Services Marketing Concepts Strategies and Cases 5th edition Hoffman Test Bank

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CHAPTER 2 THE SERVICES SECTOR SUPERSECTORS AND ETHICAL CONSIDERATIONS

MULTICHOICE

1. It is generally accepted that the ____ economy includes the "soft parts" of the economy consisting of nine industry supersectors.

(A) service

(B) industrial

(C) agricultural

(D) information

(E) goods

Answer : (A)

2. Who provides an overview of each of the nine supersectors as well as a career guide?

(A) A government

(B) U.S. Bureau of Labor Statistics

(C) Federal Trade Commission

(D) Federal Communication Commission

(E) American Marketing Association

Answer : (B)

3. The financial activities supersector consists of all the following *except*:

(A) Finance.

(B) Insurance.

(C) Social Assistance.

(D) Investments.

(E) Securities.

Answer : (C)

4. The world's largest industry in the private sector and highest projected generator of jobs is:

(A) business services.

(B) the hospitality industry.

(C) health services.

(D) professional services.

(E) the food service industry.

Answer : (C)

5. Which subsector is the second-largest employment industry, accounting for 13.3 million jobs?

(A) educational services

(B) healthcare

(C) social assistance

(D) professional services

(E) food services

Answer : (A)

6. Which of the following subsectors of the government supersector is also called the not-for-profit sector?

(A) federal government

(B) state and local government

(C) advocacy, grantmaking, and civic organizations

(D) information sector

(E) arts, entertainment, and recreation

Answer : (C)

7. Which of the following is true regarding the insurance industry?

(A) It is one of the nine supersectors of the services industry.

(B) It is a subsector of the education and health services supersector.

(C) Employment in the insurance industry is expected to grow by 20% between 2015 and 2020.

(D) Future job growth is limited in part by Internet sales methods.

(E) Office and administrative personnel are typically college-educated.

Answer : (D)

8. All of the following are subsectors of the leisure and hospitality industry *except*:

(A) food services and drinking places.

(B) hotels and other accommodations.

(C) arts, entertainment, and recreation.

(D) advertising and public relations.

(E) None of these are exceptions.

Answer : (D)

9. More than ____% of the workforce within the arts, entertainment, and recreation subsector have no formal education beyond high school.

(A) 35

(B) 40

(C) 45

(D) 50

(E) 55

Answer : (B)

10. More than one out of ____ employees within the food service and drinking establishments subsector are between the ages of 16 and 19.

(A) three

(B) four

(C) five

(D) six

(E) seven

Answer : (C)

11. The professional and business supersector includes all of the following subsectors *except* _____ services.

(A) computer systems design and related

(B) management, scientific, and technical consulting

(C) transportation

(D) employment

(E) advertising and public relations

Answer : (C)

12. All of the following are true regarding the information supersector *except*:

(A) It is wide in scope, accounting for 16% of all employment.

(B) Software publishing is the fastest-growing subsector.

(C) Major players include publishing, motion picture, and broadcasting industries.

(D) It includes data processing services.

(E) Google and Yahoo are part of this industry.

Answer : (A)

13. All of the following are true regarding the wholesale and retail trade supersector *except*:

(A) most wholesalers are large, employing more than 200 workers.

(B) a high school education is sufficient for most jobs within the wholesaling subsector.

(C) in clothing, grocery, and general merchandise retail, employment growth is expected to be small, but there are many job openings due to high turnover.

(D) employment in automotive sales is projected to grow at 11 percent.

(E) weekly wages are high and job opportunities promising for automotive service technicians who have completed formal training.

Answer : (A)

14. A bank looking to the best practices of other banks in the industry for service improvement ideas is an example of:

(A) materialismo snobbery.

(B) service myopia.

(C) dichotomization of services.

(D) service vigilance.

(E) organizational relationships.

Answer : (B)

15. All of the following are beliefs of materialismic snobs *except*:

(A) only manufacturing can create real wealth.

(B) all nonmanufacturing sectors of the economy are parasitic and/or inconsequential.

(C) without manufacturing, there will be little for people to service.

(D) the continued shift to a service economy will jeopardize the American way of life.

(E) the increase in service jobs will increase the standard of living in the United States.

Answer : (E)

16. The service industry criticism that as manufacturing jobs continue to decline, the supply of labor for service jobs will increase, driving service wages lower is referred to as:

(A) materialismo snobbery.

(B) the dichotomization of wealth.

(C) material dichotomization.

(D) manufacturing superiority.

(E) service myopia.

Answer : (B)

17. Paying close attention to whether one's actions are right or wrong and why one is behaving in that manner is referred to as:

(A) business ethics.

(B) dichotomization of wealth.

(C) ethical vigilance.

(D) service ethics.

(E) materialismo snobbery.

Answer : (C)

18. The principles of moral conduct that guide behavior in the business world are called:

(A) business ethics.

(B) ethics.

(C) ethical vigilance.

(D) service ethics.

(E) organizational ethics.

Answer : (A)

19. Consumers often have a difficult time objectively evaluating services before purchase. This is due primarily to:

(A) intangibility.

(B) inseparability.

(C) perishability.

(D) standardization.

(E) heterogeneity.

Answer : (A)

20. Which of the following statements is NOT an explanation for why service consumers are particularly vulnerable to ethical misconduct?

(A) Services possess few search attributes.

(B) Services are often specialized and/or technical.

(C) Services are deeds, efforts, or performances.

(D) The time lapse between performance and evaluation is sometimes significant.

(E) Many services are sold without guarantees and warranties.

Answer : (C)

21. Which of the following statements is NOT an explanation for why service consumers are particularly vulnerable to ethical misconduct?

(A) Services are often provided by boundary-spanning personnel.

(B) Variability in service performance is somewhat accepted.

(C) Reward systems are often outcome-based as opposed to behavior-based.

(D) Consumers are active participants in the production process.

(E) Other consumers are involved in the production process.

Answer : (E)

22. Consumer participation in production increases opportunities for ethical misconduct by service providers because:

(A) it increases opportunities for coercive influence strategies used by the service provider.

(B) the service provider is not under the direct supervision of a manager.

(C) the customer's participation voids any guarantees.

(D) of the time lapse between participation and results.

(E) of increased search attributes.

Answer : (A)

23. Sam and Gloria, who deliver services outside the firm's physical facilities, are examples of:

(A) roaming salespeople.

(B) expanding service providers.

(C) boundary-spanning personnel.

(D) area coordinators.

(E) regional responders.

Answer : (C)

24. Situations where the service provider feels torn between the needs of the customer, the organization, and the service provider's own personal interest are referred to as:

(A) cognitive moral development.

(B) conflict of interest.

(C) organizational relationships.

(D) structure conflict.

(E) relationship conflict.

Answer : (B)

25. As an auditor, Joe learned of promising breakthrough technology not yet known to the public. He immediately purchased a large number of shares of stock to resell after the technology was made public. This type of ethical issue falls under:

(A) cognitive moral development.

(B) structure conflict.

(C) organizational relationships.

(D) conflict of interest.

(E) relationship conflict.

Answer : (C)

26. Ethical improprieties have been linked to:

(A) customer dissatisfaction.

(B) employee dissatisfaction.

(C) unfavorable word-of-mouth publicity.

(D) job-related tension and anxiety.

(E) all of these.

Answer : (E)

27. .The process through which an individual adapts and comes to appreciate the values, norms, and required behavior patterns of an organization is called:

(A) a code of ethics.

(B) standards of conduct.

(C) employee socialization.

(D) rules for ethical conduct.

(E) conduct regulations.

Answer : (C)

28. Formal standards of conduct that assist in defining proper organizational behavior are called:

(A) a code of ethics.

(B) standards of conduct.

(C) employee socialization.

(D) rules for ethical conduct.

(E) conduct regulations.

Answer : (A)

29. Which of the following statements regarding ethics is correct?

(A) Research indicates that employees desire a code of ethics.

(B) Research indicates that employees of firms that have codes of ethics believe that violators of the code should be punished.

(C) Leaders must be examples of the standards of ethical conduct.

(D) Employees often emulate the behavior of their supervisors.

(E) All of these are correct.

Answer : (E)

30. Which of the following is NOT a suggested strategy for controlling and managing ethical behavior?

(A) employee socialization

(B) corrective control

(C) service/product knowledge

(D) follower training

(E) standards of conduct

Answer : (D)

ESSAY

31. List the nine service supersectors. Which supersector is projected to have the highest employment growth?

Graders Info :

- The nine service supersectors are:
  • Education and health services
  • Financial activities
  • Government
  • Information
  • Leisure and hospitality
  • Professional and business services
  • Transportation and utilities
  • Wholesale and retail trade
  • Other services

- Seven of the top 20 fastest-growing occupations are in health care. Overall, employment projections for the education and health services supersector forecast employment would increase by 3 million jobs over the period 2006-2016, the highest projected growth of any industry supersector.

32. Discuss how the term materialismo snobbery is related to service wages.

Graders Info :

- Materialismo snobbery reflects the belief that without manufacturing there will be less for people to service and more people available to do service work.
- As a result, the supply of labor will go up as the demand for labor goes down, which will drive wages down.

33. Compare the concerns that were expressed over the transition from an agricultural economy to an industrial economy to today's concerns associated with moving from an industrial economy to a service economy.

Graders Info :

Similar concerns were voiced in the United States more than 160 years ago when the economy was shifting from agriculture to manufacturing. In 1850, 50 years after industrialization, 65% of the population was connected to farming. During this period, many experts voiced great concern over workers leaving the farms to work in the factories. The concerns centered on the same type of logic: If the vast majority of the population left the farms, what would the people eat? Today, 1 percent of the U.S. labor force is involved in farming operations. This small but mighty workforce provides such a surplus of food that the federal government provides price supports and subsidies to keep the farms in business. Apparently, the concerns about the shift to manufacturing were unwarranted. In fact, the shift led to economic growth. Similarly, with advances in technology and new management practices, the need no longer exists to have as many people in manufacturing as we had in the mid-1900s. Manufacturing is not superior to services. The two are interdependent. In fact, half of all manufacturing workers perform service-type jobs.

34. Discuss the reasons that consumers are particularly vulnerable to ethical misconduct within the service sector.

Graders Info :

Consumer vulnerability can be attributed to several sources, including: • Services are characterized by few search attributes.
• Services are often specialized and/or technical.
• Some services have a significant time lapse between performance and evaluation.
• Many services are sold without guarantees and warranties.
• Services are often provided by boundary-spanning personnel.

• Variability in service performance is somewhat accepted.
• Reward systems are often outcome-based as opposed to behavior-based.
• Customers are active participants in the production process.

35. Describe the consequences of ethical misconduct.

Graders Info :

Employees forced to deal with ethical issues on a continuous basis frequently suffer from:
- job-related tension.
- frustration.
- anxiety.
- ineffective performance (i.e., reduced sales and reduced profits).
- turnover intentions.
- lower job satisfaction.

In addition to the personal effects of ethical misconduct, the organization as a whole suffers. Ethical improprieties have also been linked to:
- customer dissatisfaction (loss of sales).
- unfavorable word-of-mouth publicity for the organization.
- negative public images for the entire industry.

36. What are the suggested strategies for controlling and managing ethical behavior?

Graders Info :

Suggestions for controlling and managing ethical behavior include:
• employee socialization.
• standards of conduct.
• corrective control.
• leadership training.
• service/product knowledge.
• monitoring of employee performance.
• building long-term customer relationships.