

## Chapter 02 Test Bank

Student: \_\_\_\_\_

1. In the context of the origins of management, Wu Qi, a Chinese general, discussed the importance of planning and leading in his book *The Art of War*.

True False

2. In the context of the origins of management, the emergence of the Hawthorne Effect drove managers to strive for further growth.

True False

3. Management could not emerge as a formal discipline even after the industrial revolution ended.

True False

4. In the context of the classical approaches to management, the systematic management approach led to widespread production efficiency.

True False

5. Lillian Gilbreth focused on the human side of management and was interested in how job satisfaction motivated employees.

True False

6. One of the fourteen principles of management identified by Henri Fayol was the subordination of individual interest to the general interest.

True False

7. Sociotechnical systems theory helps a manager make a decision by developing formal mathematical models of a problem.

True False

8. Research on sociotechnical systems theory was a precursor to the total quality management (TQM) movement.

True False

9. If one does not anticipate change and adapt to it, one's firm will not thrive in a competitive business world.

True False

10. Change continually creates both new opportunities and new demands for lowering costs and for achieving greater innovation, quality, and speed.

True False

11. In 1776, \_\_\_\_\_ discussed control and the principle of specialization with regard to manufacturing workers.

- A. Douglas McGregor
- B. Max Weber
- C. Frederick Taylor
- D. Abraham Maslow
- E. Adam Smith

12. \_\_\_\_\_ refer(s) to reductions in the average cost of a unit of production as the total volume produced increases.

- A. Smoothing
- B. Buffering
- C. Systematic management
- D. Economies of scale
- E. Quantitative management

13. \_\_\_\_\_, founded in the late 19th century, was one of the first university programs to offer management and business education.

- A. Harvard Business School at Harvard University
- B. The Wharton School at the University of Pennsylvania
- C. Stanford Graduate School of Business at Stanford University
- D. MIT Sloan School of Management at the Massachusetts Institute of Technology
- E. Kellogg School of Management at Northwestern University

14. Around \_\_\_\_\_, the Greeks recognized management as a separate art and advocated a scientific approach to work.

- A. 4000 BC
- B. 500 BC
- C. 400–350 BC
- D. 1100 BC
- E. 2000 BC

15. In the context of the origins of management, throughout history, most managers operated by a(n)

- A. trial-and-error basis.
- B. organizational behavior basis.
- C. scientific management basis.
- D. bureaucracy basis.
- E. contingency basis.

16. The opportunities for mass production created by the \_\_\_\_\_ spawned intense and systematic thought about management problems and issues.

- A. economies of scale
- B. industrial revolution
- C. resurgence methodology
- D. management and business education schools
- E. sociotechnical systems theory

17. The evolution of management thought is divided into \_\_\_\_\_ major sections.

- A. two
- B. three
- C. four
- D. five
- E. six

18. Reductions in the average cost of a unit production as the total volume produced increases is

- A. systematic management.
- B. economies of scale.
- C. Hawthorne Effect.
- D. human relations.
- E. trial-and-error.

19. Around 1436, the \_\_\_\_\_ standardized production through the use of an assembly line.

- A. Chinese
- B. Egyptians
- C. Venetians
- D. Greeks
- E. Romans

20. Who discussed control and the principle of specialization with regard to manufacturing workers?

- A. Adam Smith
- B. Henri Fayol
- C. Frederick Taylor
- D. Abraham Maslow
- E. Max Weber

21. \_\_\_\_\_ is a classical management approach that attempted to build into operations the specific procedures and processes that would ensure coordination of effort to achieve established goals and plans.

- A. Scientific management
- B. Administrative management
- C. Systematic management
- D. Human relations
- E. Bureaucracy

22. Which of the following helped organizations achieve goals through systematic management?

- A. emphasis on the application of quantitative analysis to managerial decisions and problems
- B. careful definition of duties and responsibilities
- C. preservation of employees' interpersonal relationships and other human aspects of the work
- D. focus on decentralization in decision making
- E. encouragement of participation and provision of opportunities for individual challenge

23. \_\_\_\_\_ introduced the scientific management approach that advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.

- A. Frederick Taylor
- B. Henry L. Gantt
- C. Lillian M. Gilbreth
- D. Max Weber
- E. Henri Fayol

24. Which of the following is true of Frederick Taylor's contributions to scientific management as an approach to management?

- A. Taylor believed that supervisors could be motivated to provide training to underperforming workers.
- B. Taylor created the Gantt chart, which helps managers plan projects by task and time to complete those tasks.
- C. Taylor developed a system to lower costs and increase worker productivity by showing how employees could work smarter, not harder.
- D. Taylor focused less on the technical and more on the human side of management.
- E. Taylor advocated the use of the differential piece rate system.

25. The critics of scientific management claimed that

- A. organizations that need rapid decision making and flexibility may suffer with this approach.
- B. managers may ignore appropriate rules and regulations.
- C. managers were not trained to apply the principles of the theory.
- D. it leads to too much authority being vested in too few people.
- E. it did not help managers deal with broader external issues.

26. Bureaucracy can be defined as

- A. a classical management approach that applied scientific methods to analyze and determine the "one best way" to complete production tasks.
- B. a classical management approach that attempted to understand and explain how human psychological and social processes interact with the formal aspects of the work situation to influence performance.
- C. a classical management approach that attempted to build into operations the specific procedures and processes that would ensure coordination of effort to achieve established goals and plans.
- D. a contemporary management approach that emphasizes the application of quantitative analysis to managerial decisions and problems.
- E. a classical management approach emphasizing a structured, formal network of relationships among specialized positions in the organization.

27. If an organization ensures that a chain of command or hierarchy is well established, which characteristic of an effective bureaucracy does it exhibit?

- A. qualifications
- B. division of labor
- C. authority
- D. ownership
- E. rules and controls

28. Which of the following is a drawback of the bureaucratic approach to management?

- A. Production tasks are reduced to machine-like movements that lead to boredom.
- B. This approach may not help managers deal with competitors and government regulations.
- C. This approach does not accommodate rapid decision making and flexibility.
- D. This approach emphasizes only money as a worker incentive.
- E. This approach ensures that all employees perform their best with excessive rules and regulations.

29. What does initiative as one of Henri Fayol's 14 principles of management refer to?

- A. encouraging employees to act on their own in support of the organization's direction
- B. promoting a unity of interests between employees and management
- C. determining the relative importance of superior and subordinate roles
- D. assigning only one supervisor to each employee
- E. dividing work into specialized tasks and assigning responsibilities to specific individuals

30. \_\_\_\_\_ wrote the book *Dynamic Administration*, which emphasized the continually changing situations that managers face. Two key contributions of the author are the notion that managers desire flexibility and the differences between motivating groups and individuals.

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

31. Which of Henri Fayol's 14 principles of management refers to keeping communications within the chain of command?

- A. discipline
- B. authority
- C. unity of command
- D. scalar chain
- E. equity

32. Which of Henri Fayol's 14 principles of management refers to determining the relative importance of superior and subordinate roles?
- A. centralization
  - B. scalar chain
  - C. initiative
  - D. authority
  - E. discipline
33. The \_\_\_\_\_ approach is aimed at understanding how psychological and social processes interact with the work situation to influence performance.
- A. scientific management
  - B. systematic management
  - C. administrative management
  - D. human relations
  - E. bureaucracy
34. Which term best refers to people's reactions to being observed or studied resulting in superficial rather than meaningful changes in behavior?
- A. esprit de corps
  - B. division of labor
  - C. Hawthorne effect
  - D. subordination of individual interest to the general interest
  - E. scientific management
35. Which approach was the first to emphasize informal work relationships and worker satisfaction and emerged from a scientific management study that resulted in the discovery of the Hawthorne effect?
- A. human relations
  - B. Hawthorne Studies
  - C. bureaucracy
  - D. administrative management
  - E. scientific management



36. In the classical approaches to management, proponents of the \_\_\_\_\_ approach argued that managers should stress primarily employee welfare, motivation, and communication.

- A. scientific management
- B. systematic management
- C. administrative management
- D. human relations
- E. bureaucracy

37. Which of the following is a principle of the human relations approach?

- A. Scientific methods should be applied to analyze work.
- B. Social needs have precedence over economic needs.
- C. Management should cooperate with workers to ensure that jobs match plans.
- D. Wasteful movements can be identified and removed to increase productivity.
- E. Management is a profession and can be taught.

38. Which classical approach to management advocates that management must gain the cooperation of the group and promote job satisfaction and group norms consistent with the goals of the organization?

- A. systematic management
- B. scientific management
- C. administrative management
- D. bureaucracy
- E. human relations

39. Which of the following is true of Abraham Maslow's contribution to the field of human relations?

- A. He emphasized the maintenance of inventories to meet consumer demand.
- B. He was concerned with meeting the explosive growth in demand brought about by the industrial revolution.
- C. He suggested that humans have five levels of needs.
- D. He concluded that management decisions were unsystematic.
- E. He advocated the application of scientific methods to analyze work.

40. According to Abraham Maslow, the most advanced human need is for

- A. esteem.
- B. love or belonging.
- C. self-actualization.
- D. safety.
- E. homeostasis

41. Which is the most basic human need, as suggested by Abraham Maslow?

- A. physical
- B. safety
- C. self-actualization
- D. love and belonging
- E. esteem

42. \_\_\_\_\_ argued that people try to satisfy their lower-level needs and then progress upward to the higher-level needs.

- A. Elton Mayo
- B. William Procter
- C. Frederick Taylor
- D. Abraham Maslow
- E. Fritz Roethlisberger

43. According to the five levels of needs suggested by Abraham Maslow, which is the most advanced need from among the given options?

- A. friendship
- B. personal fulfillment
- C. shelter
- D. food
- E. rest

44. Which of the following is a criticism of the human relations approach to management?

- A. Too much authority may be vested in too few people.
- B. Rules need to be followed in a routine and biased manner.
- C. The important characteristics of the formal organization are ignored.
- D. Procedures may become the ends rather than the means.
- E. Production tasks are reduced to a set of routine procedures that lead to quality control problems.

45. Which of the following approaches to management was criticized for being too simplistic, for a belief that a happy worker was a productive worker?

- A. scientific management approach
- B. systematic management approach
- C. bureaucratic approach
- D. human relations approach
- E. administrative management approach

46. What was the aim of the human relations approach to management?

- A. emphasizing economical operations, adequate staffing, maintenance of inventories to meet consumer demand, and organizational control
- B. applying scientific methods to analyze work and to determine how to complete production tasks efficiently
- C. eliminating the variability that results when managers in the same organization have different skills, experiences, and goals
- D. emphasizing the perspective of senior managers within the organization
- E. understanding how psychological and social processes interact with the work situation to influence performance

47. Which of the following led Taylor to introduce an approach to management known as scientific management?

- A. He believed that specific procedures and processes should be built into operations to ensure coordination of effort.
- B. He concluded that management decisions were unsystematic and that no research existed to determine the best means of production.
- C. He emphasized economical operations, adequate staffing, maintenance of inventories to meet consumer demand, and organizational control.
- D. He believed that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
- E. He advocated that the jobs themselves be standardized so that personnel changes would not disrupt the organization.

48. Which of the following statements is true about systematic management?

- A. It advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- B. It emphasized adequate staffing, maintenance of inventories to meet consumer demand, and organizational control.
- C. It stressed the importance of hiring and training a proper worker to do a particular job.
- D. It assumed workers were motivated by receiving money.
- E. It implemented a pay system in which workers were paid additional wages when they exceeded a standard level of output for each job.

49. In the context of the classical approaches to management, \_\_\_\_\_ did not address all the issues faced by 19th-century managers, but it tried to raise managers' awareness about the most pressing concerns of their job.

- A. human relations
- B. administrative management
- C. scientific management
- D. bureaucracy
- E. systematic management

50. Which of the following is a contribution of Frederick Taylor?

- A. He suggested that managers who encourage participation and allow opportunities for individual challenge and initiative would achieve superior performance.
- B. He developed a system to lower costs and increase worker productivity by showing how employees could work smarter, not harder.
- C. He concluded that management decisions were unsystematic and that no research to determine the best means of production existed.
- D. He created a notion that managers desire flexibility and gave the differences between motivating groups and individuals.
- E. He suggested that frontline supervisors should receive a bonus for each of their workers who completed their assigned daily tasks.

51. Which of the following was an area of interest for Lillian Gilbreth, an influential contributor?

- A. how poor labor coordination caused problems
- B. how job satisfaction motivated employees
- C. how bureaucratic positions can foster specialized skills
- D. how the piece rate system affected productivity
- E. how mass production was encouraged by the industrial revolution

52. Which of the following is a criticism of the bureaucratic approach to management?

- A. Once established, it is very difficult to dismantle such an organizational structure.
- B. The concept that a happy worker is a productive worker is too simplistic.
- C. The economic aspects of the workplace are overemphasized.
- D. Job-related factors were ignored by emphasizing only money.
- E. Production tasks were reduced to routine procedures which led to boredom.

53. The \_\_\_\_\_ effect refers to people's reactions to being observed or studied resulting in superficial rather than meaningful changes in behavior.

- A. John Henry
- B. Pygmalion
- C. Observer-expectancy
- D. Hawthorne
- E. Novelty

54. In the context of Henri Fayol's 14 principles of management, \_\_\_\_\_ refers to making expectations clear and punishing violations.

- A. order
- B. authority
- C. scalar chain
- D. subordination of individual interest to the general interest
- E. discipline

55. \_\_\_\_\_ management emphasized internal operations because managers were concerned primarily with meeting the explosive growth in demand brought about by the industrial revolution.

- A. Scientific
- B. Systematic
- C. Administrative
- D. Bureaucratic
- E. Quantitative

56. \_\_\_\_\_ introduced the scientific management approach in response to the failure of systematic management to bring about widespread production efficiency.

- A. Adam Smith
- B. Frederick Taylor
- C. Max Weber
- D. Henri Fayol
- E. Abraham Maslow

57. As a key element of \_\_\_\_\_ approach, the principle of the piece-rate system primarily promoted the use of standardized workplaces that were hygienic and safe.

- A. Adam Smith's
- B. Frederick Taylor's
- C. Henri Fayol's
- D. Max Weber's
- E. Douglas McGregor's

58. According to \_\_\_\_\_, bureaucratic positions discourage specialized skills because they foster subjective judgments by managers.

- A. Adam Smith
- B. Max Weber
- C. Henri Fayol
- D. Frederick Taylor
- E. Abraham Maslow

59. Abraham Maslow argued that people try to satisfy

- A. their lower-level needs and then progress upward to the higher-level needs.
- B. their higher-level needs and then progress downward to the lower-level needs.
- C. their mid-level needs first, then decide to progress upward or downward.
- D. their mid-level needs and then progress upward to the high-level needs.
- E. their mid-level needs and then progress downward to the lower-level needs.

60. \_\_\_\_\_ approach to management ignored the more rational side of the worker and the important characteristics of the formal organization.

- A. Scientific
- B. Systematic
- C. Human relations
- D. Sociotechnical
- E. Bureaucratic

61. Who suggested that frontline supervisors should receive a bonus for each of their workers who completed their assigned daily tasks?

- A. Adam Smith
- B. Henri Fayol
- C. Henry Gantt
- D. Abraham Maslow
- E. Max Weber

62. Taylor's theory is criticized because it

- A. ignored job-related social and psychological factors by emphasizing only money as a worker incentive.
- B. was vested in too many people.
- C. was too simplistic to be applicable to the real world.
- D. treated the principles as universal truths for management.
- E. promoted a unity of interest between employees and management.

63. According to Henri Fayol's principles of management, which of the following refers to promoting a unity of interest between employees and management?

- A. remuneration
- B. discipline
- C. esprit de corps
- D. centralization
- E. scalar chain

64. According to Henri Fayol's principles of management, which of the following refers to systematically reward efforts that support the organization's direction?

- A. remuneration
- B. centralization
- C. scalar chain
- D. equity
- E. esprit de corps

65. Which of the following is true of the sociotechnical systems theory?

- A. It emphasizes the perspective of senior managers within the organization and argues that management is a profession and can be taught.
- B. It suggests that organizations are effective when their employees have the right tools, training, and knowledge to make products and services that are valued by customers.
- C. It believes that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
- D. It advocates the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- E. It attempts to build specific procedures and processes into operations to ensure coordination of effort.

66. Which of the following is a contemporary approach to management?

- A. scientific management
- B. human relations
- C. administrative management
- D. systematic management
- E. quantitative management

67. This approach to management owes much to other major schools of thought. For example, many of the ideas of the Gilbreths (scientific management) and Barnard and Follett (administrative management) influenced its development from 1930 to 1955. In fact, it emerged from a research project that began as a scientific management study. Which classical approach to management has been described here?

- A. administrative management
- B. systematic management
- C. scientific management
- D. human relations
- E. bureaucracy



68. The classical approaches as a whole were criticized because

- A. they overemphasized the relationship between an organization and its external environment.
- B. they assumed employees wanted to work and could direct and control themselves.
- C. most managers were not trained in using the classical approaches.
- D. they usually stressed one aspect of an organization or its employees at the expense of other considerations.
- E. many aspects of a management decision could not be expressed through mathematical symbols and formulas.

69. Which of the following statements is true of the systems theory?

- A. It emphasizes that an organization is one system in a series of subsystems.
- B. It implements a piece-rate system in which workers are paid additional wages when they exceed a standard level of output for each job.
- C. It enforces a system that suggests that frontline supervisors should receive a bonus for each of their workers who completed their assigned daily tasks.
- D. It develops a system to lower costs and increase worker productivity by showing how employees could work smarter, not harder.
- E. It suggests that organizations are effective when they have the social system and the technical system to make products and services that are valued by customers.

70. Which of the following is an input used by organizations?

- A. raw materials
- B. trademarks
- C. esprit de corps
- D. contingencies
- E. incentives

71. Research on \_\_\_\_\_ promoted the use of teamwork and semiautonomous work groups as important factors for creating efficient production systems.

- A. organizational behavior
- B. bureaucracy
- C. sociotechnical systems theory
- D. human relations
- E. administrative management

72. Which is the correct statement about the sociotechnical systems theory?

- A. Most organizations did not adopt the sociotechnical systems theory for management problems until the year 2000.
- B. It was the first major approach to emphasize informal work relationships and worker satisfaction.
- C. It was developed in the early 1950s by researchers from the London-based Tavistock Institute of Human Relations.
- D. It emphasized the perspective of senior managers within an organization.
- E. It emphasized a structured, formal network of relationships among specialized positions in an organization.

73. In the context of contemporary approaches to management, managers may use \_\_\_\_\_ to compare alternatives and eliminate weaker options.

- A. quantitative management
- B. organizational behavior
- C. the sociotechnical systems theory
- D. the contingency perspective
- E. administrative management

74. What explains the limited use of quantitative management?

- A. It is difficult to discontinue the use of this process once it has been established.
- B. Many of the decisions managers face are nonroutine and unpredictable.
- C. Managers are oriented more toward things than toward people.
- D. It holds that all aspects of a management decision should mandatorily be expressed through mathematical symbols and formulas.
- E. It believes that economic needs have precedence over social needs.

75. Which contemporary approach to management has been used in a limited manner because many aspects of a management decision cannot be expressed through mathematical symbols and formulas?

- A. Organizational behavior
- B. Systematic management
- C. Quantitative management
- D. Human relations
- E. Administrative management

76. \_\_\_\_\_ is a contemporary management approach that studies and identifies management activities that promote employee effectiveness by examining the complex and dynamic nature of individual, group, and organizational processes.

- A. Quantitative management
- B. Organizational behavior
- C. Systems theory
- D. Contingency perspective
- E. Sociotechnical systems theory

77. A manager assumes workers are lazy and irresponsible and require constant supervision and external motivation to achieve organizational goals. Which of the following does the manager most likely follow?

- A. Theory X
- B. sociotechnical systems approach
- C. bureaucracy approach
- D. human relations approach
- E. systems theory

78. When a manager treats employees as lazy, unmotivated, and in need of tight supervision, the employees eventually meet the manager's expectations by acting that way. According to Douglas McGregor, this is known as

- A. a contingency.
- B. an open system.
- C. a physiological need.
- D. a self-fulfilling prophecy.
- E. a bureaucratic approach.

79. McGregor advocated a \_\_\_\_\_, suggesting that managers who encourage participation and allow opportunities for individual challenge and initiative would achieve superior performance.

- A. Theory X perspective
- B. Theory Y perspective
- C. bureaucratic approach
- D. human relations approach
- E. contingency perspective

80. What is a feature of organizational behavior?

- A. The more recent contributions made by organizational behavior have a narrower viewpoint.
- B. Unlike other approaches, it has always been appreciated for its broad perspective.
- C. It does not address factors like employee involvement and self-management.
- D. Through the years, organizational behavior has consistently emphasized development of an organizations' human resources to achieve organizational rather than individual goals.
- E. In the past few years, many of the primary issues addressed by organizational behavior have experienced a rebirth with a greater interest in leadership.

81. Which of the following statements is true of organizational behavior?

- A. It does not address factors like self-management.
- B. Unlike other approaches, it has always been appreciated for its broad perspective.
- C. The more recent contributions have a narrower viewpoint.
- D. It emphasizes development of an organization's human resources to achieve individual goals.
- E. In the past few years, its primary focus has shifted away from leadership and employee involvement.

82. Which of the following is a criticism of the classical approaches to management as a whole?

- A. The relationship between an organization and its external environment is ignored.
- B. Most managers are not trained to use these techniques.
- C. Many aspects of a management decision cannot be expressed through mathematical symbols and formulas.
- D. Many of the decisions managers face are nonroutine and unpredictable.
- E. There is only "one best way" to manage and organize because circumstances vary.

83. Organizations are open systems, and they are dependent on \_\_\_\_\_ from the outside world, such as raw materials, human resources, and capital.

- A. contingencies
- B. inputs
- C. intangibles
- D. control systems
- E. outputs

84. The \_\_\_\_\_ refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance.

- A. contingency perspective
- B. scientific management approach
- C. human relations approach
- D. organizational behavior approach
- E. sociotechnical systems theory

85. \_\_\_\_\_, in the context of the systems theory, are situational characteristics.

- A. Systems
- B. Additions
- C. Experiments
- D. Inventories
- E. Contingencies

86. In the systems theory, understanding \_\_\_\_\_ helps a manager know which sets of circumstances dictate which management actions.

- A. inputs
- B. physical needs
- C. economies
- D. contingencies
- E. outputs

87. The values, goals, skills, and attitudes of managers and workers in an organization are examples of

- A. inventories.
- B. outputs.
- C. esprit de corps.
- D. tasks.
- E. contingencies.

88. Managers rely on the methods of qualitative management as the \_\_\_\_\_ approach to decision making.

- A. primary
- B. supplemental
- C. definitive
- D. only
- E. worst

89. Many aspects of a management decision \_\_\_\_\_ expressed through mathematical symbols and formulas.

- A. can be
- B. cannot be
- C. must be
- D. should be
- E. want to be

90. Managers who subscribe to McGregor's Theory X must watch for the important implication of

- A. contingency perspective.
- B. self-fulfilling prophecy.
- C. superior performance.
- D. individual challenges.
- E. human relations approach.

91. According to the contingency perspective, there is(are) \_\_\_\_\_ best way(s) to manage and organize.

- A. only one
- B. no
- C. many
- D. two
- E. a few

92. Understanding \_\_\_\_\_ helps a manager know which sets of circumstances dictate which management actions.

- A. contingencies
- B. self-fulfilling prophecies
- C. employees
- D. management styles
- E. control systems

93. Which of the following was a major contribution of management guru, Peter Drucker?

- A. the discovery that great companies are managed by “level 5 leaders” who often display humility while simultaneously inspiring those in the organization to apply self-discipline
- B. the focus on the areas of organizational learning and change
- C. the ability to urge U.S. firms to fight their competition by refocusing their business strategies on several drivers of success like people and customers
- D. the focus on the “strategic and organizational challenges confronting managers in multinational corporations”
- E. the need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives

94. Which of the following is true of Peter Senge’s contributions to management thought and practices?

- A. He has made several significant contributions to the areas of organizational learning and change.
- B. He was the first person to discuss “management by objective” (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
- C. He established the need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives.
- D. He advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- E. He contends that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.

95. Identify the right statement about the contribution made by Jack Welch toward management thought and practices.

- A. He is known for being the first person to discuss “management by objective” (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
- B. He established the need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives.
- C. He contends that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
- D. He advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- E. He is widely viewed as having mastered “all of the critical aspects of leadership: people, process, strategy and structure.”

96. Which of the following was a key feature in Stephen Covey's book, *The Seven Habits of Highly Effective People: Powerful Lessons in Personal Change*?

- A. He analyzed 1,435 companies to understand why some companies reach high levels of sustained performance while other companies fail to reach greatness.
- B. He discussed "management by objective" (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
- C. He focused on the strategic and organizational challenges confronting managers in multinational corporations.
- D. He discussed how a leader's success hinges on balancing between personal and professional effectiveness.
- E. He urged U.S. firms to fight their competition by refocusing their business strategies on several drivers of success: people, customers, values, culture, action, and an entrepreneurial spirit.

97. In the context of managerial approaches, which of the following is true of change?

- A. The best managers today embrace change by moving from contemporary managerial approaches to classic managerial approaches.
- B. If one does not anticipate change and adapt to it, one's firm will not thrive in a competitive business environment.
- C. Management knowledge and practices remain constant in the face of change.
- D. Change prevents businesses from achieving greater quality and speed.
- E. Change is happening at a slower rate than at any other time in history.

98. \_\_\_\_\_ discovered that "level 5 leaders" often leave enduring legacies without drawing a lot of attention to themselves.

- A. Jim Collins
- B. Steven Covey
- C. Abraham Maslow
- D. Chris Argyris
- E. Peter Senge

99. Peter Drucker was the first person to discuss \_\_\_\_\_, by which a manager should be self-driven to accomplish key goals that link to organizational success.

- A. level 5 leaders
- B. competitive strategy
- C. management by objective
- D. management educator
- E. the Hawthorne Effect



100. \_\_\_\_\_ championed several ideas that continue to be influential to this day, including decentralization, employees as assets, corporation as a human community, and the importance of knowledge workers in the new information economy.

- A. Christopher A. Bartlett
- B. Peter Drucker
- C. Michael Porter
- D. Gary Hamel
- E. Jim Collins

101. \_\_\_\_\_ founded the "Society of Organizational Learning."

- A. Christopher A. Bartlett
- B. Peter Drucker
- C. Peter Senge
- D. Henri Fayol
- E. Michael Porter

Use the following information to answer the following questions.

Alex, an employee at Madill Corp., was facing a problem with a coworker. He decided to report his coworker's misbehavior to the department manager, instead of his immediate supervisor. However, he was instructed to consult his supervisor first and solve the matter, if possible. He was advised to raise the matter with the higher authorities only if his supervisor could not settle it.

102. In the context of Scenario A, which of the following approaches to management does Madill Corp. follow?

- A. scientific management
- B. human relations
- C. quantitative management
- D. bureaucracy
- E. biotechnical systems theory

103. In the context of Scenario A, which of the following is true of the organizational structure of Madill Corp.?

- A. employee loyalty and longevity is promoted.
- B. a unity of interests between employees and management is promoted.
- C. employees are encouraged to act on their own in support of the organization's direction.
- D. a chain of command or hierarchy is well established.
- E. efforts that support the organization's direction are systematically rewarded.

104. The work on bureaucracies by \_\_\_\_\_ can be applied to Scenario A.

- A. max Weber
- B. frederick Taylor
- C. henri Fayol
- D. lillian Gilbreth
- E. jim Collins

Use the following information to answer the following questions.

Amelie, a manager in a company, had to complete an important project that had a “near impossible” deadline. Instead of assuming that offering financial incentives would be the best way to get the work done, she devoted some time to understand what motivated each of her team members to work harder. She found that some people craved recognition more than money, whereas others wanted more influence in the organization. With this information, she was able to offer the right incentive to each person. As a result, her team was able to meet the deadline.

105. In the context of Scenario B, which of the following approaches to management does Amelie subscribe to?

- A. Hawthorne effect
- B. contingency perspective
- C. centralization
- D. bureaucracy
- E. economies of scale

106. In the context of Scenario B, which of the following is true of Amelie’s beliefs?

- A. Managers should be oriented more toward things than toward people.
- B. A pay system in which workers were paid additional wages when they exceeded a standard level of output for each job should be implemented.
- C. Managers may ignore appropriate rules and regulations.
- D. A piece-rate system will motivate supervisors to provide extra attention to struggling workers.
- E. There is no “one best way” to manage and organize because circumstances vary.

107. In the context of Scenario B, what theory is Amelie using to manage?

- A. Bureaucracy Theory
- B. Hawthorne Effect Theory
- C. Systems Theory
- D. Economies of Scale Theory
- E. Douglas McGregor's Theory X

Use the following information to answer the following questions.

Janice, an intelligent, enthusiastic, and hardworking person, recently joined a company. Despite working well, she was constantly yelled at by her manager. In addition, her manager expected her to submit a report of her activities at the end of each day. He also checked on Janice at frequent intervals during the day to see how her work was progressing. After a few months of such treatment, Janice began to lose interest in her work. She began to frequently miss deadlines and the quality of her work deteriorated.

108. In the context of Scenario C, which of the following principles of management does Janice's manager believe in?

- A. scientific management
- B. Douglas McGregor's Theory X
- C. Abraham Maslow's Hierarchy of Needs theory
- D. Henri Fayol's principle of esprit de corps
- E. systematic management

109. In the context of Scenario C, the phenomenon in which Janice meets her manager's expectations by behaving in an irresponsible manner is known as a(n)

- A. self-fulfilling prophecy.
- B. contingency.
- C. administrative effect.
- D. flexible process.
- E. economy of scale.

110. In the context of Scenario C, Janice is losing interest in her job as a result of her manager's beliefs about his workers. Janice can try to change this belief by subscribing to which approach?

- A. qualitative management
- B. Theory X and Theory Y
- C. Systems Theory
- D. organizational behavior
- E. the Hawthorne effect

111. Describe the systematic approach to management.

112. What are the four principles of scientific management as identified by Frederick Taylor?
113. In the context of Frederick Taylor's theory of scientific management, discuss time-and-motion studies and the differential piecework system.
114. What was Henry L. Gantt's contribution to scientific management?
115. What are the shortcomings of Max Weber's bureaucratic approach to management?
116. List and define Henri Fayol's 14 principles of management.
117. How did the "Hawthorne Studies" lead to the discovery of the Hawthorne Effect?
118. Summarize quantitative management as a contemporary approach to management.
119. Write a short note on Douglas McGregor's Theory X and Theory Y.
120. How did the contingency approach build on the ideas of the systems theory?
121. List and describe the contribution of Jim Collins.
122. Who was Peter Senge and what were his contributions to management?
123. Peter Drucker was a respected management guru. Explain the influence that his contributions have had on the practice of management.
124. The theme of change is everpresent.. What are the essential facts about change and what are their implications on your career?
125. You are a new manager, what books will you read to learn about different management techniques and why?

# Chapter 02 Test Bank **Key**

1. In the context of the origins of management, Wu Qi, a Chinese general, discussed the importance of planning and leading in his book *The Art of War*.

**FALSE**

In 500 BC, Sun Tzu discussed the importance of planning and leading in his book *The Art of War*.

AACSB: Analytical Thinking  
AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy  
Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.  
Topic: Organizational Culture

2. In the context of the origins of management, the emergence of the Hawthorne Effect drove managers to strive for further growth.

**FALSE**

The emergence of economies of scale—reductions in the average cost of a unit of production as the total volume produced increases—drove managers to strive for further growth.

AACSB: Analytical Thinking  
AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Understand  
Difficulty: 2 Medium  
Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.  
Topic: Organizational Culture

3. Management could not emerge as a formal discipline even after the industrial revolution ended.

**FALSE**

Toward the end of the industrial revolution, management emerged as a formal discipline.

*AACSB: Analytical Thinking  
AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Understand  
Difficulty: 2 Medium  
Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.  
Topic: Management*

4. In the context of the classical approaches to management, the systematic management approach led to widespread production efficiency.

**FALSE**

Systematic management failed to lead to widespread production efficiency.

*AACSB: Analytical Thinking  
AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Understand  
Difficulty: 2 Medium  
Learning Objective: 02-02 Summarize the five classical approaches to management.  
Topic: Classical Decision-Making Model*

5. Lillian Gilbreth focused on the human side of management and was interested in how job satisfaction motivated employees.

**TRUE**

Known as the "mother of modern management," Lillian Gilbreth eventually focused less on the technical and more on the human side of management. She was interested in how job satisfaction motivated employees, how motion studies could be used to help disabled individuals perform jobs, and how fatigue and stress affected workers' well-being and productivity.

*AACSB: Analytical Thinking  
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Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy  
Learning Objective: 02-02 Summarize the five classical approaches to management.  
Topic: Management*

6. One of the fourteen principles of management identified by Henri Fayol was the subordination of individual interest to the general interest.

**TRUE**

Fayol identified 14 principles of management: division of work, authority, discipline, unity of command, unity of direction, subordination of individual interest to the general interest, remuneration, centralization, scalar chain, order, equity, stability and tenure of personnel, initiative, and esprit de corps.

*AACSB: Analytical Thinking  
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Accessibility: Keyboard Navigation  
Blooms: Remember  
Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.  
Topic: Management*

7. Sociotechnical systems theory helps a manager make a decision by developing formal mathematical models of a problem.

**FALSE**

Quantitative management helps a manager make a decision by developing formal mathematical models of a problem.

*AACSB: Analytical Thinking  
AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Understand  
Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.  
Topic: Management*

8. Research on sociotechnical systems theory was a precursor to the total quality management (TQM) movement.

**TRUE**

While research on sociotechnical systems theory was a precursor to the total quality management (TQM) movement, it also promoted the use of teamwork and semiautonomous work groups as important factors for creating efficient production systems.

*AACSB: Analytical Thinking  
AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Understand  
Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.  
Topic: Total Quality Management (TQM)*



9. If one does not anticipate change and adapt to it, one's firm will not thrive in a competitive business world.

**TRUE**

The essential facts about change are these: First, change is happening more rapidly and dramatically than at any other time in history. Second, if you don't anticipate change and adapt to it, you and your firm will not thrive in a competitive business world.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

10. Change continually creates both new opportunities and new demands for lowering costs and for achieving greater innovation, quality, and speed.

**TRUE**

Change continually creates both new opportunities and new demands for lowering costs and for achieving greater innovation, quality, and speed.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

11. In 1776, \_\_\_\_\_ discussed control and the principle of specialization with regard to manufacturing workers.

- A. Douglas McGregor
- B. Max Weber
- C. Frederick Taylor
- D. Abraham Maslow
- E. Adam Smith

In 1776, Adam Smith discussed control and the principle of specialization with regard to manufacturing workers.

*AACSB: Analytical Thinking*  
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*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*  
*Topic: Organizational Culture*

12. \_\_\_\_\_ refer(s) to reductions in the average cost of a unit of production as the total volume produced increases.

- A. Smoothing
- B. Buffering
- C. Systematic management
- D. Economies of scale
- E. Quantitative management

The emergence of economies of scale—reductions in the average cost of a unit of production as the total volume produced increases—drove managers to strive for further growth.

*AACSB: Analytical Thinking*  
*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*  
*Topic: Organizational Culture*

13. \_\_\_\_\_, founded in the late 19th century, was one of the first university programs to offer management and business education.

- A. Harvard Business School at Harvard University
- B. The Wharton School at the University of Pennsylvania**
- C. Stanford Graduate School of Business at Stanford University
- D. MIT Sloan School of Management at the Massachusetts Institute of Technology
- E. Kellogg School of Management at Northwestern University

The first university programs to offer management and business education, the Wharton School at the University of Pennsylvania and the Amos Tuck School at Dartmouth, were founded in the late 19th century.

*AACSB: Analytical Thinking*  
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*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*  
*Topic: Management*

14. Around \_\_\_\_\_, the Greeks recognized management as a separate art and advocated a scientific approach to work.

- A. 4000 BC
- B. 500 BC
- C. 400–350 BC**
- D. 1100 BC
- E. 2000 BC

Around 400–350 BC, the Greeks recognized management as a separate art and advocated a scientific approach to work.

*AACSB: Analytical Thinking*  
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*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*  
*Topic: Management*

15. In the context of the origins of management, throughout history, most managers operated by a(n)

- A. trial-and-error basis.
- B. organizational behavior basis.
- C. scientific management basis.
- D. bureaucracy basis.
- E. contingency basis.

Throughout history, most managers operated by a trial-and-error basis.

*AACSB: Analytical Thinking*  
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*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*  
*Topic: Management*

16. The opportunities for mass production created by the \_\_\_\_\_ spawned intense and systematic thought about management problems and issues.

- A. economies of scale
- B. industrial revolution
- C. resurgence methodology
- D. management and business education schools
- E. sociotechnical systems theory

The opportunities for mass production created by the industrial revolution spawned intense and systematic thought about management problems and issues—particularly efficiency, production processes, and cost savings.

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*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*  
*Topic: Management*

17. The evolution of management thought is divided into \_\_\_\_\_ major sections.

- A. two
- B. three
- C. four
- D. five
- E. six

The historical perspective of the evolution of management thought is divided into two major sections, namely, classical approaches and contemporary approaches.

*AACSB: Analytical Thinking*  
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*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*  
*Topic: Management*

18. Reductions in the average cost of a unit production as the total volume produced increases is

- A. systematic management.
- B. economies of scale.
- C. Hawthorne Effect.
- D. human relations.
- E. trial-and-error.

Economies of scale refers to reductions in the average cost of a unit production as the total volume produced increases.

*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*  
*Topic: Organizational Culture*

19. Around 1436, the \_\_\_\_\_ standardized production through the use of an assembly line.

- A. Chinese
- B. Egyptians
- C. Venetians
- D. Greeks
- E. Romans

Around 1436, the Venetians standardized production through the use of an assembly line.

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Organizational Culture*

20. Who discussed control and the principle of specialization with regard to manufacturing workers?

- A. Adam Smith
- B. Henri Fayol
- C. Frederick Taylor
- D. Abraham Maslow
- E. Max Weber

In 1776, Adam Smith discussed control and the principle of specialization with regard to manufacturing workers.

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Management*

21. \_\_\_\_\_ is a classical management approach that attempted to build into operations the specific procedures and processes that would ensure coordination of effort to achieve established goals and plans.

- A. Scientific management
- B. Administrative management
- C. Systematic management
- D. Human relations
- E. Bureaucracy

Systematic management is a classical management approach that attempted to build into operations the specific procedures and processes that would ensure coordination of effort to achieve established goals and plans.

*AACSB: Analytical Thinking*  
*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Classical Decision-Making Model*

22. Which of the following helped organizations achieve goals through systematic management?

- A. emphasis on the application of quantitative analysis to managerial decisions and problems
- B. careful definition of duties and responsibilities
- C. preservation of employees' interpersonal relationships and other human aspects of the work
- D. focus on decentralization in decision making
- E. encouragement of participation and provision of opportunities for individual challenge

Systematic management emphasized economical operations, adequate staffing, maintenance of inventories to meet consumer demand, and organizational control. These goals were achieved through careful definition of duties and responsibilities, standardized techniques for performing these duties, and other techniques.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Classical Decision-Making Model*

23. \_\_\_\_\_ introduced the scientific management approach that advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.

- A. Frederick Taylor
- B. Henry L. Gantt
- C. Lillian M. Gilbreth
- D. Max Weber
- E. Henri Fayol

Frederick Taylor introduced an approach to management known as scientific management. This approach advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.

*AACSB: Analytical Thinking*  
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*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Scientific Management*

24. Which of the following is true of Frederick Taylor's contributions to scientific management as an approach to management?

- A. Taylor believed that supervisors could be motivated to provide training to underperforming workers.
- B. Taylor created the Gantt chart, which helps managers plan projects by task and time to complete those tasks.
- C. Taylor developed a system to lower costs and increase worker productivity by showing how employees could work smarter, not harder.
- D. Taylor focused less on the technical and more on the human side of management.
- E. Taylor advocated the use of the differential piecerate system.

A key element of Taylor's approach was the use of the differential piecerate system.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Scientific Management*



25. The critics of scientific management claimed that

- A. organizations that need rapid decision making and flexibility may suffer with this approach.
- B. managers may ignore appropriate rules and regulations.
- C. managers were not trained to apply the principles of the theory.
- D. it leads to too much authority being vested in too few people.
- E. it did not help managers deal with broader external issues.

Not everyone was convinced that scientific management was the best solution to all business problems. Although scientific management resulted in intense scrutiny of the internal efficiency of organizations, it did not help managers deal with broader external issues such as competitors and government regulations, especially at the senior management level.

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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Scientific Management*

26. Bureaucracy can be defined as

- A. a classical management approach that applied scientific methods to analyze and determine the “one best way” to complete production tasks.
- B. a classical management approach that attempted to understand and explain how human psychological and social processes interact with the formal aspects of the work situation to influence performance.
- C. a classical management approach that attempted to build into operations the specific procedures and processes that would ensure coordination of effort to achieve established goals and plans.
- D. a contemporary management approach that emphasizes the application of quantitative analysis to managerial decisions and problems.
- E. a classical management approach emphasizing a structured, formal network of relationships among specialized positions in the organization.

Bureaucracy can be defined as a classical management approach emphasizing a structured, formal network of relationships among specialized positions in the organization.

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*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Classical Decision-Making Model*

27. If an organization ensures that a chain of command or hierarchy is well established, which characteristic of an effective bureaucracy does it exhibit?

- A. qualifications
- B. division of labor
- C. authority
- D. ownership
- E. rules and controls

Max Weber showed how management itself could be more efficient and consistent. The ideal model for management, according to Weber, is the bureaucracy approach. Weber advocated that the jobs themselves be standardized so that personnel changes would not disrupt the organization. One of the characteristics of an effective bureaucracy is authority, which refers to a chain of command or hierarchy that is well established.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Classical Decision-Making Model*

28. Which of the following is a drawback of the bureaucratic approach to management?

- A. Production tasks are reduced to machine-like movements that lead to boredom.
- B. This approach may not help managers deal with competitors and government regulations.
- C. This approach does not accommodate rapid decision making and flexibility.
- D. This approach emphasizes only money as a worker incentive.
- E. This approach ensures that all employees perform their best with excessive rules and regulations.

Organizations or departments that need rapid decision making and flexibility may suffer under a bureaucratic approach. Some people may not perform their best with excessive bureaucratic rules and procedures.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Classical Decision-Making Model*

29. What does initiative as one of Henri Fayol's 14 principles of management refer to?

- A. encouraging employees to act on their own in support of the organization's direction
- B. promoting a unity of interests between employees and management
- C. determining the relative importance of superior and subordinate roles
- D. assigning only one supervisor to each employee
- E. dividing work into specialized tasks and assigning responsibilities to specific individuals

Initiative involves encouraging employees to act on their own in support of the organization's direction.

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Blooms: Understand  
Difficulty: 2 Medium  
Learning Objective: 02-02 Summarize the five classical approaches to management.  
Topic: Management

30. \_\_\_\_\_ wrote the book *Dynamic Administration*, which emphasized the continually changing situations that managers face. Two key contributions of the author are the notion that managers desire flexibility and the differences between motivating groups and individuals.

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

Mary Parker Follett's 1942 book, "*Dynamic Administration*," extended Barnard's work by emphasizing the continually changing situations that managers face. Two of her key contributions—the notion that managers desire flexibility and the differences between motivating groups and individuals—laid the groundwork for the modern contingency approach.

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Blooms: Remember  
Difficulty: 1 Easy  
Learning Objective: 02-02 Summarize the five classical approaches to management.  
Topic: Management

31. Which of Henri Fayol's 14 principles of management refers to keeping communications within the chain of command?

- A. discipline
- B. authority
- C. unity of command
- D. scalar chain**
- E. equity

An explicit and broad framework for administrative management emerged in 1916, when Henri Fayol, a French mining engineer and executive, published a book summarizing his management experiences. Fayol identified five functions and 14 principles of management. One of these principles is the scalar chain, which refers to keeping communications within the chain of command.

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*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

32. Which of Henri Fayol's 14 principles of management refers to determining the relative importance of superior and subordinate roles?

- A. centralization**
- B. scalar chain
- C. initiative
- D. authority
- E. discipline

An explicit and broad framework for administrative management emerged in 1916, when Henri Fayol, a French mining engineer and executive, published a book summarizing his management experiences. Fayol identified five functions and 14 principles of management. One of these principles is centralization, which refers to determining the relative importance of superior and subordinate roles.

*AACSB: Analytical Thinking*  
*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

33. The \_\_\_\_\_ approach is aimed at understanding how psychological and social processes interact with the work situation to influence performance.

- A. scientific management
- B. systematic management
- C. administrative management
- D. human relations
- E. bureaucracy

A fourth approach to management, human relations, developed during the 1930s. This approach aimed at understanding how psychological and social processes interact with the work situation to influence performance.

*AACSB: Analytical Thinking*  
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*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

34. Which term best refers to people's reactions to being observed or studied resulting in superficial rather than meaningful changes in behavior?

- A. esprit de corps
- B. division of labor
- C. Hawthorne effect
- D. subordination of individual interest to the general interest
- E. scientific management

The Hawthorne effect refers to people's reactions to being observed or studied resulting in superficial rather than meaningful changes in behavior.

*AACSB: Analytical Thinking*  
*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Hawthorne Studies*

35. Which approach was the first to emphasize informal work relationships and worker satisfaction and emerged from a scientific management study that resulted in the discovery of the Hawthorne effect?

- A. human relations
- B. Hawthorne Studies
- C. bureaucracy
- D. administrative management
- E. scientific management

Human relations is an approach that aimed at understanding how psychological and social processes interact with the work situation to influence performance. Human relations was the first major approach to emphasize informal work relationships and worker satisfaction. In fact, human relations emerged from a research project that began as a scientific management study.

*AACSB: Analytical Thinking*  
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*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Human Relations Movement*

36. In the classical approaches to management, proponents of the \_\_\_\_\_ approach argued that managers should stress primarily employee welfare, motivation, and communication.

- A. scientific management
- B. systematic management
- C. administrative management
- D. human relations
- E. bureaucracy

Human relations proponents argued that managers should stress primarily employee welfare, motivation, and communication.

*AACSB: Analytical Thinking*  
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*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Classical Decision-Making Model*  
*Topic: Human Relations Movement*

37. Which of the following is a principle of the human relations approach?

- A. Scientific methods should be applied to analyze work.
- B. Social needs have precedence over economic needs.**
- C. Management should cooperate with workers to ensure that jobs match plans.
- D. Wasteful movements can be identified and removed to increase productivity.
- E. Management is a profession and can be taught.

Human relations proponents argued that managers should stress primarily employee welfare, motivation, and communication. They believed social needs had precedence over economic needs.

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*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Classical Decision-Making Model*

38. Which classical approach to management advocates that management must gain the cooperation of the group and promote job satisfaction and group norms consistent with the goals of the organization?

- A. systematic management
- B. scientific management
- C. administrative management
- D. bureaucracy
- E. human relations**

Human relations proponents argued that managers should stress primarily employee welfare, motivation, and communication. They believed social needs had precedence over economic needs. Therefore, management must gain the cooperation of the group and promote job satisfaction and group norms consistent with the goals of the organization.

*AACSB: Analytical Thinking*  
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*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Human Relations Movement*

39. Which of the following is true of Abraham Maslow's contribution to the field of human relations?

- A. He emphasized the maintenance of inventories to meet consumer demand.
- B. He was concerned with meeting the explosive growth in demand brought about by the industrial revolution.
- C. He suggested that humans have five levels of needs.
- D. He concluded that management decisions were unsystematic.
- E. He advocated the application of scientific methods to analyze work.

Another noted contributor to the field of human relations was Abraham Maslow. In 1943, Maslow suggested that humans have five levels of needs.

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*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Maslow's Hierarchy of Needs*

40. According to Abraham Maslow, the most advanced human need is for

- A. esteem.
- B. love or belonging.
- C. self-actualization.
- D. safety.
- E. homeostasis

Another noted contributor to the field of human relations was Abraham Maslow. In 1943, Maslow suggested that humans have five levels of needs. The most basic needs are the physical needs for food, water, and shelter; the most advanced need is for self-actualization, or personal fulfillment.

*AACSB: Analytical Thinking*  
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*Blooms: Remember*  
*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Maslow's Hierarchy of Needs*



41. Which is the most basic human need, as suggested by Abraham Maslow?

- A. physical
- B. safety
- C. self-actualization
- D. love and belonging
- E. esteem

Another noted contributor to the field of human relations was Abraham Maslow. In 1943, Maslow suggested that humans have five levels of needs. The most basic needs are the physical needs for food, water, and shelter; the most advanced need is for self-actualization, or personal fulfillment.

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*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Maslow's Hierarchy of Needs*

42. \_\_\_\_\_ argued that people try to satisfy their lower-level needs and then progress upward to the higher-level needs.

- A. Elton Mayo
- B. William Procter
- C. Frederick Taylor
- D. Abraham Maslow
- E. Fritz Roethlisberger

In 1943, Abraham Maslow suggested that humans have five levels of needs. Maslow argued that people try to satisfy their lower-level needs and then progress upward to the higher-level needs.

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*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Maslow's Hierarchy of Needs*

43. According to the five levels of needs suggested by Abraham Maslow, which is the most advanced need from among the given options?

- A. friendship
- B. personal fulfillment**
- C. shelter
- D. food
- E. rest

In 1943, Abraham Maslow suggested that humans have five levels of needs. The most basic needs are the physical needs for food, water, and shelter; the most advanced need is for self-actualization, or personal fulfillment.

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Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.  
Topic: Maslow's Hierarchy of Needs*

44. Which of the following is a criticism of the human relations approach to management?

- A. Too much authority may be vested in too few people.
- B. Rules need to be followed in a routine and biased manner.
- C. The important characteristics of the formal organization are ignored.**
- D. Procedures may become the ends rather than the means.
- E. Production tasks are reduced to a set of routine procedures that lead to quality control problems.

Human relations ignored the more rational side of the worker and the important characteristics of the formal organization.

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Blooms: Understand  
Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.  
Topic: Human Relations Movement*

45. Which of the following approaches to management was criticized for being too simplistic, for a belief that a happy worker was a productive worker?

- A. scientific management approach
- B. systematic management approach
- C. bureaucratic approach
- D. human relations approach
- E. administrative management approach

Critics believed that one result of human relations—a belief that a happy worker was a productive worker—was too simplistic.

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*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Human Relations Movement*

46. What was the aim of the human relations approach to management?

- A. emphasizing economical operations, adequate staffing, maintenance of inventories to meet consumer demand, and organizational control
- B. applying scientific methods to analyze work and to determine how to complete production tasks efficiently
- C. eliminating the variability that results when managers in the same organization have different skills, experiences, and goals
- D. emphasizing the perspective of senior managers within the organization
- E. understanding how psychological and social processes interact with the work situation to influence performance

Human relations was a significant step in the development of management thought because it prompted managers and researchers to consider the psychological and social factors that influence performance.

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*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Human Relations Movement*

47. Which of the following led Taylor to introduce an approach to management known as scientific management?

- A. He believed that specific procedures and processes should be built into operations to ensure coordination of effort.
- B. He concluded that management decisions were unsystematic and that no research existed to determine the best means of production.**
- C. He emphasized economical operations, adequate staffing, maintenance of inventories to meet consumer demand, and organizational control.
- D. He believed that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
- E. He advocated that the jobs themselves be standardized so that personnel changes would not disrupt the organization.

Taylor discovered that production and pay were poor, inefficiency and waste were prevalent, and most companies had tremendous unused potential. He concluded that management decisions were unsystematic and that no research existed to determine the best means of production. In response, Taylor introduced a second approach to management, known as scientific management.

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Blooms: Understand  
Difficulty: 2 Medium  
Learning Objective: 02-02 Summarize the five classical approaches to management.  
Topic: Scientific Management*

48. Which of the following statements is true about systematic management?

- A. It advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- B. It emphasized adequate staffing, maintenance of inventories to meet consumer demand, and organizational control.**
- C. It stressed the importance of hiring and training a proper worker to do a particular job.
- D. It assumed workers were motivated by receiving money.
- E. It implemented a pay system in which workers were paid additional wages when they exceeded a standard level of output for each job.

Systematic management emphasized economical operations, adequate staffing, maintenance of inventories to meet consumer demand, and organizational control.

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Blooms: Understand  
Difficulty: 2 Medium  
Learning Objective: 02-02 Summarize the five classical approaches to management.  
Topic: Management*

49. In the context of the classical approaches to management, \_\_\_\_\_ did not address all the issues faced by 19th-century managers, but it tried to raise managers' awareness about the most pressing concerns of their job.

- A. human relations
- B. administrative management
- C. scientific management
- D. bureaucracy
- E. systematic management

Systematic management did not address all the issues 19th-century managers faced, but it tried to raise managers' awareness about the most pressing concerns of their job.

*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Decision-Making Model*

49. Which of the following is a contribution of Frederick Taylor?

- A. He suggested that managers who encourage participation and allow opportunities for individual challenge and initiative would achieve superior performance.
- B. He developed a system to lower costs and increase worker productivity by showing how employees could work smarter, not harder.
- C. He concluded that management decisions were unsystematic and that no research to determine the best means of production existed.
- D. He created a notion that managers desire flexibility and gave the differences between motivating groups and individuals.
- E. He suggested that frontline supervisors should receive a bonus for each of their workers who completed their assigned daily tasks.

Systematic management failed to lead to widespread production efficiency. This shortcoming became apparent to a young engineer named Frederick Taylor, who was hired by Midvale Steel Company in 1878. Taylor discovered that production and pay were poor, inefficiency and waste were prevalent, and most companies had tremendous unused potential. He concluded that management decisions were unsystematic and that no research existed to determine the best means of production.

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*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Organizational Culture*

50. Which of the following was an area of interest for Lillian Gilbreth, an influential contributor?

- A. how poor labor coordination caused problems
- B. how job satisfaction motivated employees
- C. how bureaucratic positions can foster specialized skills
- D. how the piece rate system affected productivity
- E. how mass production was encouraged by the industrial revolution

Lillian Gilbreth was interested in how job satisfaction motivated employees, how motion studies could be used to help disabled individuals perform jobs, and how fatigue and stress affected workers' well-being and productivity

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*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Scientific Management*

51. Which of the following is a criticism of the bureaucratic approach to management?

- A. Once established, it is very difficult to dismantle such an organizational structure.
- B. The concept that a happy worker is a productive worker is too simplistic.
- C. The economic aspects of the workplace are overemphasized.
- D. Job-related factors were ignored by emphasizing only money.
- E. Production tasks were reduced to routine procedures which led to boredom.

One advantage of a bureaucracy—its permanence—can also be a problem. Once a bureaucracy is established, dismantling it is very difficult.

*AACSB: Analytical Thinking*  
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*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Organizational Culture*

53. The \_\_\_\_\_ effect refers to people's reactions to being observed or studied resulting in superficial rather than meaningful changes in behavior.

- A. John Henry
- B. Pygmalion
- C. Observer-expectancy
- D. Hawthorne
- E. Novelty

The Hawthorne effect refers to people's reactions to being observed or studied resulting in superficial rather than meaningful changes in behavior.

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*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Hawthorne Studies*

54. In the context of Henri Fayol's 14 principles of management, \_\_\_\_\_ refers to making expectations clear and punishing violations.

- A. order
- B. authority
- C. scalar chain
- D. subordination of individual interest to the general interest
- E. discipline

In the context of Henri Fayol's 14 principles of management, discipline refers to making expectations clear and punishing violations.

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

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

55. \_\_\_\_\_ management emphasized internal operations because managers were concerned primarily with meeting the explosive growth in demand brought about by the industrial revolution.

- A. Scientific
- B. Systematic**
- C. Administrative
- D. Bureaucratic
- E. Quantitative

Systematic management emphasized internal operations because managers were concerned primarily with meeting the explosive growth in demand brought about by the industrial revolution.

*AACSB: Knowledge Application*  
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*Blooms: Remember*  
*Blooms: Understand*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

56. \_\_\_\_\_ introduced the scientific management approach in response to the failure of systematic management to bring about widespread production efficiency.

- A. Adam Smith
- B. Frederick Taylor**
- C. Max Weber
- D. Henri Fayol
- E. Abraham Maslow

Systematic management failed to lead to widespread production efficiency. This shortcoming became apparent to a young engineer named Frederick Taylor, who was hired by Midvale Steel Company in 1878. In response, Taylor introduced a second approach to management, known as scientific management.

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*



57. As a key element of \_\_\_\_\_ approach, the principle of the piece-rate system primarily promoted the use of standardized workplaces that were hygienic and safe.

- A. Adam Smith's
- B. Frederick Taylor's**
- C. Henri Fayol's
- D. Max Weber's
- E. Douglas McGregor's

A key element of Frederick Taylor's approach was the use of the differential piece-rate system. Taylor assumed workers were motivated by receiving money.

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

58. According to \_\_\_\_\_, bureaucratic positions discourage specialized skills because they foster subjective judgments by managers.

- A. Adam Smith
- B. Max Weber**
- C. Henri Fayol
- D. Frederick Taylor
- E. Abraham Maslow

According to Max Weber, bureaucracies are especially important because they allow large organizations to perform the many routine activities necessary for their survival. Also, bureaucratic positions foster specialized skills, eliminating many subjective judgments by managers.

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

59. Abraham Maslow argued that people try to satisfy

- A. their lower-level needs and then progress upward to the higher-level needs.
- B. their higher-level needs and then progress downward to the lower-level needs.
- C. their mid-level needs first, then decide to progress upward or downward.
- D. their mid-level needs and then progress upward to the high-level needs.
- E. their mid-level needs and then progress downward to the lower-level needs.

In 1943, Abraham Maslow suggested that humans have five levels of needs. Maslow argued that people try to satisfy their lower-level needs and then progress upward to the higher-level needs.

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Maslow's Hierarchy of Needs*

60. \_\_\_\_\_ approach to management ignored the more rational side of the worker and the important characteristics of the formal organization.

- A. Scientific
- B. Systematic
- C. Human relations
- D. Sociotechnical
- E. Bureaucratic

While scientific management overemphasized the economic and formal aspects of the workplace, human relations ignored the more rational side of the worker and the important characteristics of the formal organization.

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Management*

61. Who suggested that frontline supervisors should receive a bonus for each of their workers who completed their assigned daily tasks?

- A. Adam Smith
- B. Henri Fayol
- C. Henry Gantt
- D. Abraham Maslow
- E. Max Weber

Henry Gantt suggested that frontline supervisors should receive a bonus for each of their workers who completed their assigned daily tasks.

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*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

62. Taylor's theory is criticized because it

- A. ignored job-related social and psychological factors by emphasizing only money as a worker incentive.
- B. was vested in too many people.
- C. was too simplistic to be applicable to the real world.
- D. treated the principles as universal truths for management.
- E. promoted a unity of interest between employees and management.

Not everyone was convinced that scientific management was the best solution to all business problems. Critics claimed that Taylor ignored many job-related social and psychological factors by emphasizing only money as a worker incentive.

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*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Scientific Management*

63. According to Henri Fayol's principles of management, which of the following refers to promoting a unity of interest between employees and management?

- A. remuneration
- B. discipline
- C. esprit de corps
- D. centralization
- E. scalar chain

According to Henri Fayol's principles of management, esprit de corps refers to promoting a unity of interest between employees and management.

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*Blooms: Understand*  
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*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

64. According to Henri Fayol's principles of management, which of the following refers to systematically reward efforts that support the organization's direction?

- A. remuneration
- B. centralization
- C. scalar chain
- D. equity
- E. esprit de corps

Remuneration refers to the systematically reward efforts that support an organization's direction.

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*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

65. Which of the following is true of the sociotechnical systems theory?

- A. It emphasizes the perspective of senior managers within the organization and argues that management is a profession and can be taught.
- B.** It suggests that organizations are effective when their employees have the right tools, training, and knowledge to make products and services that are valued by customers.
- C. It believes that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
- D. It advocates the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- E. It attempts to build specific procedures and processes into operations to ensure coordination of effort.

Drawing on several classical approaches, sociotechnical systems theory suggests that organizations are effective when their employees (the social system) have the right tools, training, and knowledge (the technical system) to make products and services that are valued by customers.

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Blooms: Understand  
Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.  
Topic: Classical Decision-Making Model*

66. Which of the following is a contemporary approach to management?

- A. scientific management
- B. human relations
- C. administrative management
- D. systematic management
- E.** quantitative management

The contemporary approaches to management include sociotechnical systems theory, quantitative management, organizational behavior, and systems theory.

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Blooms: Remember  
Difficulty: 1 Easy*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.  
Topic: Management*

67. This approach to management owes much to other major schools of thought. For example, many of the ideas of the Gilbreths (scientific management) and Barnard and Follett (administrative management) influenced its development from 1930 to 1955. In fact, it emerged from a research project that began as a scientific management study. Which classical approach to management has been described here?

- A. administrative management
- B. systematic management
- C. scientific management
- D.** human relations
- E. bureaucracy

The human relations approach owes much to other major schools of thought. For example, many of the ideas of the Gilbreths (scientific management) and Barnard and Follett (administrative management) influenced the development of human relations from 1930 to 1955. In fact, human relations emerged from a research project that began as a scientific management study.

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*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Human Relations Movement*

68. The classical approaches as a whole were criticized because

- A. they overemphasized the relationship between an organization and its external environment.
- B. they assumed employees wanted to work and could direct and control themselves.
- C. most managers were not trained in using the classical approaches.
- D.** they usually stressed one aspect of an organization or its employees at the expense of other considerations.
- E. many aspects of a management decision could not be expressed through mathematical symbols and formulas.

The classical approaches as a whole were criticized because they (1) ignored the relationship between the organization and its external environment and (2) usually stressed one aspect of the organization or its employees at the expense of other considerations.

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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Organizational Culture*

69. Which of the following statements is true of the systems theory?

- A. It emphasizes that an organization is one system in a series of subsystems.
- B. It implements a piecework system in which workers are paid additional wages when they exceed a standard level of output for each job.
- C. It enforces a system that suggests that frontline supervisors should receive a bonus for each of their workers who completed their assigned daily tasks.
- D. It develops a system to lower costs and increase worker productivity by showing how employees could work smarter, not harder.
- E. It suggests that organizations are effective when they have the social system and the technical system to make products and services that are valued by customers.

Systems theory emphasizes that an organization is one system in a series of subsystems. Systems theory points out that each subsystem is a component of the whole and is interdependent with other subsystems.

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Difficulty: 2 Medium  
Learning Objective: 02-03 Discuss the four contemporary approaches to management.  
Topic: Systems Theory*

70. Which of the following is an input used by organizations?

- A. raw materials
- B. trademarks
- C. esprit de corps
- D. contingencies
- E. incentives

Organizations are open systems, dependent on inputs from the outside world, such as raw materials, human resources, and capital.

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Blooms: Remember  
Difficulty: 1 Easy  
Learning Objective: 02-03 Discuss the four contemporary approaches to management.  
Topic: Organizational Culture*

71. Research on \_\_\_\_\_ promoted the use of teamwork and semiautonomous work groups as important factors for creating efficient production systems.

- A. organizational behavior
- B. bureaucracy
- C. sociotechnical systems theory
- D. human relations
- E. administrative management

While research on sociotechnical systems theory was a precursor to the total quality management (TQM) movement, it also promoted the use of teamwork and semiautonomous work groups as important factors for creating efficient production systems.

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*Blooms: Remember*  
*Difficulty: 1 Easy*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Total Quality Management (TQM)*

72. Which is the correct statement about the sociotechnical systems theory?

- A. Most organizations did not adopt the sociotechnical systems theory for management problems until the year 2000.
- B. It was the first major approach to emphasize informal work relationships and worker satisfaction.
- C. It was developed in the early 1950s by researchers from the London-based Tavistock Institute of Human Relations.
- D. It emphasized the perspective of senior managers within an organization.
- E. It emphasized a structured, formal network of relationships among specialized positions in an organization.

Sociotechnical systems theory was developed in the early 1950s by researchers from the London-based Tavistock Institute of Human Relations.

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*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*



73. In the context of contemporary approaches to management, managers may use \_\_\_\_\_ to compare alternatives and eliminate weaker options.

- A. quantitative management
- B. organizational behavior
- C. the sociotechnical systems theory
- D. the contingency perspective
- E. administrative management

Despite the promise quantitative management holds, managers do not rely on these methods as the primary approach to decision making. Typically, they use these techniques as a supplement or tool in the decision process. Many managers will use results that are consistent with their experience, intuition, and judgment, but they often reject results that contradict their beliefs. Also, managers may use the process to compare alternatives and eliminate weaker options.

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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*

74. What explains the limited use of quantitative management?

- A. It is difficult to discontinue the use of this process once it has been established.
- B. Many of the decisions managers face are nonroutine and unpredictable.
- C. Managers are oriented more toward things than toward people.
- D. It holds that all aspects of a management decision should mandatorily be expressed through mathematical symbols and formulas.
- E. It believes that economic needs have precedence over social needs.

Several explanations account for the limited use of quantitative management. Many managers have not been trained in using these techniques. Also, many aspects of a management decision cannot be expressed through mathematical symbols and formulas. Finally, many of the decisions managers face are nonroutine and unpredictable.

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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*

75. Which contemporary approach to management has been used in a limited manner because many aspects of a management decision cannot be expressed through mathematical symbols and formulas?

- A. Organizational behavior
- B. Systematic management
- C. Quantitative management**
- D. Human relations
- E. Administrative management

Several explanations account for the limited use of quantitative management. Many managers have not been trained in using these techniques. Also, many aspects of a management decision cannot be expressed through mathematical symbols and formulas. Finally, many of the decisions managers face are nonroutine and unpredictable.

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*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*

76. \_\_\_\_\_ is a contemporary management approach that studies and identifies management activities that promote employee effectiveness by examining the complex and dynamic nature of individual, group, and organizational processes.

- A. Quantitative management
- B. Organizational behavior**
- C. Systems theory
- D. Contingency perspective
- E. Sociotechnical systems theory

Organizational behavior is a contemporary management approach that studies and identifies management activities that promote employee effectiveness by examining the complex and dynamic nature of individual, group, and organizational processes.

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*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Contemporary Approaches*  
*Topic: Organizational Culture*

77. A manager assumes workers are lazy and irresponsible and require constant supervision and external motivation to achieve organizational goals. Which of the following does the manager most likely follow?

- A. Theory X
- B. sociotechnical systems approach
- C. bureaucracy approach
- D. human relations approach
- E. systems theory

According to McGregor, Theory X managers assume workers are lazy and irresponsible and require constant supervision and external motivation to achieve organizational goals.

*AACSB: Analytical Thinking*  
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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Theory X and Y*

78. When a manager treats employees as lazy, unmotivated, and in need of tight supervision, the employees eventually meet the manager's expectations by acting that way. According to Douglas McGregor, this is known as

- A. a contingency.
- B. an open system.
- C. a physiological need.
- D. a self-fulfilling prophecy.
- E. a bureaucratic approach.

An important implication for managers who subscribe to Theory X is known as a self-fulfilling prophecy. This occurs when a manager treats employees as lazy, unmotivated, and in need of tight supervision; then the employees eventually fulfill the manager's expectations by acting that way. This cycle can have several negative implications for managers, employees, and organizations.

*AACSB: Analytical Thinking*  
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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Theory X and Y*

79. McGregor advocated a \_\_\_\_\_, suggesting that managers who encourage participation and allow opportunities for individual challenge and initiative would achieve superior performance.

- A. Theory X perspective
- B. Theory Y perspective**
- C. bureaucratic approach
- D. human relations approach
- E. contingency perspective

McGregor advocated a Theory Y perspective, suggesting that managers who encourage participation and allow opportunities for individual challenge and initiative would achieve superior performance.

*AACSB: Analytical Thinking*  
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*Blooms: Understand*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Theory X and Y*

80. What is a feature of organizational behavior?

- A. The more recent contributions made by organizational behavior have a narrower viewpoint.
- B. Unlike other approaches, it has always been appreciated for its broad perspective.
- C. It does not address factors like employee involvement and self-management.
- D. Through the years, organizational behavior has consistently emphasized development of an organizations' human resources to achieve organizational rather than individual goals.
- E. In the past few years, many of the primary issues addressed by organizational behavior have experienced a rebirth with a greater interest in leadership.**

Through the years, organizational behavior has consistently emphasized development of the organization's human resources to achieve individual and organizational goals. Like other approaches, it has been criticized for its limited perspective, although more recent contributions have a broader and more situational viewpoint. In the past few years, many of the primary issues addressed by organizational behavior have experienced a rebirth with a greater interest in leadership, employee involvement, and self-management.

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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*

81. Which of the following statements is true of organizational behavior?

- A. It does not address factors like self-management.
- B. Unlike other approaches, it has always been appreciated for its broad perspective.
- C. The more recent contributions have a narrower viewpoint.
- D.** It emphasizes development of an organization's human resources to achieve individual goals.
- E. In the past few years, its primary focus has shifted away from leadership and employee involvement.

Through the years, organizational behavior has consistently emphasized development of the organization's human resources to achieve individual and organizational goals. Like other approaches, it has been criticized for its limited perspective, although more recent contributions have a broader and more situational viewpoint. In the past few years, many of the primary issues addressed by organizational behavior have experienced a rebirth with a greater interest in leadership, employee involvement, and self-management.

*AACSB: Analytical Thinking*  
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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Organizational Culture*

82. Which of the following is a criticism of the classical approaches to management as a whole?

- A.** The relationship between an organization and its external environment is ignored.
- B. Most managers are not trained to use these techniques.
- C. Many aspects of a management decision cannot be expressed through mathematical symbols and formulas.
- D. Many of the decisions managers face are nonroutine and unpredictable.
- E. There is only "one best way" to manage and organize because circumstances vary.

The classical approaches as a whole were criticized because they (1) ignored the relationship between the organization and its external environment and (2) usually stressed one aspect of the organization or its employees at the expense of other considerations.

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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*

83. Organizations are open systems, and they are dependent on \_\_\_\_\_ from the outside world, such as raw materials, human resources, and capital.

- A. contingencies
- B. inputs**
- C. intangibles
- D. control systems
- E. outputs

Organizations are open systems, dependent on inputs from the outside world, such as raw materials, human resources, and capital.

*AACSB: Analytical Thinking*  
*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Organizational Culture*

84. The \_\_\_\_\_ refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance.

- A. contingency perspective**
- B. scientific management approach
- C. human relations approach
- D. organizational behavior approach
- E. sociotechnical systems theory

Building on systems theory ideas, the contingency perspective refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance.

*AACSB: Analytical Thinking*  
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*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Organizational Culture*

85. \_\_\_\_\_, in the context of the systems theory, are situational characteristics.

- A. Systems
- B. Additions
- C. Experiments
- D. Inventories
- E. Contingencies

Understanding contingencies helps a manager know which sets of circumstances dictate which management actions.

*AACSB: Analytical Thinking*  
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*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*

86. In the systems theory, understanding \_\_\_\_\_ helps a manager know which sets of circumstances dictate which management actions.

- A. inputs
- B. physical needs
- C. economies
- D. contingencies
- E. outputs

Contingencies are factors that determine the appropriateness of managerial actions. Understanding contingencies helps a manager know which sets of circumstances dictate which management actions.

*AACSB: Analytical Thinking*  
*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*

87. The values, goals, skills, and attitudes of managers and workers in an organization are examples of

- A. inventories.
- B. outputs.
- C. esprit de corps.
- D. tasks.
- E. contingencies.

Situational characteristics are called contingencies. The contingencies include: 1) circumstances in an organization's external environment; 2) the internal strengths and weaknesses of the organization; 3) the values, goals, skills, and attitudes of managers and workers in the organization; 4) the types of tasks, resources, and technologies the organization uses.

*AACSB: Analytical Thinking*  
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*Blooms: Remember*  
*Difficulty: 1 Easy*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Organizational Culture*

88. Managers rely on the methods of qualitative management as the \_\_\_\_\_ approach to decision making.

- A. primary
- B. supplemental
- C. definitive
- D. only
- E. worst

Despite the promise quantitative management holds, managers do not rely on these methods as the primary approach to decision making. Typically, they use these techniques as a supplement or tool in the decision process.

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*



89. Many aspects of a management decision \_\_\_\_\_ expressed through mathematical symbols and formulas.

- A. can be
- B. cannot be**
- C. must be
- D. should be
- E. want to be

Several explanations account for the limited use of quantitative management. Many aspects of a management decision cannot be expressed through mathematical symbols and formulas.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*

90. Managers who subscribe to McGregor's Theory X must watch for the important implication of

- A. contingency perspective.
- B. self-fulfilling prophecy.**
- C. superior performance.
- D. individual challenges.
- E. human relations approach.

During the 1960s, organizational behaviorists heavily influenced the field of management. Douglas McGregor's Theory X and Theory Y marked the transition from human relations. An important implication for managers who subscribe to Theory X is known as a self-fulfilling prophecy.

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Theory X and Y*

91. According to the contingency perspective, there is(are) \_\_\_\_\_best way(s) to manage and organize.

- A. only one
- B. no**
- C. many
- D. two
- E. a few

Building on systems theory ideas, the contingency perspective refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance. Therefore, there is no "one best way" to manage and organize because circumstances vary.

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Systems Theory*

92. Understanding \_\_\_\_\_ helps a manager know which sets of circumstances dictate which management actions.

- A. contingencies**
- B. self-fulfilling prophecies
- C. employees
- D. management styles
- E. control systems

Situational characteristics are called contingencies. Understanding contingencies helps a manager know which sets of circumstances dictate which management actions.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*

93. Which of the following was a major contribution of management guru, Peter Drucker?

- A. the discovery that great companies are managed by “level 5 leaders” who often display humility while simultaneously inspiring those in the organization to apply self-discipline
- B. the focus on the areas of organizational learning and change
- C. the ability to urge U.S. firms to fight their competition by refocusing their business strategies on several drivers of success like people and customers
- D. the focus on the “strategic and organizational challenges confronting managers in multinational corporations”
- E. the need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives

Peter Drucker was a respected management guru who, through his writings and consulting, made several lasting contributions to the practice of management. One of his major contributions was the need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives.

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*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

94. Which of the following is true of Peter Senge’s contributions to management thought and practices?

- A. He has made several significant contributions to the areas of organizational learning and change.
- B. He was the first person to discuss “management by objective” (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
- C. He established the need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives.
- D. He advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- E. He contends that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.

Peter Senge of MIT Sloan School of Management has made several significant contributions to the areas of organizational learning and change. In addition to founding the Society of Organizational Learning, Senge wrote *Fifth Dimension: The Art and Practice of The Learning Organization*, which has sold over 1 million copies worldwide (2006) (MIT Sloan bio).

*AACSB: Analytical Thinking*  
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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

95. Identify the right statement about the contribution made by Jack Welch toward management thought and practices.

- A. He is known for being the first person to discuss “management by objective” (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
- B. He established the need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives.
- C. He contends that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
- D. He advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- E.** He is widely viewed as having mastered “all of the critical aspects of leadership: people, process, strategy and structure.”

Ex-CEO Jack Welch transformed General Electric from a \$13 billion company into a \$500 billion company over a 20-year period. Though sometimes criticized for his controversial practices (e.g., selling off underperforming divisions and forced rankings of employees by performance), he is widely viewed as having mastered "all of the critical aspects of leadership: people, process, strategy and structure."

*AACSB: Analytical Thinking*  
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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

96. Which of the following was a key feature in Stephen Covey’s book, *The Seven Habits of Highly Effective People: Powerful Lessons in Personal Change*?

- A. He analyzed 1,435 companies to understand why some companies reach high levels of sustained performance while other companies fail to reach greatness.
- B. He discussed “management by objective” (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
- C. He focused on the strategic and organizational challenges confronting managers in multinational corporations.
- D.** He discussed how a leader’s success hinges on balancing between personal and professional effectiveness.
- E. He urged U.S. firms to fight their competition by refocusing their business strategies on several drivers of success: people, customers, values, culture, action, and an entrepreneurial spirit.

In his 1990 best-selling book, the *The Seven Habits of Highly Effective People: Powerful Lessons in Personal Change*, Stephen Covey discussed how a leader's success hinges on balancing between personal and professional effectiveness.

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*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

97. In the context of managerial approaches, which of the following is true of change?

- A. The best managers today embrace change by moving from contemporary managerial approaches to classic managerial approaches.
- B. If one does not anticipate change and adapt to it, one's firm will not thrive in a competitive business environment.**
- C. Management knowledge and practices remain constant in the face of change.
- D. Change prevents businesses from achieving greater quality and speed.
- E. Change is happening at a slower rate than at any other time in history.

The essential facts about change are these: First, change is happening more rapidly and dramatically than at any other time in history. Second, if one does not anticipate change and adapt to it, his or her firm will not thrive in a competitive business world.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

98. \_\_\_\_\_ discovered that "level 5 leaders" often leave enduring legacies without drawing a lot of attention to themselves.

- A. Jim Collins**
- B. Steven Covey
- C. Abraham Maslow
- D. Chris Argyris
- E. Peter Senge

In 2001, Jim Collins authored an influential book titled *Good to Great* in which he and his research team analyzed 1,435 companies to understand why some companies reach high levels of sustained performance while other companies fail to reach greatness. He discovered that great companies are managed by "level 5 leaders" who often display humility while simultaneously inspiring those in the organization to apply self-discipline and self-responsibility while pursuing high standards. These leaders often leave enduring legacies without drawing a lot of attention to themselves.

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

99. Peter Drucker was the first person to discuss \_\_\_\_\_, by which a manager should be self-driven to accomplish key goals that link to organizational success.

- A. level 5 leaders
- B. competitive strategy
- C. management by objective**
- D. management educator
- E. the Hawthorne Effect

Peter Drucker was a respected management guru who, through his writings and consulting, made several lasting contributions to the practice of management. He was the first person to discuss "management by objective" (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success (as opposed to being controlled by a supervisor).

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

100. \_\_\_\_\_ championed several ideas that continue to be influential to this day, including decentralization, employees as assets, corporation as a human community, and the importance of knowledge workers in the new information economy.

- A. Christopher A. Bartlett
- B. Peter Drucker**
- C. Michael Porter
- D. Gary Hamel
- E. Jim Collins

Peter Drucker championed several ideas that continue to be influential to this day, including decentralization, employees as assets, corporation as a human community, and the importance of knowledge workers in the new information economy.

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

101. \_\_\_\_\_ founded the "Society of Organizational Learning."

- A. Christopher A. Bartlett
- B. Peter Drucker
- C. Peter Senge
- D. Henri Fayol
- E. Michael Porter

Peter Senge of MIT Sloan School of Management has made several significant contributions to the areas of organizational learning and change. He founded the "Society of Organizational Learning."

*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

Use the following information to answer the following questions.

Alex, an employee at Madill Corp., was facing a problem with a coworker. He decided to report his coworker's misbehavior to the department manager, instead of his immediate supervisor. However, he was instructed to consult his supervisor first and solve the matter, if possible. He was advised to raise the matter with the higher authorities only if his supervisor could not settle it.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

102. In the context of Scenario A, which of the following approaches to management does Madill Corp. follow?

- A. scientific management
- B. human relations
- C. quantitative management
- D.** bureaucracy
- E. biotechnical systems theory

A characteristic of an effective bureaucracy is authority. A chain of command or hierarchy is well established.

*AACSB: Analytical Thinking*  
*AACSB: Reflective Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*  
*Difficulty: 3 Hard*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Classical Decision-Making Model*

103. In the context of Scenario A, which of the following is true of the organizational structure of Madill Corp.?

- A. employee loyalty and longevity is promoted.
- B. a unity of interests between employees and management is promoted.
- C. employees are encouraged to act on their own in support of the organization's direction.
- D.** a chain of command or hierarchy is well established.
- E. efforts that support the organization's direction are systematically rewarded.

A characteristic of an effective bureaucracy is authority. A chain of command or hierarchy is well established.

*AACSB: Analytical Thinking*  
*AACSB: Reflective Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*  
*Difficulty: 3 Hard*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Classical Decision-Making Model*



104. The work on bureaucracies by \_\_\_\_\_ can be applied to Scenario A.

- A. max Weber
- B. frederick Taylor
- C. henri Fayol
- D. lillian Gilbreth
- E. jim Collins

Max Weber believed bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills.

*AACSB: Knowledge Application*

*AACSB: Reflective Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Decision-Making Model*

Use the following information to answer the following questions.

Amelie, a manager in a company, had to complete an important project that had a “near impossible” deadline. Instead of assuming that offering financial incentives would be the best way to get the work done, she devoted some time to understand what motivated each of her team members to work harder. She found that some people craved recognition more than money, whereas others wanted more influence in the organization. With this information, she was able to offer the right incentive to each person. As a result, her team was able to meet the deadline.

*AACSB: Analytical Thinking*

105. In the context of Scenario B, which of the following approaches to management does Amelie subscribe to?

- A. Hawthorne effect
- B. contingency perspective**
- C. centralization
- D. bureaucracy
- E. economies of scale

Building on systems theory ideas, the contingency perspective refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance. Therefore, there is no "one best way" to manage and organize because circumstances vary.

*AACSB: Analytical Thinking*  
*AACSB: Reflective Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*  
*Difficulty: 3 Hard*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Systems Theory*

106. In the context of Scenario B, which of the following is true of Amelie's beliefs?

- A. Managers should be oriented more toward things than toward people.
- B. A pay system in which workers were paid additional wages when they exceeded a standard level of output for each job should be implemented.
- C. Managers may ignore appropriate rules and regulations.
- D. A piece-rate system will motivate supervisors to provide extra attention to struggling workers.
- E. There is no "one best way" to manage and organize because circumstances vary.**

Building on systems theory ideas, the contingency perspective refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance. Therefore, there is no "one best way" to manage and organize because circumstances vary.

*AACSB: Analytical Thinking*  
*AACSB: Reflective Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*  
*Difficulty: 3 Hard*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*

107. In the context of Scenario B, what theory is Amelie using to manage?

- A. Bureaucracy Theory
- B. Hawthorne Effect Theory
- C. Systems Theory
- D. Economies of Scale Theory
- E. Douglas McGregor's Theory X

Building on systems theory ideas, the contingency perspective refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance. Therefore, there is no "one best way" to manage and organize because circumstances vary.

*AACSB: Analytical Thinking*

*AACSB: Reflective Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Management*

Use the following information to answer the following questions.

Janice, an intelligent, enthusiastic, and hardworking person, recently joined a company. Despite working well, she was constantly yelled at by her manager. In addition, her manager expected her to submit a report of her activities at the end of each day. He also checked on Janice at frequent intervals during the day to see how her work was progressing. After a few months of such treatment, Janice began to lose interest in her work. She began to frequently miss deadlines and the quality of her work deteriorated.

108. In the context of Scenario C, which of the following principles of management does Janice's manager believe in?

- A. scientific management
- B. Douglas McGregor's Theory X**
- C. Abraham Maslow's Hierarchy of Needs theory
- D. Henri Fayol's principle of esprit de corps
- E. systematic management

During the 1960s, organizational behaviorists heavily influenced the field of management. Douglas McGregor's Theory X and Theory Y marked the transition from human relations. According to McGregor, Theory X managers assume workers are lazy and irresponsible and require constant supervision and external motivation to achieve organizational goals.

*AACSB: Analytical Thinking*

*AACSB: Reflective Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Theory X and Y*

109. In the context of Scenario C, the phenomenon in which Janice meets her manager's expectations by behaving in an irresponsible manner is known as a(n)

- A. self-fulfilling prophecy.**
- B. contingency.
- C. administrative effect.
- D. flexible process.
- E. economy of scale.

During the 1960s, organizational behaviorists heavily influenced the field of management. Douglas McGregor's Theory X and Theory Y marked the transition from human relations. According to McGregor, Theory X managers assume workers are lazy and irresponsible and require constant supervision and external motivation to achieve organizational goals. An important implication for managers who subscribe to Theory X is known as a self-fulfilling prophecy. This occurs when a manager treats employees as lazy, unmotivated, and in need of tight supervision; then the employees eventually fulfill the manager's expectations by acting that way.

*AACSB: Analytical Thinking*

*AACSB: Reflective Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Theory X and Y*

110. In the context of Scenario C, Janice is losing interest in her job as a result of her manager's beliefs about his workers. Janice can try to change this belief by subscribing to which approach?

- A. qualitative management
- B. Theory X and Theory Y
- C. Systems Theory
- D. organizational behavior
- E. the Hawthorne effect

According to the systems theory, organizations are open systems, dependent on inputs from the outside world, such as raw materials, human resources, and capital. They transform these inputs into outputs that (ideally) meet the market's needs for goods and services. The environment reacts to the outputs through a feedback loop; this feedback provides input for the next cycle of the system. Systems theory also emphasizes that an organization is one system in a series of subsystems. Systems theory points out that each subsystem is a component of the whole and is interdependent with other subsystems. Building on systems theory ideas, the contingency perspective refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance. Therefore, there is no "one best way" to manage and organize because circumstances vary. Janice can demonstrate the importance of her outputs in regard to the goals of the firm.

*AACSB: Analytical Thinking*  
*AACSB: Reflective Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Apply*  
*Difficulty: 3 Hard*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Systems Theory*

111. Describe the systematic approach to management.

The systematic management approach attempted to build specific procedures and processes into operations to ensure coordination of effort. Systematic management emphasized economical operations, adequate staffing, maintenance of inventories to meet consumer demand, and organizational control. These goals were achieved through careful definition of duties and responsibilities; standardized techniques for performing these duties; specific means of gathering, handling, transmitting, and analyzing information; cost accounting, wage, and production control systems to facilitate internal coordination and communications. Systematic management emphasized internal operations because managers were concerned primarily with meeting the explosive growth in demand brought about by the industrial revolution. In addition, managers were free to focus on internal issues of efficiency, in part because the government did not constrain business practices significantly. Finally, labor was poorly organized. As a result, many managers were oriented more toward things than toward people. Systematic management did not address all the issues 19th century managers faced, but it tried to raise managers' awareness about the most pressing concerns of their job.

*AACSB: Analytical Thinking*  
*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

112. What are the four principles of scientific management as identified by Frederick Taylor?

Taylor identified four principles of scientific management: 1. Management should develop a precise, scientific approach for each element of one's work to replace general guidelines. 2. Management should scientifically select, train, teach, and develop each worker so that the right person has the right job. 3. Management should cooperate with workers to ensure that jobs match plans and principles. 4. Management should ensure an appropriate division of work and responsibility between managers and workers.

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

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Scientific Management*

113. In the context of Frederick Taylor's theory of scientific management, discuss time-and-motion studies and the differential piece-rate system.

To implement the scientific management approach, Frederick Taylor used techniques such as time-and-motion studies. With this technique, a task was divided into its basic movements, and different motions were timed to determine the most efficient way to complete the task. A key element of Taylor's approach was the use of the differential piece-rate system. Taylor assumed workers were motivated by receiving money. Therefore, he implemented a pay system in which workers were paid additional wages when they exceeded a standard level of output for each job. Taylor concluded that both workers and management would benefit from such an approach.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Scientific Management*

114. What was Henry L. Gantt's contribution to scientific management?

Henry L. Gantt expanded on the piecework system by suggesting that frontline supervisors should receive a bonus for each of their workers who completed their assigned daily tasks. Gantt believed that this would motivate supervisors to provide extra attention and training to those workers who were struggling with meeting their output goals. He is also known for creating the Gantt chart, which helps employees and managers plan projects by task and time to complete those tasks. An interesting aspect of the chart is that it illustrates how some tasks need to be done during the same time period. Today Gantt charts (available through Microsoft Project and other project software) are used in several fields for a wide variety of projects.

*AACSB: Analytical Thinking*  
*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Scientific Management*

115. What are the shortcomings of Max Weber's bureaucratic approach to management?

Bureaucracy can be efficient and productive. However, bureaucracy is not the appropriate model for every organization. Organizations or departments that need rapid decision making and flexibility may suffer under a bureaucratic approach. Some people may not perform their best with excessive bureaucratic rules and procedures. Other shortcomings stem from a faulty execution of bureaucratic principles rather than from the approach itself. Too much authority may be vested in too few people; the procedures may become the ends rather than the means; or managers may ignore appropriate rules and regulations. Finally, one advantage of a bureaucracy—its permanence—can also be a problem. Once a bureaucracy is established, dismantling it is very difficult.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*  
*Topic: Management*

116. List and define Henri Fayol's 14 principles of management.

The fourteen principles of management identified by Henri Fayol are: 1. Division of work—divide work into specialized tasks and assign responsibilities to specific individuals. 2. Authority—delegate authority along with responsibility. 3. Discipline—make expectations clear and punish violations. 4. Unity of command—each employee should be assigned to only one supervisor. 5. Unity of direction—employees' efforts should be focused on achieving organizational objectives. 6. Subordination of individual interest to the general—interest the general interest must predominate. 7. Remuneration—systematically reward efforts that support the organization's direction. 8. Centralization—determine the relative importance of superior and subordinate roles. 9. Scalar chain—keep communications within the chain of command. 10. Order—order jobs and material so they support the organization's direction. 11. Equity—fair discipline and order enhance employee commitment. 12. Stability and tenure of personnel—promote employee loyalty and longevity. 13. Initiative—encourage employees to act on their own in support of the organization's direction. 14. Esprit de corps—promote a unity of interests between employees and management.

*AACSB: Analytical Thinking*

*AACSB: Knowledge Application*

*Accessibility: Keyboard Navigation*

*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Management*

117. How did the "Hawthorne Studies" lead to the discovery of the Hawthorne Effect?

Western Electric Company, a manufacturer of communications equipment, hired a team of Harvard researchers led by Elton Mayo and Fritz Roethlisberger. They were to investigate the influence of physical working conditions on workers' productivity and efficiency in one of the company's factories outside Chicago. This research project, known as the "Hawthorne Studies," provided some of the most interesting and controversial results in the history of management. The Hawthorne Studies were a series of experiments conducted from 1924 to 1932. During the first stage of the project (the Illumination Experiments), various working conditions, particularly the lighting in the factory, were altered to determine the effects of those changes on productivity. The researchers found no systematic relationship between the factory lighting and production levels. In some cases, productivity continued to increase even when the illumination was reduced to the level of moonlight. The researchers concluded that the workers performed and reacted differently because the researchers were observing them. This reaction is known as the Hawthorne Effect.

*AACSB: Analytical Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Hawthorne Studies*



118. Summarize quantitative management as a contemporary approach to management.

During World War II, military planners began to apply mathematical techniques to defense and logistic problems. After the war, private corporations began assembling teams of quantitative experts to tackle many of the complex issues confronting large organizations. This approach, referred to as quantitative management, emphasizes the application of quantitative analysis to management decisions and problems. Quantitative management helps a manager make a decision by developing formal mathematical models of the problem. Computers facilitated the development of specific quantitative methods. These include such techniques as statistical decision theory, linear programming, queuing theory, simulation, forecasting, inventory modeling, network modeling, and break even analysis. Organizations apply these techniques in many areas, including production, quality control, marketing, human resources, finance, distribution, planning, and research and development. Despite the promise quantitative management holds, managers do not rely on these methods as the primary approach to decision making. Typically, they use these techniques as a supplement or tool in the decision process. Many managers will use results that are consistent with their experience, intuition, and judgment, but they often reject results that contradict their beliefs. Also, managers may use the process to compare alternatives and eliminate weaker options.

*AACSB: Analytical Thinking*  
*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Management*

119. Write a short note on Douglas McGregor's Theory X and Theory Y.

During the 1960s, organizational behaviorists heavily influenced the field of management. Douglas McGregor's Theory X and Theory Y marked the transition from human relations. According to McGregor, Theory X managers assume workers are lazy and irresponsible and require constant supervision and external motivation to achieve organizational goals. Theory Y managers assume employees want to work and can direct and control themselves. An important implication for managers who subscribe to Theory X is known as a self-fulfilling prophecy. This occurs when a manager treats employees as lazy, unmotivated, and in need of tight supervision; then the employees eventually fulfill the manager's expectations by acting that way. This cycle can have several negative implications for managers, employees, and organizations. McGregor advocated a Theory Y perspective, suggesting that managers who encourage participation and allow opportunities for individual challenge and initiative would achieve superior performance.

*AACSB: Analytical Thinking*  
*AACSB: Knowledge Application*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*  
*Topic: Theory X and Y*

120. How did the contingency approach build on the ideas of the systems theory?

According to the systems theory, organizations are open systems, dependent on inputs from the outside world, such as raw materials, human resources, and capital. They transform these inputs into outputs that (ideally) meet the market's needs for goods and services. The environment reacts to the outputs through a feedback loop; this feedback provides input for the next cycle of the system. Systems theory also emphasizes that an organization is one system in a series of subsystems. Systems theory points out that each subsystem is a component of the whole and is interdependent with other subsystems. Building on systems theory ideas, the contingency perspective refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance. Therefore, there is no "one best way" to manage and organize because circumstances vary.

*AACSB: Analytical Thinking  
Accessibility: Keyboard Navigation  
Blooms: Understand  
Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.  
Topic: Systems Theory*

121. List and describe the contribution of Jim Collins.

In 2001, Jim Collins authored an influential book titled *Good to Great* in which he and his research team analyzed 1,435 companies to understand why some companies reach high levels of sustained performance while other companies fail to reach greatness. He discovered that great companies are managed by "level 5 leaders" who often display humility while simultaneously inspiring those in the organization to apply self-discipline and self-responsibility while pursuing high standards. These leaders often leave enduring legacies without drawing a lot of attention to themselves.

*AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Understand  
Difficulty: 2 Medium*

*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.  
Topic: Management*

122. Who was Peter Senge and what were his contributions to management?

Peter Senge of MIT Sloan School of Management has made several significant contributions to the areas of organizational learning and change. He founded the "Society of Organizational Learning."

*AACSB: Knowledge Application  
Accessibility: Keyboard Navigation  
Blooms: Understand  
Difficulty: 2 Medium*

*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.  
Topic: Management*

123. Peter Drucker was a respected management guru. Explain the influence that his contributions have had on the practice of management.

Peter Drucker was a respected management guru who, through his writings and consulting, made several lasting contributions to the practice of management. He was the first person to discuss "management by objective" (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success (as opposed to being controlled by a supervisor).

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

124. The theme of change is everpresent.. What are the essential facts about change and what are their implications on your career?

The essential facts about change are these: First, change is happening more rapidly and dramatically than at any other time in history. Second, if you don't anticipate change and adapt to it, you or your firm will not thrive in a competitive business world. The implications for your career will vary by student.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

125. You are a new manager, what books will you read to learn about different management techniques and why?

Answers will vary.

*AACSB: Analytical Thinking*  
*Accessibility: Keyboard Navigation*  
*Blooms: Understand*  
*Difficulty: 2 Medium*  
*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*  
*Topic: Management*

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