles of the behavioral view of management.*

*Topic: Behavioral Management*

81. Describe the Hawthorne effect. Explain the flaws in the studies, but also explain the studies' lasting contribution to management.

The Hawthorne effect proposed that employees worked harder if they received added attention, if they thought that managers cared about their welfare and that supervisors paid special attention to them. However, later investigators found flaws in the studies, such as variations in ventilation and lighting or inadequate follow through, that were overlooked by the original researchers. Critics also point out that it's doubtful that workers improved their productivity merely on the basis of receiving more attention rather than because of a particular instructional method or social innovation. Nonetheless, the Hawthorne studies succeeded in drawing attention to the importance of "social man" (social beings) and how managers using good human relations can improve worker productivity.

*AACSB: Analytical Thinking*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-03 Describe the principles of the behavioral view of management.*

*Topic: Hawthorne Studies*

82. This question has two parts; be sure to answer both. First, contrast Theory X and Theory Y, explaining why both theories are important. Next, imagine that you manage a staff of six paralegals at a law firm. One of your employees, Claire, is usually a good worker, but lately her performance has

been slipping. List two things you might say to Claire if you are a Theory X manager and two things you might say to Claire if you are a Theory Y manager.

Theory X represents a pessimistic, negative view of workers. In this view, workers are considered to be irresponsible, to be resistant to change, to lack ambition, to hate work, and to want to be led rather than to lead. Theory Y represents the outlook of human relations proponents—an optimistic, positive view of workers. In this view, workers are considered to be capable of accepting responsibility, self-direction, and self-control and of being imaginative and creative. The principal contribution offered by the two theories is that they help managers understand how their beliefs affect their own behavior. For example, Theory X managers are more likely to micromanage, which leads to employee dissatisfaction because they believe employees are inherently lazy. Managers can be more effective by considering how their behavior is shaped by their expectations about human nature.

At the law firm as a Theory X manager of paralegals, you might say to Claire:

"Your performance has been less than stellar lately. If you don't get back to your usual standards, I am going to give you a written warning."

"Claire, lately you seem lazy and unmotivated. I need all my workers to bring their best to the job."

At the law firm as a Theory Y manager of paralegals, you might say to Claire:

"Claire, how is everything going lately? You don't seem like your usual happy self."

"Claire, you've always been so valuable to our group. Are you going through a rough patch? Is there anything I can do to help?"

*AACSB: Analytical Thinking*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Describe the principles of the behavioral view of management.*  
*Topic: Theory X and Y*

83. This question has two parts; be sure to answer both. First, describe the four parts of a system. Next, imagine that you own a one-person business. You create beautiful, elaborate wedding cakes (for which you charge a large sum of money). What are the components of your wedding cake business system?

—The four parts of a system are (1) *inputs*—the people, money, information, equipment, and materials required to produce an organization's goods or services; (2) *transformation processes*—the organization's capabilities in management, internal processes, and technology that are applied to converting inputs into outputs; (3) *outputs*—the products, services, profits, losses, employee satisfaction or discontent, and the like that are produced by the organization; and (4) *feedback*—the information about the reaction of the environment to the outputs that affects the inputs. Are the customers buying or not buying the product?

In your wedding cake business, the inputs are the flour, cream, sugar, and fillings that you use to make your product. The transformational process is what we would call cooking (mixing ingredients, baking the cake), but it also includes creative elements like creating decorations from fondant and assembling the entire cake into an edifice that will stand up and not fall apart. Your output is, of course, the wedding cakes themselves. Your feedback will often come in the form of compliments from the happy bride and groom about how delicious the cake was—or complaints from the unhappy bride and groom about how dry, tasteless, and ugly the cake was (in which case, you won't be in business for much longer).

*AACSB: Analytical Thinking*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-05 Identify takeaways from the systems view of management.*  
*Topic: Systems Viewpoint*

84. This question is composed of two parts; be sure to answer both. First, compare and contrast open and closed systems. Explain why almost all businesses today have an open system. Next, suppose you manage a business in which you hire young musicians to give lessons to school children. In what ways will you need your business to be open?

An open system continually interacts with its environment. A closed system has little interaction with its environment; that is, it receives very little feedback from the outside. The classical management viewpoint often considered an organization a closed system. So does the management science perspective, which simplifies organizations for purposes of analysis. However, any organization that ignores feedback from the environment opens itself up to possibly spectacular failures. For this reason, almost all organizations today are open systems. Open systems have the potential to produce synergy, which is the idea that two or more forces combined create an effect that is greater than the sum of their individual effects.

In your music business, your system will be open in that you will be continually interacting with your environment. You will be talking to parents whose children want to learn how to play a musical instrument, and you will be getting feedback from them to ensure that they are satisfied with the instruction their children are receiving. You will likely have a social media presence (Facebook, Twitter) to help you market your business and continue getting new students. You'll network with your employees to continue finding new employees who are musically talented and good teachers.

*AACSB: Analytical Thinking*  
*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-05 Identify takeaways from the systems view of management.*  
*Topic: Systems Viewpoint*

85. This question has two parts; be sure to answer both. First, explain the contingency viewpoint, explaining what it means. Next, suppose you are a literary agent running your own business. You represent a large number of successful writers, and you have made it clear on your website that you are no longer taking on new writers as clients. One day a person you respect tells you about an unpublished writer who is simply fantastic and has the makings of an incredibly successful novelist. If you adopt the contingency viewpoint, what is your response? What would your response be if you do not believe in the contingency viewpoint?

The contingency viewpoint emphasizes that a manager's approach should vary according to—that is, be contingent on—the individual and the environmental situation. *The Contingency Viewpoint: What Are the Best Kinds of Benefits?* provides a good example of the contingency viewpoint: Money is not the only motivator for employee productivity. Applying the contingency approach, managers have found there are incentives in offering various kinds of fringe benefits.

If you are a literary agent and you subscribe to the contingency viewpoint, your likely response to hearing about a talented new writer will be, "I already have more than I can manage, but I might really regret it if I let this new writer slip through my fingers. Maybe I should at least talk to the writer, and read his or her work, and be prepared to take him or her as a client if I love what I read. Somehow I'll find a way to make it work." If you do not subscribe to the contingency viewpoint, your response to your friend who tells you about a talented new writer is, "Sounds great, but I'm not taking on any new clients right now."

*AACSB: Knowledge Application*  
*Blooms: Apply*  
*Difficulty: 3 Hard*  
*Learning Objective: 02-06 Explain why there is no one best way to manage in all situations.*  
*Topic: Contingency Theory*

86. This question has two parts; be sure to answer both. First, define total quality management and explain its four components. Next, imagine you work as a manager for a company that builds and sells expensive, upscale men's watches. Explain how you would implement a TQM approach at your company.

Total quality management (TQM) is a comprehensive approach, led by top management and supported throughout the organization, dedicated to continuous quality improvement, training, and customer satisfaction.

These are the four components of TQM, with an example of how a manager of a men's watch company might implement each.

1. **Make continuous improvement a priority.** TQM companies are never satisfied; they make small, incremental improvements an everyday priority. The watch manufacturer may brag that its watches lose no more than one second per year. As part of a commitment to continuous improvement, management may seek to have the next generation of watches lose no more than one second every two years.
2. **Get every employee involved.** TQM companies build teamwork, trust, and mutual respect by making sure that every employee is involved in the continuous improvement process. One simple way to implement this philosophy at the watch company is to have a suggestion box where anyone—from the custodian to the CEO—can make suggestions for how to make the watches even better.
3. **Listen to and learn from customers and employees.** TQM companies solicit feedback within the organization and from customers. Because the watches are sold at upscale locations, it is easy to keep track of customers and to contact them occasionally, asking them to provide testimonials or provide suggestions for how a great product can be made even better. For example, one satisfied customer might say, "I love my watch, but I wish I didn't have to take it off when I water my garden." That suggestion might lead the company to make its next generation of watches waterproof.
4. **Use accurate standards to identify and eliminate problems.** TQM companies look to their competition for ideas on how to improve their own products (a process called *benchmarking*). The watch company might implement a standard saying that it will not market any watch that loses more than a second a year, and it will conduct ongoing quality tests to ensure that its watches are meeting its standards (which are the criteria that the public expects from the company).

*AACSB: Analytical Thinking*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-07 Discuss the contributions of the quality-management view.*  
*Topic: TQM Viewpoint*

87. This question contains two parts; be sure to answer both. First, define *learning organization* and summarize the three parts of a learning organization. Next, imagine that you are a publisher of fiction, and your publishing house considers itself a learning organization. Give an example of how your publishing house might implement each of the three parts of a learning organization.

A learning organization is an organization that actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge.

Parts of a learning organization are:

**1. Creating and acquiring knowledge.** In learning organizations, managers try to actively infuse their organizations with new ideas and information, which are the prerequisites for learning. They acquire such knowledge by constantly scanning their external environments, by not being afraid to hire new talent and expertise when needed, and by devoting significant resources to training and developing their employees. In the publishing business, the managers are always looking for new trends—what do people what do read? For example, the managers might notice the popularity of TV shows with vampires and decide to start publishing books about vampires.

**2. Transferring knowledge.** Managers actively work at transferring knowledge throughout the organization, reducing barriers to sharing information and ideas among employees. Electronic Data Systems (EDS), for instance, practically invented the information-technology services industry, but by 1996 it was slipping behind competitors—missing the onset of the Internet wave, for example. When a new CEO, Dick Brown, took the reins in 1999, he changed the culture from "fix the problem yourself" to sharing information internally. In a publishing company, individual editors are responsible for shaping books and helping to make them successful with readers. Many editors transfer this knowledge at monthly meetings of editorial boards, which review the status of all of the company's not-yet-published books. They also transfer their skills to the junior members of the staff (for example, editorial assistants) by training them in how to spot talent and trends in the market.

**3. Modifying behavior.** Learning organizations are nothing if not results oriented. Thus, managers encourage employees to use the new knowledge obtained to change their behavior to help further the organization's goals. In the publishing industry, it is very important for editors to have good relationships with their authors and with literary agents. If an editor is not behaving respectfully, his or her manager should step in to help the editor modify his or her behavior.

*AACSB: Analytical Thinking*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-08 Define a learning organization.*

*Topic: Learning Organization*

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