Organizational Behavior 12th edition Griffin Test Bank

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TRUE/FALSE

1 : In 2014, the volume of international trade in current dollars was more than 50 times greater than the amount in 1960.
A : true
B : false

Correct Answer : A

2 : More and more firms are moving back to domestic markets to control costs, especially to reduce labor costs.
A : true
B : false

Correct Answer : B

3 : The environment of business is expected to continue changing in the future.
A : true
B : false

Correct Answer : A

4 : Some of the growth of international business can be attributed to communication and transportation advances.
A : true
B : false

Correct Answer : A

5 : Cultural diversity can enhance synergy in an organization.
A : true
B : false

Correct Answer : A

6 : Culture helps a group understand which actions are acceptable and which are unacceptable.
A : true
B : false

Correct Answer : A

7 : An employee in a collectivistic culture would be much more concerned about her work than about her relationships with others.
A : true
B : false

Correct Answer : B

8 : In Mexico, people prefer to be in a situation in which authority is not emphasized and lines of authority are overlooked or deemphasized.
A : true
B : false

Correct Answer : B

9 : A culture low in masculinity is not aggressive and is not concerned with the acquisition of money and other possessions.
A : true
B : false

Correct Answer : A

10 : Workforce diversity refers to the important similarities and differences among the employees of the organization.
A : true
B : false

Correct Answer : A

11 : A prejudice is a generalization about a person or a group of persons based on certain characteristics or traits.
A : true
B : false

Correct Answer : B

12 : Differences in age, gender, ethnicity, and physical ability are all considered to be components of diversity.
A : true
B : false

Correct Answer : A

13 : The non-Hispanic Whites segment of the workforce is expected to decrease as a proportion of the workforce in the next decade.
A : true
B : false

Correct Answer : A

14 : Workforce diversity is mostly occurring in the United States, rather than in other countries around the world.
A : true
B : false

Correct Answer : B

15 : Today, the workplace in the United States might be regarded as more of a tossed salad made up of a mosaic of different flavors, colors, and textures.
A : true
B : false

Correct Answer : A

16 : Valuing diversity means appreciating the varying ideas and perspectives that are provided

by a heterogeneous workforce.
A : true
B : false

Correct Answer : A

17 : Four Seasons Hotels is an example of a manufacturing organization.
A : true
B : false

Correct Answer : B

18 : The most effective service organizations produce intangible outcomes for their customers.
A : true
B : false

Correct Answer : A

19 : Businesses have found that they can be more competitive if they can greatly decrease cycle times.
A : true
B : false

Correct Answer : A

20 : Advances in information technology have resulted in communication at work that is less personal in nature.
A : true
B : false

Correct Answer : A

21 : Board independence is an issue when a board of directors includes members from related or partner firms.
A : true
B : false

Correct Answer : A

22 : Knowledge workers include scientists, engineers, product designers, and video game developers.
A : true
B : false

Correct Answer : A

23 : Globalization is one of the most significant sources of change for organizations today.
A : true
B : false

Correct Answer : A

24 : The culture of the United States has a more long-term orientation than that of Japan or

Germany.
A : true
B : false

Correct Answer : B

25 : Rapid change in business relationships, organizational structures, and financial systems has made it easier to keep accurate track of a companys financial position.
A : true
B : false

Correct Answer : B

26 : Regardless of differences in religion, language, or politics, countries that are located near each other tend to have similar societal cultures.
A : true
B : false

Correct Answer : B

27 : Diversity training and diversity education need to communicate that bias is not a part of being human.
A : true
B : false

Correct Answer : B

28 : It is not realistic to claim or to pursue an Im totally unbiased stance with regard to diversity.
A : true
B : false

Correct Answer : A

MULTIPLE CHOICE

29 : The environment of all organizations is changing at a(n) _____ rate.
A : decreased
B : slowing
C : unprecedented
D : moderate
E : inelastic

Correct Answer : C

30 : Understanding and addressing the environment of a business has traditionally been the purview of
A : supervisors.
B : stockholders.
C : workers and line managers.
D : stakeholders.
E : top managers.

Correct Answer : E

31 : The most significant source of change impacting many organizations today is increasing
A : cultural change.
B : corporate governance.
C : globalization.
D : business ethics.
E : technological knowledge.

Correct Answer : C

32 : Which of the following statements regarding cross-cultural differences and similarities is not true?
A : Cultures and national boundaries always coincide.
B : Culture is a set of values that is often taken for granted.
C : A manager behaves differently in different cultural settings.
D : There are profound cultural differences between Southern California and Texas.
E : Japanese and U.S. workers are likely to have different attitudes toward work.

Correct Answer : A

33 : Which of the following is true about employees working in the same company but in different locations?
A : Their behaviors may differ within and across countries.
B : Their behaviors will be the same regardless of their location.
C : Their behaviors at work are not important.
D : Their behaviors will have nothing to do with their locations.
E : Their behaviors will be the same within single countries but may differ from one country to the next.

Correct Answer : A

34 : All of the following are considered cultural dimensions EXCEPT
A : individualism/collectivism.
B : uncertainty avoidance.
C : power distance.
D : masculinity.
E : open-mindedness.

Correct Answer : E

35 : Which of the following statements is NOT true about individualistic cultures?
A : It is important to stand out in the crowd.
B : It is important to fit in with the group.
C : Tasks are more important than relationships.
D : Promotion is based on skills and rules.
E : People are more concerned with themselves than with their work groups.

Correct Answer : B

36 : Another term for power distance is
A : deontology.

B : teleology.
C : individualism.
D : orientation to authority.
E : collectivism.

Correct Answer : D

37 : The dimension of uncertainty avoidance is the extent to which
A : workers prefer unambiguous situations.
B : workers focus on the future.
C : acquisition of money and things is emphasized.
D : women are allowed to work in society.
E : men maintain a glass ceiling.

Correct Answer : A

38 : Masculinity
A : gives employees a sense of autonomy.
B : is the extent to which workers focus on the future.
C : enhances organizational effectiveness.
D : emphasizes assertiveness.
E : is the extent to which workers prefer clear situations.

Correct Answer : D

39 : Which of the following is a cultural dimension identified by Hofstede?
A : Ethical idealism
B : Groupthink
C : Power distance
D : Workforce diversity
E : Consumer behavior

Correct Answer : C

40 : All of the following are true about stereotypes EXCEPT that they
A : lead to an appreciation of individual differences.
B : are based on certain characteristics or traits.
C : ignore the specific person.
D : are generalizations.
E : ignore the current situation.

Correct Answer : A

41 : Stereotypes can best be defined as
A : favoring people similar to you.
B : focusing on differences among people.
C : grouping people into different categories.
D : judgments about others that reinforce beliefs about superiority and inferiority.
E : making generalizations about groups of people.

Correct Answer : E

42 : Which of the following is NOT an example of a dimension of diversity?

A : Age
B : Gender
C : Sexual orientation
D : Mental abilities
E : Marital status

Correct Answer : E

43 : Which of the following is a component of surface-level diversity?
A : Ethnicity
B : Pay differences
C : Knowledge
D : Work experience
E : Personality

Correct Answer : A

44 : Which of the following is a component of deep-level diversity?
A : Physical abilities
B : Goals
C : Age
D : Gender
E : Ethnicity

Correct Answer : B

45 : _____ refers to the variety of observable and unobservable similarities and differences among people.
A : Diversity
B : Race
C : Ethnocentrism
D : Ethnicity
E : Stereotyping

Correct Answer : A

46 : Which of the following workforce groups will increase the LEAST in size between 2006 and 2016?
A : 25 to 54 year olds
B : 55 to 64 year olds
C : 65 to 74 year olds
D : 75 years and older
E : Total, 16 years and older

Correct Answer : A

47 : Not paying attention to diversity can be costly to organizations in all of the following ways EXCEPT that it can
A : decrease turnover.
B : lower productivity.
C : block minority involvement in decision making.
D : increase tensions among workers.
E : increase lawsuits.

Correct Answer : A

48 : Which of the following is NOT a benefit of valuing diversity?
A : Access to more perspectives on a problem
B : Fresh perspectives
C : Less interpersonal conflict
D : Greater homogeneity
E : Richer ideas

Correct Answer : D

49 : A form of business that combines and transforms resources into tangible outcomes that are then sold to others is called a(n)
A : manufacturing organization.
B : biotechnology firm.
C : information technology firm.
D : service organization.
E : hybrid organization.

Correct Answer : A

50 : A form of business that transforms resources into an intangible output and creates time or place utility for its customers is called a(n)
A : manufacturing organization.
B : biotechnology firm.
C : information technology firm.
D : service organization.
E : hybrid organization.

Correct Answer : D

51 : AMD makes computer chips that are installed in various computers. AMD is an example of a(n)
A : manufacturing organization.
B : biotechnology firm.
C : information technology firm.
D : service organization.
E : hybrid organization.

Correct Answer : A

52 : Which of the following statements about technology is NOT true?
A : Technology is a major driver for organizational change.
B : It has widespread effects on the behavior of people in the organization.
C : Technology provides a competitive advantage.
D : It combines and transforms resources into outcomes.
E : It is causing a shift toward a service-based economy.

Correct Answer : D

53 : Car makers design and produce new model cars much more quickly now than they did in the past. This is an example of

A : effective leadership.
B : decreased cycle time.
C : increased employee morale.
D : valued diversity.
E : low-cost production.

Correct Answer : B

54 : An ice cream maker requires approximately two months from the time a new flavor is decided on in the corporate board room to the time it is produced and available to consumers in stores. This time is called
A : competitive advantage time.
B : information technology time.
C : cycle time.
D : production time.
E : made-to-order time.

Correct Answer : C

55 : Which of the following statements about information technology is NOT true?
A : It has resulted in leaner organizations.
B : It provides more flexible operations.
C : It has provided more down time for employees.
D : It has increased collaboration among employees.
E : It has improved management processes.

Correct Answer : C

56 : Which statement accurately describes a downside of information technology?
A : It has increased personal communication.
B : It has increased a sense of urgency vis-à-vis decision-making.
C : It has increased ethical decision-making for managers.
D : It has resulted in more down time for managers.
E : It has created inflexible worksites.

Correct Answer : B

57 : The duty of the board of directors of a public corporation is to
A : audit the companys financial statements for accuracy.
B : recommend new products and services.
C : control the day-to-day operations of the firm.
D : protect the company from harsh overseas competition and lower labor costs.
E : ensure decisions by senior managers are in the best interests of the shareholders.

Correct Answer : E

58 : The oversight of a public corporation by its board of directors is called
A : board isolation.
B : deontological overview.
C : corporate governance.
D : pricing policy.
E : profit maximization.

Correct Answer : C

59 : One way to address privacy concerns on the Internet is to
A : keep all information collected confidential.
B : publicly display any information collected by the company.
C : post a privacy policy on the companys website.
D : avoid collecting any private information.
E : share collected information only with respectable firms.

Correct Answer : C

60 : Which of the following statements about knowledge workers is NOT true?
A : Knowledge workers include computer scientists.
B : Knowledge workers require highly specialized training.
C : Compensation is specially tailored for the knowledge worker.
D : Knowledge workers do not add value to the organization.
E : Knowledge workers include video game developers.

Correct Answer : D

61 : A knowledge workers career path may run parallel to a management career path. The benefit of this path for the worker is
A : the chance to take on substantial management responsibilities.
B : more frequent training in management tasks.
C : less highly specialized training.
D : compensation that is equivalent to that available to management.
E : freedom from specialized technical work.

Correct Answer : D

62 : In the past, Karson Photography Studios directly hired and managed its own custodial staff. Now, Karson contracts this work to a cleaning company. This is an example of
A : corporate governance.
B : offshoring.
C : outsourcing.
D : nearshoring.
E : insourcing.

Correct Answer : C

63 : Examples of organizational functions to outsource include all of the following EXCEPT the organizations
A : payroll function.
B : human resource training program.
C : corporate governance program.
D : facility maintenance program.
E : food service facility.

Correct Answer : C

64 : Marcos believes that men make better managers than women. Marcos attitude is an example of
A : stereotyping.

B : prejudice.
C : cultural competence.
D : ethnocentrism.
E : the like me bias.

Correct Answer : B

65 : _____ workers are hired because of what they know.
A : Contingent
B : Tiered
C : Knowledge
D : Offshore
E : Outsourced

Correct Answer : C

66 : The oversight of a public corporation by its board of directors is called corporate
A : ethics.
B : malfeasance.
C : lollygagging.
D : responsibility.
E : governance.

Correct Answer : A

67 : A(n) _____ worker is employed in a company on an impermanent or part-time basis.
A : tiered
B : knowledge
C : contingent
D : offshore
E : illegal

Correct Answer : C

68 : What term refers to employer and employee expectations of the employment relationship that operate over and above the formal contract of employment?
A : Psychological contract
B : Informed consent
C : Emotional intelligence
D : Emotional contract
E : Prenuptual agreement

Correct Answer : A

69 : Psychological contracts create _____ promises and obligations between employees and the employer.
A : ethical
B : unethical
C : implicit
D : explicit
E : absolute

Correct Answer : C

70 : The defining characteristic of a tiered workforce is that different employees are paid _____ wages for doing _____ work.
A : different, the same
B : different, different
C : the same, different
D : the same, the same
E : some of the, all of the

Correct Answer : A

71 : Title VII prohibits employee discrimination based on a variety of characteristics. Which of the following is NOT included?
A : Sexual orientation
B : Race
C : Sex
D : Religion
E : National origin

Correct Answer : A

72 : _____ allows monetary damages in cases of intentional employment discrimination.
A : Title VII of the Civil Rights Act of 1964
B : Title V of the Civil Rights Act of 1954
C : The Emancipation Proclamation
D : The Bill of Rights
E : The Civil Rights Act of 1991

Correct Answer : E

73 : One of the largest employment discrimination lawsuits was settled for more than $11.7 million against Walmart and Sams Club. What was the main group that was discriminated in this case?
A : Blacks
B : Whites
C : Women
D : Hispanics
E : Asians

Correct Answer : C

74 : The ethnic and cultural mix of the U.S. workforce is
A : constant.
B : becoming more homogenous.
C : decreasing.
D : small compared to other nations.
E : changing.

Correct Answer : E

75 : What level of the corporate ladder is least diverse?
A : Lowest level
B : Assembly line workers

C : Lower management
D : Middle management
E : top management (e.g., CEO)

Correct Answer : E

76 : The U.S. Bureau of Labor Statistics projects a dramatic increase in workers age _____ during the next decade.
A : 16-20
B : 20-30
C : 30-40
D : 40-50
E : 65 and older

Correct Answer : E

77 : As the age diversity of work groups increases, it becomes increasingly likely that
A : a non-minority will be the supervisor of a minority.
B : a minority will be the supervisor of a non-minority.
C : there will be conflicts because of age differences.
D : a younger employee will report to an older supervisor.
E : an older employee will report to a younger supervisor.

Correct Answer : E

78 : Mismanaging diversity is likely to result in all of the following EXCEPT
A : reduced innovation.
B : reduced motivation.
C : increased absenteeism.
D : costly lawsuits.
E : reduced turnover.

Correct Answer : E

79 : Stereotypes can be based on all of the following characteristics EXCEPT
A : race.
B : religion.
C : disability.
D : nationality.
E : ethics.

Correct Answer : E

80 : Employees who feel the need to protect their own career prospects by impeding the prospects of others are experiencing
A : the like me bias.
B : prejudices.
C : ethnocentrism.
D : perceived threat of loss.
E : unequal access to organizational networks.

Correct Answer : D

81 : What is the most important element in effectively leveraging the positive potential of diversity?
A : A clearly written policy manual
B : Support from lower-level managers
C : Affirmative action
D : Top management support
E : Labor unions

Correct Answer : D

82 : Reciprocal mentoring: matches _____ with _____ to allow both people to learn more about a different group.
A : senior employees, diverse junior employees
B : managers, administrative assistants
C : men, women
D : managers, trustees
E : engineers, marketers

Correct Answer : A

83 : Which of the following terms refers to the degree of inequality that exists and that is accepted among people with and without power?
A : Masculinity
B : Span of control
C : Strength differential
D : Power distance
E : Privilege difference

Correct Answer : D

84 : Which of the following best reflects low individualism?
A : Valuing personal achievement above the achievement of the group
B : Believing that people are incapable of making decisions on their own
C : Valuing personal freedom above all else
D : Valuing harmony more highly than honesty
E : Wanting to stand out from the crowd

Correct Answer : D

85 : Which of the following terms refers to the degree of anxiety people feel in unfamiliar situations?
A : Decision-making difficulty
B : Uncertainty avoidance
C : Social anxiety disorder
D : Masculinity
E : Power distance

Correct Answer : B

86 : Which of the following does NOT reflect individualism?
A : Valuing personal achievement above the achievement of the group
B : Believing that people are incapable of making decisions on their own
C : Valuing personal freedom above all else

D : Valuing harmony more highly than honesty
E : Wanting to stand out from the crowd

Correct Answer : D

87 : Which of the following terms refers to the ability to interact effectively with people of different cultures?
A : Tolerance
B : Racial knowledge
C : Egalitarianism
D : Ethnocentrism
E : Cultural competence

Correct Answer : E

88 : The fact that, consciously or subconsciously, we tend to prefer to associate with others who are like us is called
A : the like me bias.
B : bigotry.
C : ethnocentrism.
D : perceived threat of loss.
E : stereotyping.

Correct Answer : A

89 : The belief that ones culture is superior to all others is called
A : the like me bias.
B : bigotry.
C : ethnocentrism.
D : perceived threat of loss.
E : stereotyping.

Correct Answer : C

90 : Which of the following groups of people is NOT increasing as a percentage of the total workforce in the United States?
A : Hispanics
B : Blacks
C : Women
D : White males
E : Asians

Correct Answer : D

91 : Which of the following is considered diversity?
A : Life experiences
B : Educational background
C : Where someone is from
D : How old someone is
E : All of these

Correct Answer : E

92 : _____ refers to individual differences that cannot be seen directly, including goals, values, personalities, decision-making styles, knowledge, skills, abilities, and attitudes.
A : Surface-level diversity
B : All-level diversity
C : Deep-level diversity
D : Ethnocentrism
E : Cultural competence

Correct Answer : C

93 : _____ refers to observable differences in people, including race, age, ethnicity, physical abilities, physical characteristics, and gender.
A : All-level diversity
B : Surface-level diversity
C : Deep-level diversity
D : Ethnocentrism
E : Cultural competence

Correct Answer : B

94 : _____ diversity exists within a group when there are differences in a certain type or category, including group members expertise, knowledge, or functional background.
A : Variety
B : Disparity
C : Separation
D : Ethnocentrism
E : Token

Correct Answer : A

95 : When you notice that someone is tall, what type of diversity are you noticing?
A : Longitudinal diversity
B : Surface-level diversity
C : Deep-level diversity
D : Attitudinal diversity
E : Ethnocentrism

Correct Answer : B

96 : _____ diversity reflects dissimilarity in attitudes or values, especially with regard to group goals or processes.
A : The like me bias
B : Disparity
C : Ethnocentrism
D : Separation
E : Token

Correct Answer : D

97 : _____ diversity refers to differences in the concentration of valuable social assets or resources such as rank, pay, decision-making authority, and status.
A : Variety
B : Token

C : Disparity
D : Ethnocentrism
E : Separation

Correct Answer : C

MULTIPLE ANSWER

98 : The purpose of diversity training is to help employees _____ their biases. Select ALL of the choices that would validly complete this sentence.
A : control
B : hide
C : become aware of
D : eliminate
E : expand

Correct Answer : E

99 : Which of the following demonstrate surface-level diversity? Select as many as apply.
A : The Chicago Bulls basketball team is made up of players with a variety of values and personalities.
B : The people who volunteer for the local animal shelter have a wide variety of expertise that they use to help fundraise for the organization.
C : The marketing team has five members, but only Gary has a title that he can put on his résumé.
D : The manufacturing team at Revlon responsible for making and packaging makeup is comprised of people of a variety of ages, races, and nationalities.
E : The Milwaukee Brewers baseball team has some players who are tall, some who are short, and others who are average in height.

Correct Answer : E

100 : Which of the following demonstrate deep-level diversity? Select as many as apply.
A : The Chicago Bulls basketball team is made up of players with a variety of values and personalities.
B : The people who volunteer for the local animal shelter have a wide variety of expertise that they use to help fundraise for the organization.
C : The marketing team has five members, but only Gary has a title that he can put on his résumé.
D : The manufacturing team at Revlon responsible for making and packaging makeup is comprised of people of a variety of ages, races, and nationalities.
E : Some of the teachers at Kaplan Test Prep have an advanced degreePhD, MS, MD, JDwhile others do not.

Correct Answer : E

MATCHING

101 : Match each barrier to inclusion with the scenario that most clearly illustrates it.
A : Donald has nothing against Mexicans, but A : Ethnocentrism

he thinks hed make more money if there werent so many of them willing to do his job for cheap.	
B : Having traveled the world and experienced many different cultures first-hand, François believes that his native country of France is objectively superior to all others.	B : Stereotyping
C : Susan has nothing against black people, but she thinks theyre less intelligent on average than white people are.	C : The like me bias
D : George assumes that anyone with a Russian name is very good at chess.	D : Prejudice
E : Jayanti, a computer engineer, is Indian. Her coworkers represent a wide swath of cultures and nationalities, but she has befriended only other Indians.	E : Perceived threat of loss

Correct Answer :
A : E

B : A

C : D

D : B

E : C

102 : Match each cultural dimension with the scenario that most clearly illustrates it.

A : It is very important to Chiharu that she fit in with her workgroup.	A : High power distance
B : Paul might not agree with all of the decisions his boss makes, but Paul would never go behind his bosss back or over his head in an attempt to get something done.	B : High individualism
C : Sierra is vital to her teams success, but in the grand scheme of things, her main goal is to get promoted and she could care less what happens to her team after that	C : High masculinity
D : Francisco is more interested in accruing wealth and material possessions than in fostering meaningful relationships in his personal or professional life.	D : High uncertainty avoidance
E : Svea feels much more comfortable with her job when all of her duties are explicitly laid out and there are unambiguous rules defining what she can and cannot do.	E : High collectivism

Correct Answer :
A : E

B : A

C : B

D : C

E : D

FILL IN THE BLANK

103 : The extent to which people in a culture develop tight social frameworks is called _____.

Correct Answer : collectivism

104 : Orientation to authority is another name for the cultural value _____.

Correct Answer : power distance

105 : Orientation to authority is the extent to which people accept as normal an unequal distribution of _____.

Correct Answer : power

106 : _____ orientation is tied to values that are oriented toward the past and the present and include respect for traditions and social obligations.

Correct Answer : Short-term

107 : _____ is the extent to which people feel threatened by unknown situations and prefer to be in clear and unambiguous situations.

Correct Answer : Uncertainty avoidance

108 : Michelle lives in a society where the focus is on the future, and where persistence and thrift are valued. Michelles culture has a(n) _____ orientation.

Correct Answer : long-term

109 : Parental status, religious beliefs, and military experience are examples of _____-level diversity.

Correct Answer : deep

110 : Pureflow collects water at a natural spring, filters it, and bottles it for sale. This work process makes Pureflow an example of a(n) _____ organization.

Correct Answer : manufacturing

111 : Powertrain is a fitness club that offers customers free personal trainers and nutrition consultants. This work process makes Powertrain an example of a(n) _____ organization.

Correct Answer : service

112 : Breakthroughs in _____ technology have resulted in leaner organizations and more collaboration across employees, but also in less personal communication and an increased sense of urgency in communications.

Correct Answer : information

ESSAY

113 : Ethics, or the beliefs as to what constitutes right or wrong in a situation, has taken on renewed importance in recent years due to high-profile ethical breaches by companies. Ethical dilemmas managers face revolve around how an organization treats its employees, how employees treat the organization, and how employees and organizations treat other economic agents. Corporate governance is one special aspect of business ethics and a medium for overseeing a public corporation by a board of directors. The board is entrusted with the task of ensuring the business is properly managed and that the decisions made by its senior management are in the best interests of shareholders and other stakeholders. A breakdown in this governing structure or exercising independence outside the ethical goals and expectations entrusted to the board can lead to problems.

Correct Answer : Answer not provided.

114 : Give an overview of Geert Hofstedes five dimensions of cultural values. How can understanding these values help managers?

Correct Answer : Hofstede’s five categories are individualism/collectivism, power distance, uncertainty avoidance, masculinity, and long-term orientation. Individualism is characterized by people in a culture defining themselves primarily as an individual versus being part of a group. Collectivism is characterized by tight social frameworks in which people tend to base their identities on the group to which they belong. Power distance is the extent to which people accept as normal an unequal distribution of power. Uncertainty avoidance is the extent to which people feel threatened by unknown situations and prefer to be in clear and unambiguous situations. Masculinity is the extent to which the dominant values in a society emphasize aggressiveness and the acquisition of money and other possessions as opposed to concern for people, relationships among people, and overall quality of life. Long-term orientation related to working on projects that have a distant payoff, persistence, and thrift. Bottom line is that managers should discern and understand these differing values and beliefs from diverse cultures because they affect work attitudes and beliefs directly.

115 : Discuss the reasons for the decline of the manufacturing sector and the reasons for the tremendous growth in the service sector.

Correct Answer : Manufacturing embarked a long period of decline in the 1970s primarily due to foreign competition, who had better equipment and higher efficiency levels. Service organizations can play on the many tools, techniques, and methods that manufacturing firms used and can utilize these to increase customer utility. Advances in information technology have helped service firms respond more quickly and efficiently to consumer demands and competitors.

116 : Discuss the growing presence of knowledge workers in todays workforce. How are

knowledge workers different than traditional workers? Explain the special issues managers must deal with when employing knowledge workers.

Correct Answer : Knowledge workers and how well these employees are managed is seen as a major factor in determining which firms will be successful in the future. These workers differ from traditional workers who were valued for what they did or their years of experience. Knowledge workers tend to work in high-technology firms and are usually experts in some abstract knowledge base. They often believe they have the right to work in an autonomous fashion, and they identify more strongly with their profession than with any organization—even to the extent of defining performance primarily in terms recognized by other members of their profession.As the importance of information-driven jobs grows, the need for knowledge workers will grow as well.These employees require extensive and highly specialized training, and not everyone is willing to make the human capital investments necessary to move into these jobs. In fact, even after knowledge workers are on the job, retraining and training updates are critical so that their skills do not become obsolete. It has been suggested, for example, that the “half-life” for a technical education in engineering is about three years. Further, the failure to update the required skills will not only result in the organization’s losing competitive advantage but will also increase the likelihood that the knowledge worker will go to another firm that is more committed to updating those skills. Compensation and related policies for knowledge workers must also be specially tailored.

117 : Discuss outsourcing by explaining its purpose, costs and benefits. Give two examples of outsourcing.

Correct Answer : Outsourcing enables a firm to better focus on its core activities and curbs costs when directed abroad, or offshoring. Those salary demands are lower and there is an abundance of talent to meet the firms’ needs. A publisher sending its textbook page makeup would be an example of outsourcing or offshoring, as would a cafeteria at a museum being outsourced to a company specializing in the food service industry.