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Test Bank

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by

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Chapter 2
Historical foundations of management

Multiple choice questions

1. _____ refer(s) to a job science that includes careful selection and training of workers along with proper supervisory support.

a. Self-actualisation
b. Fayol's principles of management
*c. Scientific management
d. Administrative principles
e. Contingency theory

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Scientific management emphasises careful selection and training of workers, and supervisory support.

2. Max Weber was concerned that people in nineteenth century organisations were in positions of authority because of _____ rather than because of _____.

a. managerial competence; economic wealth
*b. social standing; job-related capabilities
c. political connections; leadership traits
d. leadership qualities; job requirements
e. economic wealth; social standing

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Among other things, Weber was concerned that people were in positions of authority not because of their job-related capabilities, but because of their social standing or 'privileged' status in German society.

3. Oxford Industries Inc. installed a new computer system to clock every worker's pace to a thousandth of a second and to determine each worker's pay and bonus scale on the basis of his or her performance against the standard. This is an example of:

a. contingency theory.
b. self-actualisation.
c. administrative principles.
*d. scientific management.
e. Fayol's principles of management.

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General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Scientific management emphasises careful selection and training of workers, and supervisory support.

4. The classical management theorist, Mary Parker Follett, believed that:

a. organisations are communities in which managers and workers should labour in harmony.
b. the manager's job is to help people in organisations cooperate with one another and achieve an integration of interests.
c. groups were mechanisms through which diverse individuals could combine their talents for a greater good.
d. none of the options listed.
*e. all of the options listed.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. For Mary Parker Follett, groups were mechanisms through which diverse individuals could combine their talents for a greater good. She viewed organisations as 'communities' in which managers and workers should labour in harmony, without one party dominating the other, and with the freedom to talk over and truly reconcile conflicts and differences. She believed it was the manager's job to help people in organisations cooperate with one another and achieve an integration of interests.

5. _____ is a rational and efficient form of organisation founded on logic, order and legitimate authority.

a. A rigidly structured system
b. An organic organisation
*c. Bureaucracy
d. An adaptive organisation
e. A contingent organisation

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. A bureaucracy is a rational and efficient form of organisation founded on logic, order and legitimate authority.

6. The work of Frank and Lillian Gilbreth on motion studies provided the basis for later advances in which of the following management areas?

a. Incentive wage plans
b. Work standards
c. Job simplification
d. None of the options listed.

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*e. All of the options listed.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Motion study is the science of reducing a task to its basic physical motions.

7. 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 direction
c. unity of command
d. classical design
e. Hawthorne

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. The unity of direction principle (one person should be in charge of all activities that have the same performance objective.

8. The _____ principle, as defined by Henri Fayol, states that each person should receive orders from only one boss.

*a. unity of command
b. management order
c. organisation
d. unity of direction
e. scalar chain

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Unity of command principle states that each person should receive orders from only one boss.

9. _____ to management focus on the systems view of organisations and contingency thinking in a dynamic and complex environment.

a. Quantitative approaches
b. Visionary approaches
*c. Modern approaches
d. Classical approaches
e. Behavioural approaches

General Feedback:

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Learning outcome 2.1: Understand what can be learned from classical management thinking. The modern approaches focus on the systems view of organisations and contingency thinking in a dynamic and complex environment.

10. 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. job design.
b. multiculturalism.
c. corporate culture.
*d. systems.
e. environmental analysis.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Follett believed that business problems involve a wide variety of factors that must be considered in relationship to one another. Today, we talk about 'systems' when describing the same phenomenon.

11. The assumption that people are rational and primarily interested in economic incentives from their work is the underlying assumption of which approach to management thought?

a. Socioeconomic approach
b. Modern approach
c. Quantitative approach
*d. Classical approach
e. Behavioural approach

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Workers are expected to rationally consider opportunities made available to them and do whatever is necessary to achieve the greatest personal and monetary gain.

12. Which of the following descriptions of the major schools of management thought is NOT accurate?

a. Modern management approaches focus on the systems view of organisations and contingency thinking in a dynamic and complex environment.
b. Quantitative management approaches focus on applying mathematical techniques for management problem solving.
c. Classical management approaches focus on developing universal principles for use in various management situations.
d. Behavioural management approaches focus on human needs, the work group, and the role of social factors in the workplace.

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*e. Socioeconomic management approaches focus on global awareness and leadership in developing economies.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. There are three major branches within the classical approach to management: scientific management, administrative principles and bureaucratic organisation. See figure 2.1.

13. _____ analyses the motions and tasks that are required in any job and develops the most efficient ways to perform them.

a. Motion study
b. Task evaluation
c. Job evaluation
*d. Time study
e. Efficiency management

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Taylor used the concept of 'time study' to analyse the motions and tasks required in any job and to develop the most efficient ways to perform them.

14. Efficiency in the utilisation of resources and fairness in the treatment of employees and clients are potential advantages of:

*a. a bureaucracy.
b. scientific management.
c. self-actualisation.
d. an open system.
e. a closed system.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Weber believed that organisations would perform well as bureaucracies. They would have the advantages of efficiency in using resources, and of fairness or equity in the treatment of employees and clients.

15. A follower of Frederick Taylor would be least likely to try to:

*a. motivate workers by encouraging them to work in small groups.
b. offer workers proper training.
c. train supervisors to support workers by carefully planning their work.
d. make results-based compensation a performance incentive.
e. select workers with the right abilities to do the job.

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General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Taylor, often called the 'father of scientific management', noticed that many workers did their jobs their own way and without clear and uniform specifications. He believed that this caused them to lose efficiency and perform below their true capacities.

16. The practical lessons of scientific management include all of the following EXCEPT:

a. carefully design jobs with efficient work methods.
*b. allow workers to have input into the determination of work methods and performance standards.
c. select workers with the right abilities to do the job.
d. train supervisors to support workers so by carefully planning their work.
e. make results-based compensation a performance incentive.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. See Manager's notepad 2.1.

17. Which of the following is NOT a characteristic of bureaucratic organisations?

a. There is a clear hierarchy of authority, and each position reports to a higher level one.
*b. Organisational members are promoted on the basis of their social status.
c. There is a division of labour, and work duties and responsibilities are explicitly defined.
d. Many written rules and procedures are used to guide activities.
e. Rules and procedures are applied impartially and uniformly.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. The defining characteristics of Weber's bureaucratic organisation are as follows: Clear division of labour; Clear hierarchy of authority; Formal rules and procedures; Impersonality; Careers based on merit.

18. TNT Express Delivery 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, TNT obviously makes use of:

*a. motion studies.
b. self-actualisation.
c. administrative principles.
d. behavioural theories.
e. systems theory.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Motion study is the science of reducing a task to its basic physical motions.

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19. Which of the following is NOT one of the four principles of scientific management developed by Frederick Taylor?

a. Select workers based on their abilities.
*b. Organise tasks into groups to encourage teamwork.
c. Train workers and provide incentives to follow rules.
d. Provide management support for workers.
e. Develop a science for every job.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Scientific management includes these four guiding action principles: 1. Develop for every job a 'science' that includes rules of motion, standardised work processes and proper working conditions; 2. Carefully select workers with the right abilities for the job; 3. Carefully train workers to do the job and give them the proper incentives to cooperate with the job 'science'; 4. Support workers by carefully planning their work and by smoothing the way as they go about their jobs.

20. According to Henri Fayol, the five rules of management are:

a. centralisation, stability, initiative, communication and espirit de corps.
b. authority, responsibility, discipline, remuneration and initiative.
c. prediction, hypothesis, observation, experimentation and verification.
*d. foresight, organisation, command, coordination and control.
e. standardisation, centralisation, negative entropy, communication and homeostasis.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Fayol identifies the following five 'rules' or 'duties' of management: 1. Foresight; 2. Organisation; 3. Command; 4. Coordination; 5. Control.

21. Henri Fayol is noted for originating which of the following concepts?

*a. All of the options listed
b. None of the options listed
c. The unity of command principle
d. The scalar chain principle
e. The unity of direction principle

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. They include Fayol's scalar chain principle (there should be a clear and unbroken line of communication from the top to the bottom in the organisation), the unity of command principle (each person should receive

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orders from only one boss), and the unity of direction principle (one person should be in charge of all activities that have the same performance objective).

22. _____ to management focus on developing universal principles for use in various management situations.

a. Behavioural approaches
*b. Classical approaches
c. Quantitative approaches
d. Futuristic approaches
e. Modern approaches

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. There are three major branches within the classical approach to management: scientific management, administrative principles and bureaucratic organisation.

23. Which of the following best states the impetus for the development of a bureaucratic organisation?

a. Max Weber was attempting to upset German society.
b. Max Weber was attempting to identify a common set of employee needs in German society.
c. Max Weber was interested in formulating exact rules of behaviour for German managers.
d. Max Weber was trying to define the one best way to perform a job.
*e. Max Weber was reacting to the performance deficiencies in organisations of his day.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. His ideas developed somewhat in reaction to what he considered to be performance deficiencies in the organisations of his day.

24. 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 organisation's hierarchy of authority.

a. Hawthorne
b. communication control
c. unity of direction
d. unity of command
*e. scalar chain

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. The scalar chain principle states that there should be a clear and unbroken line of communication from the top to the bottom in the organisation.

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25. Today's concerns for managerial ethics and corporate social responsibility were foreshadowed by the classical writings of _____ 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. Lyndall Urwick
e. Max Weber

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. Follett believed that businesses were services and that private profits should always be considered vis-ˆ -vis the public good. Today, we pursue the same issues under the labels of 'managerial ethics' and 'corporate social responsibility'.

26. Assume that an organisation has a clear division of labour, the duties and responsibilities of its employees are explicitly defined, it has standard rules and procedures, it has a hierarchy of authority, and its members are selected for technical competence. This is an example of:

a. a closed system.
b. an open system.
c. negative entropy.
d. scientific management.
*e. a bureaucracy.

General Feedback:
Learning outcome 2.1: Understand what can be learned from classical management thinking. A bureaucracy is a rational and efficient form of organisation founded on logic, order and legitimate authority.

27. 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. self-actualisation.
b. expectancy theory.
*c. a self-fulfilling prophecy.
d. the Hawthorne effect.
e. Theory Z.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Self-fulfilling prophecies occur when people act in ways that confirm another's expectations.

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28. _____ concern the needs for love, affection and belongingness in one's relationships with other people.

a. Physiological needs
*b. Social needs
c. Safety needs
d. Esteem needs
e. Self-actualisation needs

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Social needs - Need for love, affection, sense of belongingness in relationships with other people.

29. The Hawthorne Studies refer to _____ that was conducted at the Hawthorne Works of the Western Electric Company (predecessor to today's Lucent Technologies).

*a. a research program on individual productivity
b. a research program on technology
c. a research program on management decision-making
d. an education program for fast-track managers
e. an intensive training program for workers

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. In 1924, the Western Electric Company (predecessor of today's Lucent Technologies) commissioned a research program to study individual productivity at the firm's Hawthorne Works in Chicago.

30. _____ was based on the viewpoint that managers who used good human relations in the workplace would achieve productivity.

a. Modern relations
*b. Human relations
c. Cultural relations
d. Scientific relations
e. Social relations

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. This movement was largely based on the viewpoint that managers who used good human relations in the workplace would achieve productivity.

31. Current management trends regarding innovative organisational forms seek to:

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*a. achieve the same goals as Weber wanted to achieve but with different structural approaches.
b. ignore Weber's structural goals.
c. create structures that are based on socioeconomic status.
d. achieve different structural goals than Weber pursued.
e. achieve the same goals as Weber pursued while using similar structural approaches.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Current trends in management include many innovations that seek the same goals as Weber but with different approaches to how organisations can be structured.

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

a. Self-actualisation needs
b. Social needs
c. Physiological needs
d. Esteem needs
*e. Safety needs

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Safety needs - Need for security, protection and stability in the events of day-to-day life.

33. 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 Z
d. Theory X
*e. Theory Y

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Theory Y assumes people are willing to work and accept responsibility, and are self-directed and creative.

34. _____ create tensions that can influence a person's work attitudes and behaviours.

a. Obsessions
*b. Needs
c. Desires
d. Whims
e. Compulsions

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General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Needs are physiological or psychological deficiencies a person feels the compulsion to satisfy.

35. According to the progression principle of Maslow's theory of human needs:

a. the most basic human need is the need for self_actualisation.
b. human needs are never truly fulfilled.
*c. a need at any level only becomes activated when the next lower_level need has been satisfied.
d. the five human needs must all be satisfied before people can progress to self_actualisation.
e. human needs progress from stronger needs to weaker needs.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. The progression principle - the five needs exist in a hierarchy of 'prepotency'. A need at any level only becomes activated once the next-lower-level need has been satisfied.

36. The tendency of persons singled out for special attention to perform as predicted just because of expectations created by the situation itself is called:

*a. the Hawthorne effect.
b. the deficit principle.
c. the glass ceiling effect.
d. the Engersoll finding.
e. the Bakersfield method.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. They also identified the Hawthorne effect - the tendency of people who are singled out for special attention to perform as anticipated merely because of expectations created by the situation.

37. Conclusions from the Hawthorne relay assembly test room studies were that:

a. workers cannot be productive at various levels of illumination.
b. workers are basically rational.
c. workers are more productive when their pay scale is increased to match their effort.
d. workers are more productive when their work areas are well lighted.
*e. workers perform well when they share pleasant social relations with one another and when supervision is participatory.

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Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Mayo and his colleagues concluded that the new 'social setting' created for workers in the test room accounted for the increased productivity.

38. The Hawthorne Studies shifted the attention of managers and scholars away from the technical and structural concerns emphasised by the classical management approach and toward:

a. the use of computers to deal with more complex mathematical models.
b. a Theory X approach to management science.
c. in_depth studies of actual case histories and individual experiences.
*d. the study of social and human concerns as keys to productivity.
e. a more scientific approach to management.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. The Hawthorne Studies helped shift the attention of managers and management researchers away from the technical and structural concerns of the classical approach and towards social and human concerns as keys to productivity.

39. According to McGregor, Theory Y managers tend to see their subordinates as:

a. irresponsible, resistant to change, lacking in ambition, disliking work and preferring to be led rather than to lead.
b. disliking work because they prefer to lead rather than to be led.
c. basically rational and motivated by money.
*d. willing to work, willing to accept responsibility, capable of self_direction, capable of self-control, imaginative and creative.
e. passive, dependent and reluctant.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Theory Y assumes people are willing to work and accept responsibility, and are self-directed and creative.

40. _____ showed that people's feelings, attitudes, and relationships with co-workers should be important to management.

*a. The Hawthorne Studies
b. Max Weber
c. Henri Fayol
d. Scientific management
e. Frank and Lillian Gilbreth

General Feedback:

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Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. They showed that people's feelings, attitudes and relationships with co-workers should be important to management, and they recognised the importance of the work group.

41. A psychological or physiological deficiency that a person feels compelled to satisfy is known as a(n):

a. obsession
b. desire
c. compulsion
*d. need
e. satisfaction deficit

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Needs are physiological or psychological deficiencies a person feels the compulsion to satisfy.

42. Maslow's hierarchy of needs theory includes which of the following needs?

a. Physiological, spiritual, social and psychological fulfilment
b. Physical safety, financial security and social status
c. Food, shelter, sex, money and prestige
d. Respect, prestige, recognition, security and power
*e. Physiological, safety, social, esteem and self_actualisation

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. From lowest to highest, in order, they are: physiological, safety, social, esteem and self-actualisation needs.

43. At which need level of Maslow's hierarchy do the deficit and progression principles cease to operate?

a. Physiological needs
b. Safety needs
*c. Self-actualisation needs
d. Esteem needs
e. Social needs

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. At the level of self-actualisation, the deficit and progression principles cease to operate.

44. The Hawthorne Studies have been criticised for which of the following reasons?

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a. The tendency of researchers to overgeneralise their findings
b. Weak empirical support for the conclusions drawn
c. Poor research design
d. None of the options listed
*e. All of the options listed

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. The Hawthorne Studies are criticised for poor research design, weak empirical support for the conclusions drawn and the tendency of researchers to overgeneralise their findings.

45. Maslow's work in the area of human needs is important to which school of management thought?

a. Classical approach
b. Contingency theory
*c. Human relations approach
d. Scientific management
e. Systems theory

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Among the insights of the human relations movement, the work of Abraham Maslow in the area of human 'needs' has been very influential.

46. Which of the following statements about the Hawthorne Studies is incorrect?

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

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. In 1924, the Western Electric Company (predecessor of today's Lucent Technologies) commissioned a research program to study individual productivity at the firm's Hawthorne Works in Chicago.

47. The study of individuals and groups in organisations is the management field known as:

a. Theory X and Theory Y.
*b. organisational behaviour.
c. modern behavioural methods.

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d. systems theory.
e. contingency theory.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches.
Organisational behaviour is the study of individuals and groups in organisations.

48. The behavioural (or human resource) approach to management basically assumes that:

a. people are complex creatures.
b. management problems are best solved by qualitative rather than by quantitative analysis.
c. people are rational and responsive to economic incentives.
*d. people at work will seek satisfying social relationships, respond to group pressures, and search for personal fulfilment.
e. environmental reinforcements determine people's behaviour.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. The behavioural approaches maintain that people are social and self-actualising. People at work are assumed to seek satisfying social relationships, respond to group pressures and search for personal fulfilment.

49. Red tape, slowness in handling problems, resistance to change, and employee apathy are disadvantages of which type of organisation?

a. Complex
*b. Bureaucratic
c. Conservative
d. Administrative
e. Closed

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. The possible disadvantages of bureaucracy include excessive paperwork or 'red tape', slowness in handling problems, rigidity in the face of shifting customer or client needs, resistance to change and employee apathy.

50. According to the deficit principle of Maslow's theory of human needs:

a. people are always in need of something.
b. no matter what their condition in life, all people are looking for basic security.
*c. people are not motivated by a satisfied need.
d. people have a variety of needs, or deficits, that they must satisfy at any given time.
e. each person has different needs.

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General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. The deficit principle - a satisfied need is not a motivator of behaviour.

51. Wendy is a manager in a not-for-profit organisation. She is interested in using Maslow's need hierarchy to guide her approach to managing the volunteers working for this not-for-profit organisation. In order to promote productivity, Wendy should:

a. create work environments that satisfy the needs of the volunteers.
b. ensure that the work is fulfilling for the volunteers.
c. create jobs that satisfy the needs of the volunteers.
*d. all of the options listed.
e. none of the options listed.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Managers in not-for-profit organisations have to create jobs and work environments that satisfy the needs of volunteers. If the work isn't fulfilling, the volunteers will redirect their energies and volunteer to work somewhere else.

52. According to Maslow's theory, managers can improve worker performance and achieve productivity by:

*a. facilitating need satisfaction.
b. eliminating wasted motion.
c. making a science of every job.
d. instituting a hierarchical chain of command.
e. listening to workers' complaints and acting on them.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Consistent with the human relations thinking, Maslow's theory implies that managers who can help people satisfy their important needs at work will achieve productivity.

53. _____ include the needs for self-fulfilment, to grow and use abilities to the fullest and most creative extent.

*a. Self-actualisation needs
b. Safety needs
c. Physiological needs
d. Social needs
e. Esteem needs

General Feedback:

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Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Self-actualisation needs - Highest level: need for self-fulfilment; to grow and use abilities to fullest and most creative extent.

54. Which one of the following statements about bureaucracy is true?

a. Bill Gates bases the operations of Microsoft on Max Weber's theories of specialisation and division of labour.
b. The work of Max Weber influenced only European management thinkers.
c. Max Weber believed that a bureaucracy was the most rigid and apathetic form of organisation.
*d. The work of Max Weber still has a major impact on the present trends and directions of management.
e. The work of Max Weber is too outdated to be used in the modern science of management.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. Current trends in management include many innovations that seek the same goals as Weber but with different approaches to how organisations can be structured.

55. According to Douglas McGregor, managers should pay more attention to:

a. behaviour modification techniques.
*b. social and self-actualisation needs.
c. social responsibility.
d. quantitative analysis.
e. motion studies.

General Feedback:
Learning outcome 2.2: List the ideas that were introduced by the human resource approaches. His classic book The Human Side of Enterprise advances the thesis that managers should give more attention to the social and self-actualising needs of people at work.

56. Modern management approaches maintain that people have multiple and varied needs, that their needs change over time, that they possess many talents and capabilities which can be developed, and that they:

a. respond best when treated as responsible, self-actualising adults regardless of the demands of the situation.
b. are very complex and must be managed strictly in all situations.
c. respond best in all situations to participatory management.
*d. respond best when managers provide different managerial strategies and job opportunities to deal with the individual differences among workers.
e. respond best to Theory X management.

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General Feedback:
Learning outcome 2.3: Define the role of quantitative analysis in management. According to the modern management approaches, people are complex and variable. They have many different needs that can change over time. They possess a range of talents and capabilities that can be developed. Organisations and managers, therefore, should respond to individual differences with a wide variety of managerial strategies and job opportunities.

57. Which of the following descriptions of management science applications is NOT accurate?

*a. Linear programming is used to help allocate service personnel or workstations to minimise customer waiting time and service cost.
b. Network models break large tasks into smaller components to allow for better analysis, planning, and control of complex projects.
c. Simulation makes models of problems so different solutions under various assumptions can be tested.
d. Inventory modelling helps to establish how much to order and when to order.
e. Mathematical forecasting helps make future projections that are useful for planning.

General Feedback:
Learning outcome 2.3: Define the role of quantitative analysis in management. Linear programming is used to calculate how best to allocate scarce resources among competing uses.

58. Quantitative approaches to management include all of the following characteristics EXCEPT:

a. a focus on costs, revenues, and return on investment.
*b. the use of managerial rules of thumb that are based on personal experience and personal preferences.
c. a focus on decision making that has clear implications for management action.
d. the use of economic decision criteria.
e. the use of mathematical models that follow sophisticated rules and formulas.

General Feedback:
Learning outcome 2.3: Define the role of quantitative analysis in management. There is a focus on decision-making that has clear implications for management action. The techniques use 'economic' decision criteria, such as costs, revenues and return on investment. They also involve mathematical models that follow sophisticated rules and formulas.

59. Which of the following statements accurately describe quantitative approaches to management?

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

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General Feedback:
Learning outcome 2.3: Define the role of quantitative analysis in management. The foundation of the quantitative approach to management is the assumption that mathematical techniques can be used to improve managerial decision-making and problem-solving. Today these applications are increasingly driven by computer technology and software programs.

60. _____ to management focus on applying mathematical techniques for management problem-solving.

a. Behavioural approaches
*b. Quantitative approaches
c. Classical approaches
d. Socioeconomic approaches
e. Modern approaches

General Feedback:
Learning outcome 2.3: Define the role of quantitative analysis in management. The foundation of the quantitative approach to management is the assumption that mathematical techniques can be used to improve managerial decision-making and problem-solving.

61. One major characteristic of modern management approaches is:

a. decision-making must be based solely on economic criteria.
b. people are social and self_actualising, but these characteristics have little impact on people's work behaviour.
c. people are totally rational.
d. Theory Y management leads to conflict and unhappiness.
*e. no one model applies universally in all situations.

General Feedback:
Learning outcome 2.3: Define the role of quantitative analysis in management. Importantly, they all recognise that no one model or theory applies universally in all situations or to the exclusion of the others.

62. _____ and _____ are often used interchangeably to describe the scientific applications of mathematical techniques to management problems.

a. Systems theory; contingency theory.
b. Management research; operations management.
c. Modern management themes; computer technology.
*d. Management science; operations research.
e. Management principles; operational principles.

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General Feedback:
Learning outcome 2.3: Define the role of quantitative analysis in management. The terms management science and operations research are often used interchangeably to describe the scientific applications of mathematical techniques to management problems.

63. In using any quantitative approach to management, mathematical solutions to problems must be supported by:

a. extensive databases.
*b. good managerial judgement and an appreciation of the human factor.
c. comprehensive computer networks.
d. all of the options listed.
e. none of the options listed.

General Feedback:
Learning outcome 2.3: Define the role of quantitative analysis in management. In all cases, of course, mathematical solutions to problems must be supported by good managerial judgement and an appreciation of the human factor.

64. According to systems thinking, the organisation is viewed as:

a. a clear division of labour with the duties and responsibilities of its employees being explicitly defined.
b. a system of standard rules and procedures and a clearly defined hierarchy of authority, where members are selected for technical competence.
c. a smaller component of a larger entity that operates to its own benefit.
d. highly efficient in the utilisation of resources.
*e. a collection of interrelated parts that function together to achieve a common purpose.

General Feedback:
Learning outcome 2.4: Describe what is unique about the systems view and contingency thinking. See figure 2.4.

65. According to contingency theories:

a. the best management approach focuses on the economic realities of decision making
b. the best management approach takes all human factors into consideration
c. the best management approach is based on Theory Y assumptions
d. the best management approach employs formal mathematical models
*e. there is no one best management approach

General Feedback:
Learning outcome 2.4: Describe what is unique about the systems view and contingency thinking. The contingency perspective tries to help managers understand situational differences and respond to them in appropriate ways.

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66. The environment is a critical element in the open_systems perspective on organisations because:

a. many potential customers are environmentalists.
*b. the environment provides resources and feedback.
c. a responsible corporation must be concerned about the environment.
d. the environment is a source of entropy.
e. the environment is the most likely cause of imbalance in the organisation.

General Feedback:
Learning outcome 2.4: Describe what is unique about the systems view and contingency thinking. An open system that interacts with its environment in the continual process of transforming inputs from suppliers into outputs for customers.

67. A smaller component of a larger system is known as:

a. a contingent operation
*b. a subsystem
c. a department
d. a team
e. a supersystem

General Feedback:
Learning outcome 2.4: Describe what is unique about the systems view and contingency thinking. A subsystem is a smaller component of a larger system.

68. All of the following are examples of subsystems in a typical organisation EXCEPT:

a. purchasing and inventory systems.
b. operations and service management systems.
*c. trade associations.
d. marketing, sales, and distribution systems.
e. accounting and financial systems.

General Feedback:
Learning outcome 2.4: Describe what is unique about the systems view and contingency thinking. A subsystem is a smaller component of a larger system.

69. A manager is overheard to say: 'The best way to manage is to make sure that your response is appropriate to the demands and characteristics of the situation at hand.' His point of view is most closely associated with:

a. bureaucracy.

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*b. contingency thinking.
c. closed-systems thinking.
d. human relations thinking.
e. scientific management.

General Feedback:
Learning outcome 2.4: Describe what is unique about the systems view and contingency thinking. Contingency thinking tries to match management practices with situational demands.

70. Which of the following statements accurately describe contingency thinking?

a. A structure that works for one organisation may not work well for another.
b. A management approach that works at one time may not work well at another time.
c. A management approach that works well in an uncertain environment will not necessarily work well in a stable environment.
*d. All of the listed statements accurately describe contingency thinking.
e. None of the listed statements accurately describes contingency thinking.

General Feedback:
Learning outcome 2.4: Describe what is unique about the systems view and contingency thinking. Contingency thinking tries to match managerial responses with the problems and opportunities specific to different settings, particularly those posed by individual and environmental differences.

71. A _____ is a collection of interrelated parts that function together to achieve a common purpose.

a. contingency
b. mathematical model
c. quantitative structure
d. needs hierarchy
*e. system

General Feedback:
Learning outcome 2.4: Describe what is unique about the systems view and contingency thinking. A system is a collection of interrelated parts working together for a purpose. The relationships between the parts may be as important as the characteristics of the parts themselves.

72. Matching managerial responses to the problems and opportunities created by individual and environmental differences is the focus of:

*a. contingency thinking.
b. quantitative management.
c. systems analysis.
d. hierarchical analysis.

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e. human resources thinking.

General Feedback:
Learning outcome 2.4: Describe what is unique about the systems view and contingency thinking. Contingency thinking tries to match management practices with situational demands.

73. The recognition that we live and work in a dynamic and constantly changing environment that puts unique and never-ending competitive pressures on organisations:

a. is unlikely to have much long-lasting impact on the way organisations operate.
b. has been brought to people's attention solely because of the revolution in information technology.
*c. is one of the most important insights of accumulated management history.
d. all of the options listed.
e. none of the options listed.

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. The recognition that we live and work in a dynamic and ever changing environment that puts unique and never-ending competitive pressures on organisations is an insight of accumulated management history.

74. Effective 21st century managers must do the 'right' things. Doing the 'right' things would include all of the following EXCEPT:

*a. the things that exploit every possible situation within the limits of the law.
b. the things that make a real difference in competitive advantage
c. the things that add value to the organisations goods and/or services.
d. the things that make a real difference in performance results and competitive advantage.
e. the things that are ethical.

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. The 21st-century manager must do the 'right' things - the things that really count, the things that add value to the organisation's goods and/or services, the things that make a real difference in performance results and competitive advantage, and the ethical things.

75. Peters and Waterman's attributes of performance excellence include all of the following EXCEPT:

*a. closeness of supervision.
b. autonomy and entrepreneurship.
c. productivity through people.
d. a bias toward action.
e. closeness to the customers.

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Learning outcome 2.5: Discuss the continuing management themes of the 21st century. Peters and Waterman investigated the practices of successful companies and identified the eight attributes of performance excellence shown in Manager's notepad 2.2.

76. _____ and the new directions of _____ are important keys to personal and organisational performance.

a. Leadership; followership
b. Teamwork; innovative quality management
c. Learning leaders; team organisations
d. Leadership; teamwork
*e. Leadership; learning organisations

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. Learning organisations also depend for their success on special leadership qualities.

77. Pacific Rim Gasket and Seal Company manufactures a variety of rubber gaskets and seals for use in the automotive industry. In using a value chain philosophy, Pacific Rim Gasket and Seal would most likely do all of the following EXCEPT:

*a. de-emphasise the role of product delivery to customers or clients.
b. focus on quality issues that relate directly to activities performed by the organisation.
c. build quality into all aspects of operations.
d. address quality issues that result from networks relationship with contractors.
e. expect the organisation's employees to stress quality in transforming raw materials into a finished good or service.

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. A value chain is the sequence of activities that transform materials into finished products.

78. Which of the following are attributes of performance excellence, as identified by Peters and Waterman?

a. Knowing customer needs and valuing their satisfaction
b. Valuing human resources as keys to quality and performance
c. Minimising management levels and staff personnel
*d. All of the options listed
e. None of the options listed

General Feedback:

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Learning outcome 2.5: Discuss the continuing management themes of the 21st century. Peters and Waterman investigated the practices of successful companies and identified the eight attributes of performance excellence shown in Manager's notepad 2.2.

79. A(n) _____ is a specific sequence of activities that transforms raw materials into a finished good or service.

a. transformational chain
*b. value chain
c. materials requirement plan
d. distribution plan
e. activities system

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. A value chain is the sequence of activities that transform materials into finished products.

80. Managers in the 21st century must be capable of doing all of the following EXCEPT:

a. attracting highly motivated workers and inspiring their enthusiasm by creating high-performance climates where individuals and teams can do their best work.
*b. sacrificing profitability goals for corporate social responsibility commitments.
c. recognising interconnections among nations, cultures and economies in the world community, and planning and acting with due consideration of them.
d. being comfortable with information technology, and understanding and using technological trends to the best advantage.
e. understanding the growing complexity of governmental regulations and the legal environment, and being able to relate them to the organisation's interests.

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. At the very least, the 21st-century manager must be: a global strategist; a master of technology; an effective politician; and an inspiring leader.

81. Which of the following accurately describes Peters and Waterman's attributes of performance excellence?

a. Supporting innovation, change, and risk taking
b. Focusing resources and attention on what the organisation does best
c. Having a clear sense of organisational purpose
*d. All of the options listed
e. None of the options listed

General Feedback:

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Learning outcome 2.5: Discuss the continuing management themes of the 21st century. Peters and Waterman investigated the practices of successful companies and identified the eight attributes of performance excellence shown in Manager's notepad 2.2.

82. _____ describes a management framework that incorporates a variety of insights from Japanese management models into North American management practices.

a. Theory X
b. Theory J
c. Theory Q
*d. Theory Z
e. Theory Y

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. Theory Z describes a management framework emphasising long-term employment and teamwork.

83. Peters and Waterman's attributes of performance excellence include all of the following EXCEPT:

a. hands-on and value-driven.
b. simple form and lean staff.
c. simultaneous loose-tight properties.
d. sticking to the knitting.
*e. strategic opportunities.

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. Peters and Waterman investigated the practices of successful companies and identified the eight attributes of performance excellence shown in Manager's notepad 2.2.

84. A North American management framework incorporates Japanese management practices such as providing long-term employment, slower promotions and more lateral job movements, attention to career planning and development, use of consensus decision making, and emphasis on the use of groups and employee involvement. This management framework is known as:

a. Theory X.
b. attributes of performance excellence.
c. quality employment.
*d. Theory Z.
e. the international management theory.

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. Theory Z describes a management framework emphasising long-term employment and teamwork.

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85. A _____ operates with values and systems that result in continuous change and improvement based on the lessons of experience.

a. systems organisation.
b. values organisation.
*c. learning organisation.
d. change organisation.
e. experience-based organisation.

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. A learning organisation continuously changes and improves using the lessons of experience.

86. 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 organisation?

*a. A learning organisation
b. A Theory X organisation
c. A contingency organisation
d. A bureaucratic organisation
e. A mature organisation

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. A learning organisation continuously changes and improves using the lessons of experience.

87. Performance by people and organisations is the key to:

a. transforming a business into a learning organisation.
b. global awareness.
*c. society's economic development and growth.
d. time and motion studies.
e. establishing a bureaucratic organisation.

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. Performance by people and organisations, in turn, is the key to any society's economic development and growth.

88. New managers who expect to survive in today's dynamic organisations must be committed to all of the following EXCEPT:

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a. maintaining and upgrading job-relevant skills.
b. cultivating and using the ability to make things happen.
c. understanding international dimensions.
*d. pursuing self-interest.
e. continuous improvement.

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. The new economy requires everyone to be unrelenting in efforts to develop, refine and maintain job-relevant skills and competencies. It requires leaders with strong people skills, who are attuned to the nature of an information or service society, who understand the international dimensions, and who establish commitments to work-life balance.

89. Which of the following statements provides an incorrect description of learning organisations?

a. Learning organisations should emphasise values that focus on information, teamwork, empowerment, participation and leadership.
*b. Learning organisations refer to vendors that provide training programs for other organisations.
c. Learning organisations are important keys to personal and organisational performance.
d. Learning organisations depend on special leadership qualities that emphasise motivation and rewards, communication, conflict and negotiation, teamwork, and change.
e. Learning organisations require a value-driven culture.

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. A learning organisation continuously changes and improves using the lessons of experience.

90. Which of the following statements does NOT accurately describe the orientation toward quality in progressive contemporary organisations?

a. Managers and workers are quality conscious.
b. Managers and workers understand the link between competitive advantage and quality.
c. The best organisational cultures include quality as a core value.
d. The best organisational cultures reinforce quality in all aspects of the work environment.
*e. Managers and workers in the best organisational cultures know the one best way to achieve superior product and service quality.

General Feedback:
Learning outcome 2.5: Discuss the continuing management themes of the 21st century. Managers and workers in truly progressive organisations are quality conscious.

Short answer questions

91. What key ideas did classical approaches, behavioural (or human resource) approaches and quantitative approaches contribute to management thinking?

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Correct Answer:
Classical approach assumes that people at work act in a rational manner that is primarily driven by economic concerns. Workers are expected to rationally consider opportunities made available to them and do whatever is necessary to achieve the greatest personal and monetary gain. Behavioural approach maintains that people are social and self-actualising. People at work are assumed to seek satisfying social relationships, respond to group pressures and search for personal fulfilment. The foundation of the quantitative approach to management is the assumption that mathematical techniques can be used to improve managerial decision-making and problem solving. Students should identify different people who contributed to each of these approaches. For example, the students should highlight the contribution of Fredrick Taylor to scientific management, Henry Fayol's contribution to administrative principles and Max Weber's contribution to bureaucratic organisations in classical approach.

92. Why is the study of historical management theory important for a manager in today's business environment?

Correct Answer:
Knowledge gained through past experience can and should be used as a foundation for future success, especially because of complex and changing problems and opportunities facing today's organisations. For example, Mary Follett advocated cooperation and better horizontal relationships in organisations, taught respect for the experience and knowledge workers, warned against the dangers of too much hierarchy, and called for visionary leadership. Management can be traced as far back as 5000BC as when it was important to construction of the Egyptian pyramids, the rise of Roman Empire and the commercial success of 14thVenice.

93. What is meant by systems thinking? What is contingency thinking? Why are both types of thinking useful for managers and leaders in contemporary organisations?

Correct Answer:
A system is a collection of interrelate parts working together for a purpose. Chester Barnard describes an organisation as a cooperative system in which the contributions of individuals are integrated for a common purpose and he considers this cooperation to be conscious, deliberate and purposeful. Contingency thinking tries to match management practices with situational demands. In the modern management approach, there is no expectation that you can or should find one best way to manage all circumstances. Therefore, contingency perspective tries to help managers understand situational differences and respond to them in different ways. This is an important concept in all of the management functions - from planning and controlling for diverse environmental conditions, to organising for different environmental strategies, to leading in different performance situations.

94. Assume that you are a manager working in a successful Australasian company. 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 human resource approach to management?

Correct Answer:

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Classical approach assumes that people at work act in a rational manner that is primarily driven by economic concerns. Workers are expected to rationally consider opportunities made available to them and do whatever is necessary to achieve the greatest personal and monetary gain. Therefore, managers might consider making result-based compensation a performance incentive, and select and promote workers on ability and performance and managers will be treated as career employees of the organisation. This may mean that workers can be motivated using monetary and career bases incentives. Behavioural approach maintains that people are social and self-actualising. People at work are assumed to seek satisfying social relationships, respond to group pressures and search for personal fulfilment. Therefore, managers will need to use different motivational approach. Students can illustrate these different motivational approaches by identifying Maslow's hierarchy of needs, McGregor's theory X and Y, and the Hawthorne studies.

95. Discuss the qualities that leaders should have to be successful in the 21st century.

Correct Answer:
The 21st century leaders must be global strategists (understand interconnections among nations, cultures ad economies; plans and acts with due consideration to them), master technology (comfortable with information technology; understands technological trends and their implications; able to use technology to best advantage), be effective politicians (understand growing complexity of government regulations and the legal environment; able to relate them with the interest of the organisation), and be inspiring leaders (attract highly motivated workers and inspire them with a high performance culture where individuals and teams can do their best work). Students should take examples of well-known leaders that have illustrated the above qualities and their successes.

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