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Chapter 02 Test Bank

Student: _____

1. Jim is frustrated with the production performance of his team, so he has decided to increase the level of job specialization. This change will reduce efficiency, but it will lead to better organizational performance.

True

False

2. Jared wants to speed up the production process, so he has been monitoring the actions required to complete the tasks in the assembly line. This is an example of a time-and-motion study.

True

False

3. The use of scientific management practices led workers to hide the true potential efficiency of the work setting to protect their own well-being.

True

False

4. Anna has formal authority to make many of the organization's business decisions because her father owns the company. This is consistent with Weber's principles of bureaucracy.

True

False

5. In a mechanistic structure, emphasis is on strict discipline and order.

True

False

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6. When managers rely too much on rules to solve problems, their behavior becomes inflexible.

True

False

7. According to Fayol's principles of management, workers should be given more job duties to perform but encouraged to assume less responsibility for their work outcomes.

True

False

8. Fayol believed that authority should be concentrated at the top of the chain of command of an organization.

True

False

9. When authority is centralized, organizations empower middle managers and create self-managed teams that monitor and control their own activities.

True

False

10. Fayol recommended the use of organizational charts to show the position and duties of each employee in the organization.

True

False

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11. Recently Max was assigned to supervise the workers on a production line. Max treated the workers with respect, and within a short period of time, the workers' performance improved. This is an example of the Hawthorne effect.

True

False

12. According to the Hawthorne effect, each manager's personal behavior or leadership approach has no effect on performance.

True

False

13. Management science theory focuses on the use of rigorous quantitative techniques.

True

False

14. A drawback of management information systems is that they provide information only about an organization's internal environment, and not the external environment.

True

False

15. Typically, a mechanistic structure rests on Theory X assumptions because in a mechanistic structure, tasks and roles are clearly specified and subordinates are closely supervised.

True

False

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16. Midwest Woodworking is a small business run by skilled workers who produce customized and hand-manufactured furniture. _____ production is an example of the products they create.

A. Mass
B. Flow
C. Crafts
D. Series
E. Mechanized

17. Job specialization refers the process by which

A. each position's formal authority in an organizational hierarchy is established.
B. division of labor occurs as different workers gain expertise in tasks.
C. subordinates receive orders and report to only one superior.
D. members of different departments work together in cross-departmental teams to accomplish projects.
E. employees explore new ways to improve how tasks are performed.

18. _____ is the process by which a division of labor occurs as different workers specialize in different tasks over time.

A. Job specialization
B. Division of labor
C. Unity of direction
D. Job rotation
E. Centralization

19. According to Taylor, the production process becomes more efficient with

A. an increase in the effort that each worker puts in to produce a unit of output.
B. an increase in the amount of time required to produce a unit of output.
C. an increase in division of labor through specialization.
D. the use of informal rule-of thumb knowledge.
E. the use of intuitive knowledge.

20. Which of the following statements is consistent with the principles of scientific management?

A. Stick to the current method of performing tasks and focus only on increasing the speed.
B. New methods of performing tasks ought to be communicated verbally rather than in writing.
C. Allow workers to establish their own rules and SOPs.
D. Establish a standard pay system that is independent of performance.
E. Increase job specialization in order to make the production process more efficient.

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21. Which of the following is true of scientific management?

A. It resulted in jobs that were usually nonrepetitive.
B. It brought all workers more gain than hardship.
C. It revealed the maximum efficiency of work systems.
D. It resulted in job dissatisfaction for many workers.
E. It resulted in increased trust between managers and workers.

22. Ally works on a production line. Her manager has moved several of her coworkers around to achieve the right worker–task specialization and to link people and tasks by the speed of the production line. If successful, the manager will

A. lower costs.
B. increase workplace monotony.
C. increase job satisfaction.
D. decrease organizational output.
E. decrease mechanization of the work process.

23. Administrative management is the study of how

A. managers control the organization's relationship with its external environment.
B. an organizational structure is to be created such that it leads to high efficiency and effectiveness.
C. the feelings, thoughts, and behavior of work-group members and managers affect worker performance.
D. characteristics of the work setting—specifically the level of lighting—affect worker performance.
E. managers should personally behave to motivate employees and encourage them to perform at high levels.

24. _____ refers to a system of task and authority relationships that controls how employees use resources to achieve a company's goals.

A. Bureaucracy
B. Closed system
C. Open system
D. Organizational structure
E. Organic structure

25. _____ refers to a formal system of organization and administration designed to ensure efficiency and effectiveness.

A. Esprit de corps
B. Bureaucracy
C. Open system
D. Synergy
E. Entropy

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26. In a bureaucracy, a manager's formal authority derives from

A. his or her social standing and personal contacts.
B. informal rule-of-thumb knowledge.
C. intuitive knowledge.
D. codifying the new methods of performing tasks into written rules.
E. the position he or she holds in the organization.

27. _____ is the power to hold workers accountable for their actions and to make decisions about the use of organizational resources.

A. Initiative
B. Synergy
C. Authority
D. Esprit de corps
E. Entropy

28. _____ gives managers the right to direct and control their subordinates' behavior to accomplish organizational goals.

A. Entropy
B. Synergy
C. Esprit de corps
D. Authority
E. Equity

29. When the tasks and authority associated with various positions in the organization are clearly specified, it creates a scenario where

A. employees are not sure of what is expected either of them or of each other.
B. employees are held strictly accountable for their actions.
C. managers face difficulty in tracking the assigned tasks.
D. confused employees create havoc within the formal hierarchy of authority.
E. order and discipline are undermined.

30. Henry Fayol believed that in order to increase the efficiency of the management process, it is essential that

A. authority should be concentrated at the top of the chain of command.
B. managers should discourage creativity in employees so that they stay focused on their jobs.
C. there should be a greater number of levels in a managerial hierarchy.
D. managers should not have the right to give orders to employees; they should only give polite instructions.
E. all organizational members are entitled to be treated with justice and respect.

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31. In the context of management, rules refer to

A. a reporting relationship in which an employee receives orders from only one superior.
B. the ability of an individual to act on his own accord without direction from a superior.
C. formal written instructions that specify actions to be taken under different circumstances.
D. the performance gains that result when individuals and departments coordinate their actions.
E. the methodical arrangement of positions to provide the organization with the greatest benefit.

32. Which of the following is an example of a company's standard operating procedure?

A. a general recommendation that all employees leave their work machines in good order
B. a compulsory practice of employees cleaning their work areas at the end of each day
C. an informal code of conduct prescribing that employees help each other if time permits
D. a suggestion by the technical department to save all work-related files on D drive
E. a recommendation by the HR department that employees wear formal clothes during the week

33. Which of the following is an example of a norm rather than a rule?

A. a general mandatory guideline asking all employees to leave their work machines in good order
B. a specific mandatory guideline asking employees to oil machine parts labeled A and B; and replace C and D
C. an informal code of conduct recommending that employees help each other if time permits
D. a recommendation by the HR department that employees wear formal clothes during the week
E. a suggestion by the technical department that all work-related files are saved in a common location

34. Which of the following is an example of a rule?

A. a general mandatory guideline asking all employees to leave their work machines in good order
B. a statement issued by the company specifying the sales projection for the next fiscal year
C. an informal code of conduct recommending that employees help each other if time permits
D. a recommendation by the HR department that employees wear formal clothes during the week
E. a suggestion by the technical department to save all work-related files on D drive

35. Which of the following is true of rules?

A. They are mandatory instructions.
B. They are unwritten expectations of behavior.
C. They are informal codes of conduct.
D. They focus more on creating goals rather than achieving them.
E. They are suggestions about best practices.

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36. Which of the following is true of norms?

A. They are mandatory instructions that must be followed by all employees of a company.
B. They are written instructions about desired behavior in the workplace.
C. They are informal codes of conduct among employees in a particular company.
D. They give detailed instructions about how to perform a certain aspect of a task.
E. They specify actions to be taken under different circumstances to achieve specific company goals.

37. Josh works for an advertising company. There are several middle managers, but Josh only receives orders from and reports to one manager. Which of the following principles of management by Henri Fayol fits Josh's relationship with his manager?

A. line of authority
B. unity of command
C. centralization
D. unity of direction
E. equity

38. _____ refers to the chain of command extending from the top to the bottom of an organization

A. Line of authority
B. Division of labor
C. Unity of direction
D. Unity of command
E. Centralization

39. Tyler is an engineer at an assembly plant for an auto company. Tyler receives orders from and reports to both his department manager and his project manager. This violates Fayol's principle of

A. centralization.
B. unity of command.
C. unity of direction.
D. division of authority and responsibility.
E. line of authority.

40. Which of the following is true of dual command?

A. It causes confusion among subordinates.
B. It strengthens order and discipline.
C. It makes assessing a manager's authority easy.
D. It was advocated by Henry Fayol.
E. It exists when a subordinate receives orders from only one supervisor.

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41. The line of authority in an organization is

A. the concentration of authority at the top of the managerial hierarchy.
B. the singleness of purpose that makes possible the creation of one plan of action.
C. the chain of command extending from the top to the bottom of an organization.
D. the shared feelings of comradeship, enthusiasm, and devotion to a common cause.
E. a reporting relationship in which an employee receives orders from only one superior.

42. _____ refers to the concentration of authority at the top of the organizational chart instead of being distributed throughout the managerial hierarchy.

A. Unity of direction
B. Synergy
C. Centralization
D. Unity of command
E. Entropy

43. Which of the following is true of centralization in an organization?

A. Authority is concentrated at the top of the managerial hierarchy.
B. Subordinates play an important role in decision-making within the company.
C. It prevents the organization from pursuing its strategy.
D. It makes middle and first-line managers more flexible and adaptable.
E. It allows people who are closest to problems to respond to them in a timely manner.

44. Carol works for a printing business that offers several services, including printing and copying, bookbinding, and graphic design. The business has a single, comprehensive long-term plan that leads every department. The business is following Fayol's principle of

A. order.
B. line of authority.
C. unity of command.
D. unity of direction.
E. centralization.

45. The Marketing Manager at RST Global Inc. developed a five-year marketing plan that was in stark contrast with the objectives outlined in the organization's strategic plan. Which of the principles of Henri Fayol does this go against?

A. order
B. line of authority
C. unity of command
D. unity of direction
E. equity

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46. Fayol recommended the use of _____ to show the position and duties of each employee and to indicate which positions an employee might move to or be promoted to in the future.

A. an organizational chart
B. initiative analysis
C. unity of direction
D. the critical path method (CPM)
E. an extensive career plan

47. Helen doesn't always agree with her manager's decisions, but she always follows her manager's orders. This obedience to a manager's authority is most consistent with Fayol's principle of

A. order.
B. discipline.
C. esprit de corps.
D. equity.
E. remuneration of personnel.

48. Fayol's principle of initiative suggests that

A. managers must act fairly and equitably.
B. managers should encourage employees to act on their own without direction from a supervisor.
C. managers should ensure that the tasks and roles of each employee require innovation and creativity.
D. organizations provide employees with career opportunities that satisfy their needs.
E. managers should use rewards to motivate the behavior of employees.

49. According to Henri Fayol, equity refers to

A. the concentration of authority at the top of the managerial hierarchy.
B. shared feelings of comradeship, enthusiasm, or devotion to a common cause among members of a group.
C. the justice, impartiality, and fairness to which all organizational members are entitled.
D. the methodical arrangement of positions to provide the organization with the greatest benefit and to provide employees with career opportunities.
E. development of skills for long-term employees.

50. Chris has a job as a sales representative for a pharmaceutical company. The company offers both quarterly and annual bonuses based on performance. The company also has a profit-sharing plan for its employees. This organization follows Fayol's principle of

A. equity.
B. subordination of individual interests to the common interest.
C. initiative.
D. esprit de corps.
E. remuneration of personnel.

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51. The idea that employees who stay with the organization for many years develop skills on the job which can help the organization to become more efficient is consistent with Fayol's principle of

A. unity of command.
B. unity of direction.
C. order.
D. discipline.
E. stability of tenure.

52. The idea that workers should be aware of how their performance affects the performance of the organization as a whole is most consistent with Fayol's principle of

A. unity of command.
B. subordination of individual interests to the common interest.
C. remuneration of personnel.
D. esprit de corps.
E. stability of tenure of personnel.

53. According to Henri Fayol, initiative refers to

A. the ability to act on one's own without direction from a superior.
B. shared feelings of comradeship, enthusiasm, or devotion to a common cause among members of a group.
C. the justice, impartiality, and fairness to which all organizational members are entitled.
D. the methodical arrangement of positions to provide the organization with the greatest benefit and to provide employees with career opportunities.
E. obedience, energy, application, and other outward marks of respect for a superior's authority.

54. According to Henri Fayol, esprit de corps refers to

A. the ability to act on one's own without direction from a superior.
B. shared feelings of comradeship, enthusiasm, or devotion to a common cause among members of a group.
C. the justice, impartiality, and fairness to which all organizational members are entitled.
D. the methodical arrangement of positions to provide the organization with the greatest benefit and to provide employees with career opportunities.
E. obedience, energy, application, and other outward marks of respect for a superior's authority.

55. Mary Parker Follett's primary criticism of Taylor's system of scientific management was that

A. Taylor proposed that managers should involve workers in analyzing their jobs to identify better ways to perform tasks.
B. Taylor did not use scientific techniques like time-and-motion studies to analyze workers' jobs.
C. Taylor was ignoring the human side of the organization and did not allow workers to exercise initiative and contribute to the organization.
D. Taylor advocated that workers, rather than managers, should be in control of the work process itself.
E. Taylor said that managers should behave as coaches and facilitators—not as monitors and supervisors.

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56. Which of the following best reflects Mary Parker Follett's views on management and leadership in an organization?

A. Managers should avoid involving workers in analyzing their jobs to identify better ways to perform tasks, as this could lead to employees underperforming.
B. If workers have the relevant knowledge, then workers, rather than managers, should be in control of the work process itself.
C. The formal line of authority and vertical chain of command are the most essential steps to effective management.
D. Members of different departments should avoid working together in cross-departmental teams to accomplish projects in order to minimize duplication of effort.
E. Managers' formal authority deriving from their position in the hierarchy should decide who will lead at any particular moment.

57. The human relations movement advocates that

A. managers use punishments as a tool to elicit cooperation from employees.
B. the level of work-group performance be controlled by workers.
C. employees be monitored outside the workplace.
D. supervisors be behaviorally trained to manage subordinates.
E. supervisors make all the important decisions concerning the company.

58. Which of the following revelations from different research studies came to be known as the Hawthorne effect?

A. group members subjecting those workers who violate the group norms to sanctions
B. productivity increasing, regardless of the level of illumination in the workplace
C. workers concealing the true potential efficiency of a work system to protect their interests
D. workers' productivity being affected more by the attention received from researchers than by the work setting
E. employees in a "no-talking" workplace developing ways of talking to one another out of the sides of their mouths

59. _____ is the study of the factors that have an impact on how individuals and groups respond to and act in organizations.

A. Hawthorne studies
B. Organizational behavior
C. Management science
D. Scientific management
E. Administrative management

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60. Which of the following practices was advocated by Mary Parker Follett?

A. Workers should not be allowed to participate in the work development process.
B. Authority should go with hierarchical positions rather than knowledge.
C. Managers should behave as monitors and supervisors.
D. Workers should be allowed to exercise initiative in their everyday work lives.
E. Members of each department should stick to their own department; cross-functioning should be discouraged.

61. Managers who accept the assumptions of Theory Y

A. create a work setting that encourages commitment.
B. give little autonomy to workers.
C. focus on developing rules and procedures.
D. rely on rewards and punishments.
E. view workers as lazy.

62. Managers who accept the assumptions of Theory X

A. create a work setting that encourages commitment to organization goals.
B. counteract workers' natural tendencies to avoid work.
C. focus on giving employees opportunities to exercise initiative.
D. provide opportunities for workers to be imaginative.
E. view workers as motivated and capable of exercising self-control.

63. EZtronics' approach to management is consistent with Theory Y because managers at EZtronics

A. control workers' behavior by means of rewards and punishments.
B. closely supervise their subordinates.
C. do not believe in giving workers any autonomy in solving problems.
D. have created a work setting that allows workers to exercise initiative.
E. have created a work setting that reflects a belief that workers are lazy.

64. In the context of the human relations movement and related studies, who among the following is a "ratebuster?"

A. a person performing above the work-group performance norm
B. a person performing below the work-group performance norm
C. a person performing at the pace the manager requests
D. a person performing below the company performance standard
E. a person performing at a pace he feels matches his pay

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65. _____ is a contemporary approach to management that focuses on the use of rigorous quantitative techniques to assist managers to make the best use of organizational resources to produce goods and services.

A. Contingency theory
B. Management science theory
C. Administrative management
D. Behavioral management
E. The human relations movement

66. ____ is the aspect of management theory that uses mathematical techniques such as modeling and simulation to help managers make better decisions.

A. Behavioral management
B. Contingency management
C. Quantitative management
D. Administrative management
E. The human relations movement

67. Smart Lites is a company that manufactures lighting products for industrial businesses. The managers at Smart Lites want to increase the quality of their products. They should opt for _____, a branch of management science that provides tools to analyze the company's input, conversion, and output activities.

A. quantitative management
B. operations management
C. total quality management
D. management information systems
E. scientific management

68. Which of the following is true of an open system?

A. It is more likely to experience entropy than is a closed system.
B. It uses resources from the external environment for internal processes, but does not return anything to the external environment.
C. The input, process, and output stages in the production process are performed in the external environment.
D. It is a self-contained system that is not affected by changes in its environment.
E. It takes in resources from its external environment and converts them into goods that are then sent back to that environment for purchase by customers.

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69. _____ refers to the tendency of a closed system to lose its ability to control itself, and thus disintegrate.

A. Synergy
B. Entropy
C. Conversion stage
D. Contingency
E. Control system

70. _____ is the performance gain caused by two or more departments coordinating their efforts.

A. Synergy
B. Entropy
C. Contingency theory
D. Organizational performance
E. Group performance

71. _____ is the idea that the organizational structures and control systems that are chosen by managers depend on characteristics of the external environment in which the organization operates.

A. Equity theory
B. Contingency theory
C. Theory X
D. Theory Y
E. Behavioral management theory

72. The primary message of _____ is that there is no one best way to organize.

A. Theory X
B. administrative management theory
C. contingency theory
D. behavioral management theory
E. management science theory

73. If a manager designs the organizational hierarchy based on the characteristics of the organizational environment, he is acting in accordance with _____ theory.

A. equity
B. Fayol's
C. contingency
D. queuing
E. chaos

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74. Paula started a new bakery business. Because she must meet specific requirements from the state health department, Paula has decided to use a mechanistic structure for management. Which of the following supports Paula's choice to organize and control the business with a mechanistic structure?

A. The organization uses the structure only when needed—when the organizational environment is unstable.
B. A mechanistic structure requires more managerial time, money, and effort than an organic structure.
C. Employees are closely supervised and follow well-defined rules and standard operating procedures.
D. Authority is decentralized to middle and first-line managers to encourage them to take responsibility.
E. Here, managers can react more quickly to a changing environment than can managers in an organic structure.

75. Which of the following statements indicates that Megabytes Inc. has implemented an organic structure?

A. At Megabytes, employees are discouraged from taking up more responsibilities.
B. At Megabytes, forming of cross-departmental or functional teams is discouraged.
C. At Megabytes, employees are closely supervised and follow well-defined rules.
D. At Megabytes, emphasis is placed on strict discipline and order.
E. At Megabytes, authority is decentralized to middle and first-line managers.

76. Mayfair Mobile's external environment is changing rapidly, and it responds by decentralizing decisions to lower-level managers so that the organization can react faster. Which of the following types of organizational structure allows this?

A. a mechanistic structure
B. a formal structure
C. a bureaucratic structure
D. an organizational structure
E. an organic structure

77. _____ is (are) known for refining Taylor's analysis of work movements.

A. Henri Fayol
B. Adam Smith
C. Max Weber
D. Frank and Lillian Gilbreth
E. Mary Parker Follett

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78. Joey has worked in a bicycle factory for several months. The assembly process requires multiple tasks, and over the months Joe's supervisor has assigned him to several different jobs throughout the production line. His most recent assignment is applying the custom paint and adding the decals. Adding the decals requires perfection, and Joe does it quickly and always performs the task well, so his supervisor will keep him in this position. This is an example of

A. standard operating procedures.
B. time-and-motion study.
C. job specialization.
D. the human relations movement.
E. job rotation.

79. Large companies like General Electric face challenges in maintaining a competitive edge with innovation because

A. they must manage different industries across the globe.
B. new products or offerings must be approved by layers of formal bureaucracy, which slows down the process.
C. the business is too diverse.
D. market dynamics.
E. the risk in economic markets.

80. Peter is a manager for a small business. He wanted his five subordinates to have positive working relationships and he wanted to create a welcoming office environment. To encourage socializing and to motivate his staff to meet organizational goals, Peter started inviting his subordinates to lunch once a week. Within a few weeks, Peter saw an increase in performance and improved collaboration among the staff members. This is an example of:

A. administrative management.
B. scientific management.
C. behavioral management.
D. standard operating procedures (SOPs).
E. organizational behavior.

81. Marcia works at a warehouse and her job involves maintaining an accurate inventory and accurate data for financial statements. Today she received a document from her manager with specific instructions to perform her job tasks. This is an example of:

A. norms.
B. rules.
C. discipline.
D. standard operating procedures (SOPs).
E. behavioral management.

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82. Which of the following best defines synergy?

A. the tendency of a closed system to lose its ability to control itself and thus to dissolve and disintegrate
B. a system that is self-contained and thus not affected by changes occurring in its external environment
C. the performance gains that result when individuals and departments work together
D. the set of forces and conditions that operate beyond an organization's boundaries
E. an approach to management that uses rigorous quantitative techniques

83. Employees at Southwest Airlines have highly flexible job descriptions that enable them to chip in and help where needed. Employees are encouraged to help solve problems where they see them. Thus, it's not uncommon to see a Southwest manager helping move passenger luggage into aircraft or check in passengers at a gate. This is an example of:

A. Theory X.
B. Theory Y.
C. contingency theory.
D. management science theory.
E. organizational environment theory.

84. Max Weber developed the:

A. principles of scientific management.
B. principles of bureaucracy.
C. Theory X and Theory Y assumptions.
D. principles of management.
E. contingency theory.

85. Which of the following explains why Apple operates with an organic structure?

A. Authority is centralized at the top of the managerial hierarchy.
B. Tasks and roles are clearly specified.
C. Management is able to stay abreast of technological developments and changing competitive conditions.
D. Subordinates are closely supervised.
E. The emphasis is on strict discipline and order.

86. Communication among managers in Angela's business was slowing down the pace of planning and organizing, so Angela recently merged some of the company's departments and cut back on the number of levels of managers. Which of Fayol's principles of management supports Angela's decision?

A. unity of direction
B. order
C. authority and responsibility
D. unity of command
E. line of authority

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87. Describe how the need to increase organizational efficiency guided the evolution of management theory.

88. What is meant by scientific management? What are the four principles of scientific management described by Frederick W. Taylor?

89. How would you support the opinion that scientific management can cause dissatisfaction in workers?

90. Define administrative management and briefly discuss the principles developed by Max Weber.

91. Distinguish the differences between norms, rules, and standard operating procedures (SOPs).

92. What information would you provide to support the proposal to NOT use centralization of authority?

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93. Define management science theory. What are the different branches of management science?

94. Differentiate between an open and a closed system.

95. Explain how the different types of organizational structures that Burns and Stalker proposed rest on Theory X or Theory Y assumptions.

96. Explain how and why managers control the organization's relationship with its external environment.

97. The National Labor Relations Board (NLRB) suggests that McDonald's should be considered a "joint-employer" of the workers employed by company franchises. Why do you think NLRB filed this complaint? Explain the impact on McDonald's (and its competitors in the fast-food industry) if there is a ruling. How do you think it will affect the franchisees?

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98. During the evolution of modern management, when crafts production was being replaced by large factories, why did owners and managers struggle with challenges and need to focus more on management?

99. Based on Taylor's four principles for scientific management, what data should managers gather and put to use about behavior and performance at work so they can increase efficiency in the workplace?

100. Your friend is looking for a new job. She has strong technical skills, and there are many companies with open positions, so she has asked for your advice in choosing a company. Your friend would prefer a boss who will trust her judgment and allow her to use her creativity. Then once she proves her talents, she would want more control over her job. What advice would you give your friend in choosing a company for her job application?

101. Explain how management science theory contributes to the efficient use of organizational resources.

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Chapter 02 Test Bank Key

1. Jim is frustrated with the production performance of his team, so he has decided to increase the level of job specialization. This change will reduce efficiency, but it will lead to better organizational performance.

FALSE

Increasing the level of job specialization—the process by which a division of labor occurs as different workers specialize in tasks—improves efficiency and leads to higher organizational performance.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 1 Easy
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Specialization

2. Jared wants to speed up the production process, so he has been monitoring the actions required to complete the tasks in the assembly line. This is an example of a time-and-motion study.

TRUE

A time-and-motion study involves the careful timing and recording of the actions taken to perform a particular task.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Scientific management

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3. The use of scientific management practices led workers to hide the true potential efficiency of the work setting to protect their own well-being.

TRUE

The management of work settings frequently became a game between workers and managers: Managers tried to initiate work practices to increase performance, and workers tried to hide the true potential efficiency of the work setting to protect their own well-being.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Scientific management

4. Anna has formal authority to make many of the organization's business decisions because her father owns the company. This is consistent with Weber's principles of bureaucracy.

FALSE

In Weber's principles of bureaucracy, Principle 2 reads, "In a bureaucracy, people should occupy positions because of their performance, not because of their social standing or personal contacts."

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

5. In a mechanistic structure, emphasis is on strict discipline and order.

TRUE

In a mechanistic structure, tasks and roles are clearly specified, subordinates are closely supervised, and the emphasis is on strict discipline and order.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Mechanistic and organic structures

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6. When managers rely too much on rules to solve problems, their behavior becomes inflexible.

TRUE

When managers rely too much on rules to solve problems and not enough on their own skills and judgment, their behavior becomes inflexible.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

7. According to Fayol's principles of management, workers should be given more job duties to perform but encouraged to assume less responsibility for their work outcomes.

FALSE

Fayol advocated that workers be given more job duties to perform or be encouraged to assume more responsibility for work outcomes.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

8. Fayol believed that authority should be concentrated at the top of the chain of command of an organization.

FALSE

Fayol believed that authority should be decentralized and not be concentrated at the top of the chain of command of the organization.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Gradable: automatic
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

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9. When authority is centralized, organizations empower middle managers and create self-managed teams that monitor and control their own activities.

FALSE

If authority is very centralized, only managers at the top make important decisions and subordinates simply follow orders.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Centralized authority

10. Fayol recommended the use of organizational charts to show the position and duties of each employee in the organization.

TRUE

Fayol recommended the use of organizational charts to show the position and duties of each employee and to indicate which positions an employee might move to or be promoted into in the future.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

11. Recently Max was assigned to supervise the workers on a production line. Max treated the workers with respect, and within a short period of time, the workers' performance improved. This is an example of the Hawthorne effect.

TRUE

The Hawthorne effect suggests that each manager's personal behavior or leadership approach can affect workers' performance.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 1 Easy
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Hawthorne studies

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12. According to the Hawthorne effect, each manager's personal behavior or leadership approach has no effect on performance.

FALSE

According to the Hawthorne effect, each manager's personal behavior or leadership approach can affect performance.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Hawthorne studies

13. Management science theory focuses on the use of rigorous quantitative techniques.

TRUE

Management science theory is a contemporary approach to management that focuses on the use of rigorous quantitative techniques to help managers make maximum use of organizational resources to produce goods and services.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Objective: 02-05 Explain the contributions of management science to the efficient use of organizational resources.
Topic: TQM viewpoint

14. A drawback of management information systems is that they provide information only about an organization's internal environment, and not the external environment.

FALSE

Management information systems give managers information about events occurring inside the organization as well as in its external environment.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Systems viewpoint

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15. Typically, a mechanistic structure rests on Theory X assumptions because in a mechanistic structure, tasks and roles are clearly specified and subordinates are closely supervised.

TRUE

In Theory X, managers must supervise workers closely and control their behavior with strict work rules. In a mechanistic structure, tasks and roles are clearly specified, subordinates are closely supervised, and the emphasis is on strict discipline and order.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Mechanistic and organic structures

16. Midwest Woodworking is a small business run by skilled workers who produce customized and hand-manufactured furniture. _____ production is an example of the products they create.

A. Mass
B. Flow
C. Crafts
D. Series
E. Mechanized

Crafts production refers to a system where small workshops run by skilled workers produce hand-manufactured products.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 1 Easy
Learning Objective: 02-01 Describe how the need to increase organizational efficiency and effectiveness has guided the evolution of management theory.
Topic: Scientific management

17. Job specialization refers the process by which

A. each position's formal authority in an organizational hierarchy is established.
B. division of labor occurs as different workers gain expertise in tasks.
C. subordinates receive orders and report to only one superior.
D. members of different departments work together in cross-departmental teams to accomplish projects.
E. employees explore new ways to improve how tasks are performed.

Job specialization is a process by which division of labor occurs as different workers specialize in tasks.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Specialization

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18. _____ is the process by which a division of labor occurs as different workers specialize in different tasks over time.

A. Job specialization
B. Division of labor
C. Unity of direction
D. Job rotation
E. Centralization

Job specialization is the process by which a division of labor occurs as different workers specialize in tasks.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Specialization

19. According to Taylor, the production process becomes more efficient with

A. an increase in the effort that each worker puts in to produce a unit of output.
B. an increase in the amount of time required to produce a unit of output.
C. an increase in division of labor through specialization.
D. the use of informal rule-of thumb knowledge.
E. the use of intuitive knowledge.

Taylor believed that if the amount of time and effort that each worker expends to produce a unit of output (a finished good or service) can be reduced by increasing specialization and the division of labor, the production process will become more efficient.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Scientific management

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20. Which of the following statements is consistent with the principles of scientific management?

A. Stick to the current method of performing tasks and focus only on increasing the speed.
B. New methods of performing tasks ought to be communicated verbally rather than in writing.
C. Allow workers to establish their own rules and SOPs.
D. Establish a standard pay system that is independent of performance.
E. Increase job specialization in order to make the production process more efficient.

Taylor believed that if the amount of time and effort that each worker expends to produce a unit of output (a finished good or service) can be reduced by increasing specialization and the division of labor, the production process will become more efficient.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Scientific management

21. Which of the following is true of scientific management?

A. It resulted in jobs that were usually nonrepetitive.
B. It brought all workers more gain than hardship.
C. It revealed the maximum efficiency of work systems.
D. It resulted in job dissatisfaction for many workers.
E. It resulted in increased trust between managers and workers.

The specialized, simplified jobs created as a result of the scientific management theory were often monotonous and repetitive, and many workers became dissatisfied with their jobs.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Scientific management

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22. Ally works on a production line. Her manager has moved several of her coworkers around to achieve the right worker–task specialization and to link people and tasks by the speed of the production line. If successful, the manager will

A. lower costs.
B. increase workplace monotony.
C. increase job satisfaction.
D. decrease organizational output.
E. decrease mechanization of the work process.

From a performance perspective, the combination of the two management practices—achieving the right worker-task specialization and linking people and tasks by the speed of the production line—produces the huge cost savings and dramatic output increases that occur in large, organized work settings.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Scientific management

23. Administrative management is the study of how

A. managers control the organization's relationship with its external environment.
B. an organizational structure is to be created such that it leads to high efficiency and effectiveness.
C. the feelings, thoughts, and behavior of work-group members and managers affect worker performance.
D. characteristics of the work setting—specifically the level of lighting—affect worker performance.
E. managers should personally behave to motivate employees and encourage them to perform at high levels.

Administrative management is the study of how to create an organizational structure and control system that leads to high efficiency and effectiveness.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

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24. _____ refers to a system of task and authority relationships that controls how employees use resources to achieve a company's goals.

A. Bureaucracy
B. Closed system
C. Open system
D. Organizational structure
E. Organic structure

Organizational structure is the system of task and authority relationships that controls how employees use resources to achieve the organization's goals.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

25. _____ refers to a formal system of organization and administration designed to ensure efficiency and effectiveness.

A. Esprit de corps
B. Bureaucracy
C. Open system
D. Synergy
E. Entropy

Bureaucracy is a formal system of organization and administration designed to ensure efficiency and effectiveness.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

26. In a bureaucracy, a manager's formal authority derives from

A. his or her social standing and personal contacts.
B. informal rule-of-thumb knowledge.
C. intuitive knowledge.
D. codifying the new methods of performing tasks into written rules.
E. the position he or she holds in the organization.

In a bureaucracy, a manager's formal authority derives from the position he or she holds in the organization.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Line of authority

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27. _____ is the power to hold workers accountable for their actions and to make decisions about the use of organizational resources.

A. Initiative
B. Synergy
C. Authority
D. Esprit de corps
E. Entropy

Authority is the power to hold people accountable for their actions and to make decisions concerning the use of organizational resources. Authority gives managers the right to direct and control their subordinates' behavior to achieve organizational goals.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Line of authority

28. _____ gives managers the right to direct and control their subordinates' behavior to accomplish organizational goals.

A. Entropy
B. Synergy
C. Esprit de corps
D. Authority
E. Equity

Authority is the power to hold people accountable for their actions and to make decisions concerning the use of organizational resources. Authority gives managers the right to direct and control their subordinates' behavior to achieve organizational goals.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Line of authority

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29. When the tasks and authority associated with various positions in the organization are clearly specified, it creates a scenario where

A. employees are not sure of what is expected either of them or of each other.
B. employees are held strictly accountable for their actions.
C. managers face difficulty in tracking the assigned tasks.
D. confused employees create havoc within the formal hierarchy of authority.
E. order and discipline are undermined.

When the tasks and authority associated with various positions in the organization are clearly specified, an organization can hold all its employees strictly accountable for their actions when they know their exact responsibilities.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Line of authority

30. Henry Fayol believed that in order to increase the efficiency of the management process, it is essential that

A. authority should be concentrated at the top of the chain of command.
B. managers should discourage creativity in employees so that they stay focused on their jobs.
C. there should be a greater number of levels in a managerial hierarchy.
D. managers should not have the right to give orders to employees; they should only give polite instructions.
E. all organizational members are entitled to be treated with justice and respect.

Henry Fayol believed that all organizational members ought to be treated with justice and respect.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

31. In the context of management, rules refer to

A. a reporting relationship in which an employee receives orders from only one superior.
B. the ability of an individual to act on his own accord without direction from a superior.
C. formal written instructions that specify actions to be taken under different circumstances.
D. the performance gains that result when individuals and departments coordinate their actions.
E. the methodical arrangement of positions to provide the organization with the greatest benefit.

Rules are formal written instructions that specify actions to be taken under different circumstances to achieve specific goals.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

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32. Which of the following is an example of a company's standard operating procedure?

A. a general recommendation that all employees leave their work machines in good order
B. a compulsory practice of employees cleaning their work areas at the end of each day
C. an informal code of conduct prescribing that employees help each other if time permits
D. a suggestion by the technical department to save all work-related files on D drive
E. a recommendation by the HR department that employees wear formal clothes during the week

Standard operating procedures (SOPs) are specific sets of written instructions about how to perform a certain aspect of a task.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

33. Which of the following is an example of a norm rather than a rule?

A. a general mandatory guideline asking all employees to leave their work machines in good order
B. a specific mandatory guideline asking employees to oil machine parts labeled A and B; and replace C and D
C. an informal code of conduct recommending that employees help each other if time permits
D. a recommendation by the HR department that employees wear formal clothes during the week
E. a suggestion by the technical department that all work-related files are saved in a common location

Norms are unwritten, informal codes of conduct that prescribe how people should act in particular situations and are considered important by most members of a group or organization.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

34. Which of the following is an example of a rule?

A. a general mandatory guideline asking all employees to leave their work machines in good order
B. a statement issued by the company specifying the sales projection for the next fiscal year
C. an informal code of conduct recommending that employees help each other if time permits
D. a recommendation by the HR department that employees wear formal clothes during the week
E. a suggestion by the technical department to save all work-related files on D drive

Rules are formal written instructions that specify actions to be taken.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

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35. Which of the following is true of rules?

A. They are mandatory instructions.
B. They are unwritten expectations of behavior.
C. They are informal codes of conduct.
D. They focus more on creating goals rather than achieving them.
E. They are suggestions about best practices.

Rules are formal written instructions that specify actions to be taken.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

36. Which of the following is true of norms?

A. They are mandatory instructions that must be followed by all employees of a company.
B. They are written instructions about desired behavior in the workplace.
C. They are informal codes of conduct among employees in a particular company.
D. They give detailed instructions about how to perform a certain aspect of a task.
E. They specify actions to be taken under different circumstances to achieve specific company goals.

Norms are unwritten, informal codes of conduct that prescribe how people should behave.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Norms

37. Josh works for an advertising company. There are several middle managers, but Josh only receives orders from and reports to one manager. Which of the following principles of management by Henri Fayol fits Josh's relationship with his manager?

A. line of authority
B. unity of command
C. centralization
D. unity of direction
E. equity

The principle of unity of command specifies that an employee should receive orders from, and report to, only one superior.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Unity of command

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38. _____ refers to the chain of command extending from the top to the bottom of an organization

A. Line of authority
B. Division of labor
C. Unity of direction
D. Unity of command
E. Centralization

The line of authority is the chain of command extending from the top to the bottom of an organization.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Line of authority

39. Tyler is an engineer at an assembly plant for an auto company. Tyler receives orders from and reports to both his department manager and his project manager. This violates Fayol's principle of

A. centralization.
B. unity of command.
C. unity of direction.
D. division of authority and responsibility.
E. line of authority.

The principle of unity of command specifies that an employee should receive orders from, and report to, only one superior.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Unity of command

40. Which of the following is true of dual command?

A. It causes confusion among subordinates.
B. It strengthens order and discipline.
C. It makes assessing a manager's authority easy.
D. It was advocated by Henry Fayol.
E. It exists when a subordinate receives orders from only one supervisor.

Dual command confuses subordinates, undermines order and discipline, and creates havoc within the formal hierarchy of authority.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Unity of command

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41. The line of authority in an organization is

A. the concentration of authority at the top of the managerial hierarchy.
B. the singleness of purpose that makes possible the creation of one plan of action.
C. the chain of command extending from the top to the bottom of an organization.
D. the shared feelings of comradeship, enthusiasm, and devotion to a common cause.
E. a reporting relationship in which an employee receives orders from only one superior.

The line of authority is the chain of command extending from the top to the bottom of an organization.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Line of authority

42. _____ refers to the concentration of authority at the top of the organizational chart instead of being distributed throughout the managerial hierarchy.

A. Unity of direction
B. Synergy
C. Centralization
D. Unity of command
E. Entropy

Centralization is the concentration of authority at the top of the managerial hierarchy.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

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Contemporary Management 10th edition Jones Test Bank

43. Which of the following is true of centralization in an organization?

A. Authority is concentrated at the top of the managerial hierarchy.
B. Subordinates play an important role in decision-making within the company.
C. It prevents the organization from pursuing its strategy.
D. It makes middle and first-line managers more flexible and adaptable.
E. It allows people who are closest to problems to respond to them in a timely manner.

If authority is very centralized, only managers at the top make important decisions and subordinates simply follow orders. It also reduces the motivation of middle and first-line managers and makes them less flexible and adaptable because they become reluctant to make decisions on their own, even when doing so is necessary.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

44. Carol works for a printing business that offers several services, including printing and copying, bookbinding, and graphic design. The business has a single, comprehensive long-term plan that leads every department. The business is following Fayol's principle of

A. order.
B. line of authority.
C. unity of command.
D. unity of direction.
E. centralization.

Unity of direction is the singleness of purpose that makes possible the creation of one plan of action to guide managers and workers as they use organizational resources.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

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45. The Marketing Manager at RST Global Inc. developed a five-year marketing plan that was in stark contrast with the objectives outlined in the organization's strategic plan. Which of the principles of Henri Fayol does this go against?

A. order
B. line of authority
C. unity of command
D. unity of direction
E. equity

Unity of direction is the singleness of purpose that makes possible the creation of one plan of action for the organization.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

46. Fayol recommended the use of _____ to show the position and duties of each employee and to indicate which positions an employee might move to or be promoted to in the future.

A. an organizational chart
B. initiative analysis
C. unity of direction
D. the critical path method (CPM)
E. an extensive career plan

Fayol recommended the use of organizational charts to show the position and duties of each employee and to indicate which positions an employee might move to or be promoted into in the future. Fayol also advocated that managers engage in extensive career planning to help ensure orderly career paths.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

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47. Helen doesn’t always agree with her manager’s decisions, but she always follows her manager’s orders. This obedience to a manager's authority is most consistent with Fayol's principle of

A. order.
B. discipline.
C. esprit de corps.
D. equity.
E. remuneration of personnel.

Discipline is the obedience, energy, application, and other outward marks of respect for a superior's authority.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

48. Fayol's principle of initiative suggests that

A. managers must act fairly and equitably.
B. managers should encourage employees to act on their own without direction from a supervisor.
C. managers should ensure that the tasks and roles of each employee require innovation and creativity.
D. organizations provide employees with career opportunities that satisfy their needs.
E. managers should use rewards to motivate the behavior of employees.

Initiative is the ability to act on one's own without direction from a superior. Used properly, initiative can be a major source of strength for an organization because it leads to creativity and innovation.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

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49. According to Henri Fayol, equity refers to

A. the concentration of authority at the top of the managerial hierarchy.
B. shared feelings of comradeship, enthusiasm, or devotion to a common cause among members of a group.
C. the justice, impartiality, and fairness to which all organizational members are entitled.
D. the methodical arrangement of positions to provide the organization with the greatest benefit and to provide employees with career opportunities.
E. development of skills for long-term employees.

All organizational members are entitled to be treated with justice and respect.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

50. Chris has a job as a sales representative for a pharmaceutical company. The company offers both quarterly and annual bonuses based on performance. The company also has a profit-sharing plan for its employees. This organization follows Fayol's principle of

A. equity.
B. subordination of individual interests to the common interest.
C. initiative.
D. esprit de corps.
E. remuneration of personnel.

Fayol proposed reward systems including bonuses and profit-sharing plans, which are increasingly used today as organizations seek improved ways to motivate employees.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

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51. The idea that employees who stay with the organization for many years develop skills on the job which can help the organization to become more efficient is consistent with Fayol's principle of

A. unity of command.
B. unity of direction.
C. order.
D. discipline.
E. stability of tenure.

The principle of stability of tenure recognizes the importance of long-term employment.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

52. The idea that workers should be aware of how their performance affects the performance of the organization as a whole is most consistent with Fayol's principle of

A. unity of command.
B. subordination of individual interests to the common interest.
C. remuneration of personnel.
D. esprit de corps.
E. stability of tenure of personnel.

The interests of the organization as a whole must take precedence over the interests of any individual or group if the organization is to survive. Employees should understand how their performance affects the performance of the whole organization.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

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53. According to Henri Fayol, initiative refers to

A. the ability to act on one's own without direction from a superior.
B. shared feelings of comradeship, enthusiasm, or devotion to a common cause among members of a group.
C. the justice, impartiality, and fairness to which all organizational members are entitled.
D. the methodical arrangement of positions to provide the organization with the greatest benefit and to provide employees with career opportunities.
E. obedience, energy, application, and other outward marks of respect for a superior's authority.

Although order and equity are important means to fostering commitment and loyalty among employees, Fayol believed managers must also encourage employees to exercise initiative, the ability to act on their own without direction from a superior.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

54. According to Henri Fayol, esprit de corps refers to

A. the ability to act on one's own without direction from a superior.
B. shared feelings of comradeship, enthusiasm, or devotion to a common cause among members of a group.
C. the justice, impartiality, and fairness to which all organizational members are entitled.
D. the methodical arrangement of positions to provide the organization with the greatest benefit and to provide employees with career opportunities.
E. obedience, energy, application, and other outward marks of respect for a superior's authority.

Esprit de corps refers to shared feelings of comradeship, enthusiasm, or devotion to a common cause among members of a group.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

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55. Mary Parker Follett's primary criticism of Taylor's system of scientific management was that

A. Taylor proposed that managers should involve workers in analyzing their jobs to identify better ways to perform tasks.
B. Taylor did not use scientific techniques like time-and-motion studies to analyze workers' jobs.
C. Taylor was ignoring the human side of the organization and did not allow workers to exercise initiative and contribute to the organization.
D. Taylor advocated that workers, rather than managers, should be in control of the work process itself.
E. Taylor said that managers should behave as coaches and facilitators—not as monitors and supervisors.

Mary Parker Follett pointed out that management often overlooks the multitude of ways in which employees can contribute to the organization when managers allow them to participate and exercise initiative in their everyday work lives. Taylor never proposed that managers should involve workers in analyzing their jobs to identify better ways to perform tasks. Furthermore, it was Follett who advocated that workers, rather than managers, should be in control of the work process itself, and managers should behave as coaches and facilitators—not as monitors and supervisors.

AACSB: Analytical Thinking
AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 3 Hard
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Human relations movement

56. Which of the following best reflects Mary Parker Follett's views on management and leadership in an organization?

A. Managers should avoid involving workers in analyzing their jobs to identify better ways to perform tasks, as this could lead to employees underperforming.
B. If workers have the relevant knowledge, then workers, rather than managers, should be in control of the work process itself.
C. The formal line of authority and vertical chain of command are the most essential steps to effective management.
D. Members of different departments should avoid working together in cross-departmental teams to accomplish projects in order to minimize duplication of effort.
E. Managers' formal authority deriving from their position in the hierarchy should decide who will lead at any particular moment.

Mary Parker Follett proposed that knowledge and expertise, and not managers' formal authority deriving from their position in the hierarchy, should decide who will lead at any particular moment. If workers have the relevant knowledge, then workers, rather than managers, should be in control of the work process itself.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Human relations movement

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57. The human relations movement advocates that

A. managers use punishments as a tool to elicit cooperation from employees.
B. the level of work-group performance be controlled by workers.
C. employees be monitored outside the workplace.
D. supervisors be behaviorally trained to manage subordinates.
E. supervisors make all the important decisions concerning the company.

The human relations movement advocates that supervisors be behaviorally trained to manage subordinates in ways that elicit their cooperation and increase their productivity.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Human relations movement

58. Which of the following revelations from different research studies came to be known as the Hawthorne effect?

A. group members subjecting those workers who violate the group norms to sanctions
B. productivity increasing, regardless of the level of illumination in the workplace
C. workers concealing the true potential efficiency of a work system to protect their interests
D. workers' productivity being affected more by the attention received from researchers than by the work setting
E. employees in a "no-talking" workplace developing ways of talking to one another out of the sides of their mouths

Researchers studying the effects of work setting characteristics such as lighting and rest periods on productivity discovered that workers' productivity was affected more by the attention they received from researchers than by the characteristics of the work setting—a phenomenon that came to be known as the Hawthorne effect.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Hawthorne studies

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59. _____ is the study of the factors that have an impact on how individuals and groups respond to and act in organizations.

A. Hawthorne studies
B. Organizational behavior
C. Management science
D. Scientific management
E. Administrative management

Organizational behavior is the study of the factors that have an impact on how individuals and groups respond to and act in organizations.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Behavioral management

60. Which of the following practices was advocated by Mary Parker Follett?

A. Workers should not be allowed to participate in the work development process.
B. Authority should go with hierarchical positions rather than knowledge.
C. Managers should behave as monitors and supervisors.
D. Workers should be allowed to exercise initiative in their everyday work lives.
E. Members of each department should stick to their own department; cross-functioning should be discouraged.

Mary Parker Follett advocated the practice of allowing workers to exercise initiative in their everyday work lives.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Human relations movement

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61. Managers who accept the assumptions of Theory Y

A. create a work setting that encourages commitment.
B. give little autonomy to workers.
C. focus on developing rules and procedures.
D. rely on rewards and punishments.
E. view workers as lazy.

According to Theory Y, it is the manager's task to create a work setting that encourages commitment to organizational goals and provides opportunities for workers to be imaginative and to exercise initiative and self-direction.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Theory X and Y

62. Managers who accept the assumptions of Theory X

A. create a work setting that encourages commitment to organization goals.
B. counteract workers' natural tendencies to avoid work.
C. focus on giving employees opportunities to exercise initiative.
D. provide opportunities for workers to be imaginative.
E. view workers as motivated and capable of exercising self-control.

Theory X assumes that the average worker is lazy, dislikes work, and will try to do as little as possible. Thus the manager's task is to counteract workers' natural tendencies to avoid work.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Theory X and Y

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63. EZtronics' approach to management is consistent with Theory Y because managers at EZtronics

A. control workers' behavior by means of rewards and punishments.
B. closely supervise their subordinates.
C. do not believe in giving workers any autonomy in solving problems.
D. have created a work setting that allows workers to exercise initiative.
E. have created a work setting that reflects a belief that workers are lazy.

According to Theory Y, it is the manager's task to create a work setting that encourages commitment to organizational goals and provides opportunities for workers to be imaginative and to exercise initiative and self-direction.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Theory X and Y

64. In the context of the human relations movement and related studies, who among the following is a "ratebuster?"

A. a person performing above the work-group performance norm
B. a person performing below the work-group performance norm
C. a person performing at the pace the manager requests
D. a person performing below the company performance standard
E. a person performing at a pace he feels matches his pay

Workers who violated group performance norms and performed above the norm were called "ratebusters," and those who performed below the norm were called "chiselers."

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Human relations movement

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65. _____ is a contemporary approach to management that focuses on the use of rigorous quantitative techniques to assist managers to make the best use of organizational resources to produce goods and services.

A. Contingency theory
B. Management science theory
C. Administrative management
D. Behavioral management
E. The human relations movement

Management science theory is a contemporary approach to management that focuses on the use of rigorous quantitative techniques to help managers make maximum use of organizational resources to produce goods and services.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-05 Explain the contributions of management science to the efficient use of organizational resources.
Topic: TQM viewpoint

66. ____ is the aspect of management theory that uses mathematical techniques such as modeling and simulation to help managers make better decisions.

A. Behavioral management
B. Contingency management
C. Quantitative management
D. Administrative management
E. The human relations movement

Quantitative management uses mathematical techniques—such as linear and nonlinear programming, modeling, simulation, queuing theory, and chaos theory—to help managers make decisions.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-05 Explain the contributions of management science to the efficient use of organizational resources.
Topic: TQM viewpoint

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67. Smart Lites is a company that manufactures lighting products for industrial businesses. The managers at Smart Lites want to increase the quality of their products. They should opt for _____, a branch of management science that provides tools to analyze the company's input, conversion, and output activities.

A. quantitative management
B. operations management
C. total quality management
D. management information systems
E. scientific management

Total quality management gives managers a set of techniques they can use to analyze any aspect of an organization's production system to increase efficiency.

AACSB: Reflective Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-05 Explain the contributions of management science to the efficient use of organizational resources.
Topic: TQM viewpoint

68. Which of the following is true of an open system?

A. It is more likely to experience entropy than is a closed system.
B. It uses resources from the external environment for internal processes, but does not return anything to the external environment.
C. The input, process, and output stages in the production process are performed in the external environment.
D. It is a self-contained system that is not affected by changes in its environment.
E. It takes in resources from its external environment and converts them into goods that are then sent back to that environment for purchase by customers.

An open system is a system that takes in resources from its external environment and converts them into goods and services that are then sent back to that environment for purchase by customers.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Systems viewpoint

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69. _____ refers to the tendency of a closed system to lose its ability to control itself, and thus disintegrate.

A. Synergy
B. Entropy
C. Conversion stage
D. Contingency
E. Control system

The tendency of a closed system to lose its ability to control itself, and thus to dissolve and disintegrate, is known as entropy.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Systems viewpoint

70. _____ is the performance gain caused by two or more departments coordinating their efforts.

A. Synergy
B. Entropy
C. Contingency theory
D. Organizational performance
E. Group performance

Synergy, the performance gains that result from the combined actions of individuals and departments, is possible only in an organized system.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Systems viewpoint

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71. _____ is the idea that the organizational structures and control systems that are chosen by managers depend on characteristics of the external environment in which the organization operates.

A. Equity theory
B. Contingency theory
C. Theory X
D. Theory Y
E. Behavioral management theory

Contingency theory is the idea that the organizational structures and control systems managers choose depend on characteristics of the external environment in which the organization operates.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Contingency theory

72. The primary message of _____ is that there is no one best way to organize.

A. Theory X
B. administrative management theory
C. contingency theory
D. behavioral management theory
E. management science theory

Contingency theory is the idea that the organizational structures and control systems managers choose depend on characteristics of the external environment in which the organization operates.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Contingency theory

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73. If a manager designs the organizational hierarchy based on the characteristics of the organizational environment, he is acting in accordance with _____ theory.

A. equity
B. Fayol's
C. contingency
D. queuing
E. chaos

Contingency theory is the idea that the organizational structures and control systems managers choose depend on characteristics of the external environment in which the organization operates.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Contingency theory

74. Paula started a new bakery business. Because she must meet specific requirements from the state health department, Paula has decided to use a mechanistic structure for management. Which of the following supports Paula's choice to organize and control the business with a mechanistic structure?

A. The organization uses the structure only when needed—when the organizational environment is unstable.
B. A mechanistic structure requires more managerial time, money, and effort than an organic structure.
C. Employees are closely supervised and follow well-defined rules and standard operating procedures.
D. Authority is decentralized to middle and first-line managers to encourage them to take responsibility.
E. Here, managers can react more quickly to a changing environment than can managers in an organic structure.

In a mechanistic structure, supervisors make all important decisions; employees are closely supervised and follow well-defined rules and standard operating procedures.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Mechanistic and organic structures

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75. Which of the following statements indicates that Megabytes Inc. has implemented an organic structure?

A. At Megabytes, employees are discouraged from taking up more responsibilities.
B. At Megabytes, forming of cross-departmental or functional teams is discouraged.
C. At Megabytes, employees are closely supervised and follow well-defined rules.
D. At Megabytes, emphasis is placed on strict discipline and order.
E. At Megabytes, authority is decentralized to middle and first-line managers.

In an organic structure, authority is decentralized to middle and first-line managers to encourage them to take responsibility and act quickly to pursue scarce resources.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 3 Hard
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Mechanistic and organic structures

76. Mayfair Mobile's external environment is changing rapidly, and it responds by decentralizing decisions to lower-level managers so that the organization can react faster. Which of the following types of organizational structure allows this?

A. a mechanistic structure
B. a formal structure
C. a bureaucratic structure
D. an organizational structure
E. an organic structure

In an organic structure, authority is decentralized to middle and first-line managers to encourage them to take responsibility and act quickly to pursue scarce resources.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Mechanistic and organic structures

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77. _____ is (are) known for refining Taylor's analysis of work movements.

A. Henri Fayol
B. Adam Smith
C. Max Weber
D. Frank and Lillian Gilbreth
E. Mary Parker Follett

Two prominent followers of Taylor were Frank Gilbreth (1868-1924) and Lillian Gilbreth (1878-1972), who refined Taylor's analysis of work movements and made many contributions to time-and-motion study.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Mechanistic and organic structures

78. Joey has worked in a bicycle factory for several months. The assembly process requires multiple tasks, and over the months Joe's supervisor has assigned him to several different jobs throughout the production line. His most recent assignment is applying the custom paint and adding the decals. Adding the decals requires perfection, and Joe does it quickly and always performs the task well, so his supervisor will keep him in this position. This is an example of

A. standard operating procedures.
B. time-and-motion study.
C. job specialization.
D. the human relations movement.
E. job rotation.

Job specialization is the process by which a division of labor occurs as different workers specialize in different tasks over time.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Mechanistic and organic structures

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79. Large companies like General Electric face challenges in maintaining a competitive edge with innovation because

A. they must manage different industries across the globe.
B. new products or offerings must be approved by layers of formal bureaucracy, which slows down the process.
C. the business is too diverse.
D. market dynamics.
E. the risk in economic markets.

Since companies often compete to bring products to market first, the size and formal bureaucracy of an organization can be a stumbling block.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 02-01 Describe how the need to increase organizational efficiency and effectiveness has guided the evolution of management theory.
Topic: Mechanistic and organic structures

80. Peter is a manager for a small business. He wanted his five subordinates to have positive working relationships and he wanted to create a welcoming office environment. To encourage socializing and to motivate his staff to meet organizational goals, Peter started inviting his subordinates to lunch once a week. Within a few weeks, Peter saw an increase in performance and improved collaboration among the staff members. This is an example of:

A. administrative management.
B. scientific management.
C. behavioral management.
D. standard operating procedures (SOPs).
E. organizational behavior.

Behavioral management is the study of how managers should behave in order to motivate employees and encourage them to perform at high levels and be committed to the achievement of organizational goals.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Mechanistic and organic structures

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81. Marcia works at a warehouse and her job involves maintaining an accurate inventory and accurate data for financial statements. Today she received a document from her manager with specific instructions to perform her job tasks. This is an example of:

A. norms.
B. rules.
C. discipline.
D. standard operating procedures (SOPs).
E. behavioral management.

Standard of procedures (SOPs) are specific sets of written instructions about how to perform a certain aspect of a task.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Mechanistic and organic structures

82. Which of the following best defines synergy?

A. the tendency of a closed system to lose its ability to control itself and thus to dissolve and disintegrate
B. a system that is self-contained and thus not affected by changes occurring in its external environment
C. the performance gains that result when individuals and departments work together
D. the set of forces and conditions that operate beyond an organization's boundaries
E. an approach to management that uses rigorous quantitative techniques

Synergy is the performance gains that result from the combined actions of individuals and departments.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Mechanistic and organic structures

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83. Employees at Southwest Airlines have highly flexible job descriptions that enable them to chip in and help where needed. Employees are encouraged to help solve problems where they see them. Thus, it's not uncommon to see a Southwest manager helping move passenger luggage into aircraft or check in passengers at a gate. This is an example of:

A. Theory X.
B. Theory Y.
C. contingency theory.
D. management science theory.
E. organizational environment theory.

For Theory Y management, to allow employees to work in the organization's interest, managers must create a work setting that provides opportunities for workers to exercise initiative and self-direction.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Mechanistic and organic structures

84. Max Weber developed the:

A. principles of scientific management.
B. principles of bureaucracy.
C. Theory X and Theory Y assumptions.
D. principles of management.
E. contingency theory.

Max Weber developed the principles of bureaucracy during Germany's burgeoning industrial revolution to help organizations increase their efficiency and effectiveness.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Mechanistic and organic structures

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85. Which of the following explains why Apple operates with an organic structure?

A. Authority is centralized at the top of the managerial hierarchy.
B. Tasks and roles are clearly specified.
C. Management is able to stay abreast of technological developments and changing competitive conditions.
D. Subordinates are closely supervised.
E. The emphasis is on strict discipline and order.

In an organic structure, authority is decentralized to middle and first-line managers to encourage them to take responsibility and act quickly to pursue scarce resources.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Blooms: Apply
Difficulty: 2 Medium
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Mechanistic and organic structures

86. Communication among managers in Angela's business was slowing down the pace of planning and organizing, so Angela recently merged some of the company's departments and cut back on the number of levels of managers. Which of Fayol's principles of management supports Angela's decision?

A. unity of direction
B. order
C. authority and responsibility
D. unity of command
E. line of authority

The more levels in the hierarchy, the longer communication takes between managers at the top and bottom and the slower the pace of planning and organizing. Restricting the number of hierarchical levels to lessen these communication problems lets an organization act quickly and flexibly.

AACSB: Analytical Thinking
Accessibility: Keyboard Navigation
Bloom's: Evaluate
Difficulty: 2 Medium
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Mechanistic and organic structures

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87. Describe how the need to increase organizational efficiency guided the evolution of management theory.

The evolution of modern management began in the closing decades of the 19th century, after the industrial revolution had swept through Europe and America. In the new economic climate, managers of all types of organizations—political, educational, and economic—were trying to find better ways to satisfy customers' needs. Many major economic, technical, and cultural changes were taking place at this time. The introduction of steam power and the development of sophisticated machinery and equipment changed how goods were produced, particularly in the weaving and clothing industries. Small workshops run by skilled workers who produced hand-manufactured products (a system called crafts production) were being replaced by large factories in which sophisticated machines controlled by hundreds or even thousands of unskilled or semiskilled workers made products. Owners and managers of the new factories found themselves unprepared for the challenges accompanying the change from small-scale crafts production to large-scale mechanized manufacturing. Moreover, many managers and supervisors in these workshops and factories were engineers who had only a technical orientation. They were unprepared for the social problems that occur when people work together in large groups in a factory or shop system. Managers began to search for new techniques to manage their organizations' resources, and soon they began to focus on ways to increase the efficiency of the worker-task mix.

AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-01 Describe how the need to increase organizational efficiency and effectiveness has guided the evolution of management theory.
Topic: Scientific management

88. What is meant by scientific management? What are the four principles of scientific management described by Frederick W. Taylor?

Scientific management is the systematic study of relationships between people and tasks for the purpose of redesigning the work process to increase efficiency. Taylor's four principles are (1) Study the way workers perform their tasks, gather all the informal job knowledge the workers have, and experiment with ways of improving how tasks are performed. (2) Codify the new methods into written rules and standard operating procedures. (3) Carefully select workers who possess the skills and abilities that match the needs of the tasks, and train them to perform according to established rules and standard operating procedures. (4) Establish a fair level of performance for a task, and then develop a pay system to reward those who perform above that level.

AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Scientific management

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89. How would you support the opinion that scientific management can cause dissatisfaction in workers?

If managers don't implement all the principles in scientific management, workers become dissatisfied. Workers can resist attempts to use the new scientific management techniques and at times even withhold their job knowledge from managers to protect their jobs and pay. It is not difficult for workers to conceal the true potential efficiency of a work system to protect their interests.

AACSB: Analytical Thinking
Bloom's: Evaluate
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Scientific management

90. Define administrative management and briefly discuss the principles developed by Max Weber.

Administrative management is the study of how to create an organizational structure and control system that leads to high efficiency and effectiveness. Max Weber developed the principles of bureaucracy. They are as follows: (1) In a bureaucracy, a manager's formal authority derives from his/her position in the organization. (2) In a bureaucracy, people should occupy positions because of their performance, not because of their social standing or personal contacts. (3) The extent of authority and responsibility of a position and its relationship to other positions in an organization should be clearly specified. (4) Authority can be exercised effectively in an organization when positions are arranged hierarchically, so employees know whom to report to and who reports to them. (5) Managers must create a well-defined system of rules, standard operating procedures, and norms to control behavior effectively.

AACSB: Analytical Thinking
Blooms: Understand
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

91. Distinguish the differences between norms, rules, and standard operating procedures (SOPs).

Norms are unwritten, informal codes of conduct that prescribe how people should act in particular situations and are considered important by most members of a group or organization. Rules are formal written instructions that specify actions to be taken under different circumstances to achieve specific goals (for example, if A happens, do B). Standard operating procedures (SOPs) are specific sets of written instructions about how to perform a certain aspect of a task.

AACSB: Analytical Thinking
Bloom's: Analyze
Difficulty: 1 Easy
Gradable: manual
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Scientific management

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92. What information would you provide to support the proposal to NOT use centralization of authority?

Centralization is the concentration of authority at the top of the managerial hierarchy. If authority is very centralized, only managers at the top make important decisions, and subordinates simply follow orders. This arrangement gives top managers great control over organizational activities and helps ensure that the organization is pursuing its strategy, but it makes it difficult for the people who are closest to problems and issues to respond to them in a timely manner. It also can reduce the motivation of middle and first-line managers and make them less flexible and adaptable because they become reluctant to make decisions on their own, even when doing so is necessary.

AACSB: Analytical Thinking
Bloom's: Evaluate
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-03 Identify the principles of administration and organization that underlie effective organizations.
Topic: Fayol's Division of Labor

93. Define management science theory. What are the different branches of management science?

Management science theory is a contemporary approach to management that focuses on the use of rigorous quantitative techniques to help managers make maximum use of organizational resources to produce goods and services. There are four branches of management science. (1) Quantitative management uses mathematical techniques—such as linear and nonlinear programming, modeling, simulation, queuing theory, and chaos theory—to help managers make decisions. (2) Operations management gives managers a set of techniques they can use to analyze production processes. (3) Total quality management (TQM) attempts to increase product quality. (4) Management information systems (MISs) give managers information about events occurring in and outside the organization, to use for decision making.

AACSB: Analytical Thinking
Blooms: Remember
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-05 Explain the contributions of management science to the efficient use of organizational resources.
Topic: TQM viewpoint

94. Differentiate between an open and a closed system.

An open system is a system that takes in resources from its external environment and converts or transforms them into goods and services that are sent back to that environment, where they are bought by customers. The system is said to be open because the organization draws from and interacts with the external environment in order to survive; in other words, the organization is open to its environment. A closed system, in contrast, is a self-contained system that is not affected by changes in its external environment.

AACSB: Analytical Thinking
Bloom's: Analyze
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Systems viewpoint

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95. Explain how the different types of organizational structures that Burns and Stalker proposed rest on Theory X or Theory Y assumptions.

The types of structures that Burns and Stalker proposed are mechanistic structure and organic structure. In a mechanistic structure, authority is centralized at the top of the managerial hierarchy, and the vertical hierarchy of authority is the main means used to control subordinates' behavior. Tasks and roles are clearly specified, subordinates are closely supervised, and the emphasis is on strict discipline and order. Everyone knows his or her place, and there is a place for everyone. A mechanistic structure provides the most efficient way to operate in a stable environment because it allows managers to obtain inputs at the lowest cost, giving an organization the most control over its conversion processes and enabling the most efficient production of goods and services with the smallest expenditure of resources. A typical mechanistic structure typically rests on Theory X assumptions. In an organic structure, authority is decentralized to middle and first-line managers to encourage them to take responsibility and act quickly to pursue scarce resources. Departments are encouraged to take a cross-departmental or functional perspective, and cross-functional teams composed of people from different departments are formed. A typical organic structure typically rests on Theory Y assumptions.

AACSB: Analytical Thinking
Bloom's: Analyze
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Mechanistic and organic structures

96. Explain how and why managers control the organization's relationship with its external environment.

The managers draw from and interact with the external environment so that the organization can survive. The system takes in resources from its external environment and converts or transforms them into goods and services that are sent back to that environment, where they are bought by customers. At the input stage an organization acquires resources such as raw materials, money, and skilled workers to produce goods and services. Once the organization has gathered the necessary resources, conversion begins. At the conversion stage the organization's workforce, using appropriate tools, techniques, and machinery, transforms the inputs into outputs of finished goods and services such as cars, hamburgers, or flights to Hawaii. At the output stage the organization releases finished goods and services to its external environment, where customers purchase and use them to satisfy their needs. The money the organization obtains from the sales of its outputs allows the organization to acquire more resources so the cycle can begin again.

AACSB: Analytical Thinking
Bloom's: Analyze
Difficulty: 1 Easy
Gradable: manual
Learning Objective: 02-06 Explain why the study of the external environment and its impact on an organization has become a central issue in management thought.
Topic: Systems viewpoint

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97. The National Labor Relations Board (NLRB) suggests that McDonald's should be considered a "joint-employer" of the workers employed by company franchises. Why do you think NLRB filed this complaint? Explain the impact on McDonald's (and its competitors in the fast-food industry) if there is a ruling. How do you think it will affect the franchisees?

Most likely the complaint was filed because of violations of labor laws. McDonald's, like other global companies, has faced increased scrutiny about the way its employees are treated. Fast-food work is not well paid, and it sometimes places employees in uncomfortable and stressful situations. Eighty percent of McDonald's restaurants are owned by independent businesses or franchises. A ruling against McDonald's could increase pressure on the company to boost wages and accept more responsibility for working conditions at franchise stores.

AACSB: Analytical Thinking
Bloom's: Evaluate
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Scientific management

98. During the evolution of modern management, when crafts production was being replaced by large factories, why did owners and managers struggle with challenges and need to focus more on management?

Owners and managers of the new factories found themselves unprepared for the challenges accompanying the change from small-scale crafts production to large-scale mechanized manufacturing. Moreover, many managers and supervisors in these workshops and factories were engineers who had only a technical orientation. They were unprepared for the social problems that occur when people work together in large groups in a factory or shop system.

AACSB: Analytical Thinking
Bloom's: Analyze
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-01 Describe how the need to increase organizational efficiency and effectiveness has guided the evolution of management theory.
Topic: Scientific management

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99. Based on Taylor's four principles for scientific management, what data should managers gather and put to use about behavior and performance at work so they can increase efficiency in the workplace?

Taylor recommends in Principle 1 that managers study the way workers perform their tasks. Managers can use time-and-motion study, which involves careful timing and recording of the actions taken to perform a particular task. Managers should also gather all the informal job knowledge that workers possess, and they should record data when they experiment with ways of improving how tasks are performed. In Principle 2, Taylor recommends documenting the new methods of performing tasks into written rules and standard operating procedures. Managers will need to gather data to create the SOPs. In Principle 3, Taylor recommends carefully selecting workers who possess skills and abilities that match the needs of the task and training them to perform the task according to the established rules and procedures. Managers should keep notes about workers' skills and abilities. In Principle 4, Taylor recommends that managers establish a fair or acceptable level of performance for a task, so managers need to gather data to measure levels of performance.

AACSB: Analytical Thinking
Bloom's: Evaluate
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-02 Explain the principle of job specialization and division of labor, and tell why the study of person–task relationships is central to the pursuit of increased efficiency.
Topic: Scientific management

100. Your friend is looking for a new job. She has strong technical skills, and there are many companies with open positions, so she has asked for your advice in choosing a company. Your friend would prefer a boss who will trust her judgment and allow her to use her creativity. Then once she proves her talents, she would want more control over her job. What advice would you give your friend in choosing a company for her job application?

A company that operates with the Theory Y approach to management would be a good recommendation. When companies operate with the Theory Y approach, it is a manager's task to create a work setting that encourages commitment to organizational goals and provides opportunities for workers to be imaginative and to exercise initiative and self-direction.

AACSB: Analytical Thinking
Bloom's: Evaluate
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-04 Trace the changes in theories about how managers should behave to motivate and control employees.
Topic: Theory X and Y

101. Explain how management science theory contributes to the efficient use of organizational resources.

Management science is a contemporary approach to management that focuses on the use of rigorous quantitative techniques to help managers make maximum use of organizational resources to produce goods and services. There are many branches of management science, and each branch deals with a specific set of concerns to help managers improve their planning, organizing, and controlling functions so they can increase efficiency and effectiveness.

AACSB: Analytical Thinking
Bloom's: Analyze
Difficulty: 2 Medium
Gradable: manual
Learning Objective: 02-05 Explain the contributions of management science to the efficient use of organizational resources.
Topic: Scientific management

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