

## CHAPTER 1 – The changing world of management

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### TRUE/FALSE

1. To gain and/or maintain a competitive advantage, today's managers must increase the emphasis on innovation, and shift away from a relentless focus on cost control.

ANS: T                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Introduction

2. Innovations in products, services, management systems, production processes, corporate values etc. are not strongly correlated with an organisation's long-term viability.

ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Introduction

3. We must consider the new challenges of the workplace at three levels: government, business and individual.

ANS: T                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Current challenges for managers

4. Management is the attainment of organisational goals in an effective and efficient manner through planning, organising, leading and controlling organisational resources.

ANS: T                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Current challenges for managers

5. Managers within the government setting are able to influence organisations directly in their compliance with policies.

ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Current challenges for managers

6. The turbulence and change in today's competitive business environment has led to demand for a new kind of leader. Organisations now need leaders who can guide their organisation through turbulence and be able to see patterns in the complexity of changing external environments.

ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Current challenges for managers

7. 'Controlling' defines where an organisation wants to be in the future and how to get there.

ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management functions

8. 'Organising' typically follows planning and reflects the way the organisation tries to accomplish their plans.

ANS: T                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management functions

9. The management function that involves use of influence to motivate employees is known as 'Leading'.

ANS: T                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management functions

10. Organising may be defined as the tasks associated with the motivation of employees in achieving organisational goals.

ANS: F                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management functions

11. Controlling concerns monitoring employees' activities, determining whether the organisation is on target towards its goals, and making corrections as necessary.

ANS: T                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management functions

12. 'Organising' refers to the use of influence to motivate employees to achieve organisational goals.

ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management functions

13. Creating a shared culture (through the communication of goals to employees throughout the organisation) is one of the most important planning functions in management.

ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management functions

14. In a large company, the ideal control mechanism is for the CEO to supervise all the managers personally.

ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management functions

15. An organisation is a social entity that is goal directed and deliberately structured.

ANS: T                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Organisational performance

16. Efficiency refers to the extent to which an organisation achieves its stated goals.

ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Organisational performance

17. Effectiveness refers to the amount of resources used to achieve an organisational goal.

ANS: F                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Organisational performance

18. The necessary skills for managing an apartment or an organisation can be placed into three categories: conceptual, human and interpersonal.

ANS: F                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management skills

19. Only the top managers in organisations are involved in the planning process.

ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management skills

20. Conceptual skill is the manager's ability to work with and through other people and to work effectively as a group member.

ANS: F                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management skills

21. Technical skills refer to a manager's ability to see the organisation as a whole as well as the relationship between its parts.

ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Organisational performance

22. Human skills refer to the ability of a manager to work with and through other people, and to work effectively as a group member.

ANS: T                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management skills

23. Technical skill refers to a manager's understanding of and proficiency in perceiving the organisation as a whole and the relationship between its parts.

ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management skills

24. Ellie is responsible for a temporary work project that involves the participation of people from various functional departments in the organisation. Ellie should be classified as a 'functional manager'.

ANS: F                      PTS: 1                      DIF: Difficult                      NAT: AACSB Analytic  
TOP:                      Management types

25. Top-line managers are the managers who have the responsibility for making the significant strategic policy decisions, often with staff managers assisting them in these decisions.

ANS: T                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management types

26. A manager who is at the second management level (of the Management Level Hierarchy – see Exhibit 1.6) and directly responsible for production of goods and services is known as a 'First-Line Manager'.

ANS: T                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Manager types

27. The liaison role involves the negotiation of union contracts, sales, purchases, budgets; represents departmental interests.
- ANS: F                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Manager roles
28. The 'interpersonal' management role is associated with the dissemination of information to employees across the organisation.
- ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management roles
29. Companies are required to innovate more, and more quickly than ever, in today's hypercompetitive global environment.
- ANS: T                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Why innovation matters
30. The challenge of pollution control and sustainable development is an exclusive challenge for the business sector.
- ANS: F                      PTS: 1                      DIF: Easy                      NAT: AACSB Sustainability  
TOP:                      Current challenges for managers
31. The Management concept of 'future facing' relates to the ongoing development of an organisation and its culture so that it better supports creativity, adaptation and innovation rather than maintaining the status quo.
- ANS: T                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      State-of-the-art- management competencies
32. The relationship that exists between 'top managers' and 'middle managers' of an organisation may be described as a 'horizontal relationship'.
- ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management types
33. The three categories of management roles include informational, interpersonal, and decisional.
- ANS: T                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management types
34. 'Sustainable development' practices are exclusively expressed in terms of environmental performance.
- ANS: F                      PTS: 1                      DIF: Moderate                      NAT: AACSB  
Sustainability                      TOP: Sustainable development
35. Crisis management requires managers to develop five important leadership skills: staying calm, putting people before business, knowing when to get back to business, telling the truth and remaining visible.

ANS: T  
Sustainability

PTS: 1  
TOP: Turbulent times

DIF: Moderate

NAT: AACSB

## MULTIPLE CHOICE

1. Innovation management requires a focus on all of the following except:
- A. products and services
  - B. production processes
  - C. corporate values
  - D. management systems
  - E. None of these choices.

ANS: E                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Why innovation matters

2. One of the most important challenges for managers in the business context is:
- A. exposure to the sharp competitive forces of the Asian, American and European marketplaces
  - B. the attainment of government goals
  - C. the need to emphasise effectiveness over efficiency
  - D. maintaining competitive health care options
  - E. the need to emphasise efficiency over effectiveness.

ANS: A                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Current challenges for managers

3. Setting targets and standards of performance is which part of which management task:
- A. setting objectives
  - B. measuring
  - C. developing people
  - D. planning
  - E. motivation.

ANS: B                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Definition of management

4. How an organisation goes about accomplishing a plan is a key part of the management function of:
- A. planning
  - B. organising
  - C. leading
  - D. controlling
  - E. motivating.

ANS: B                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management functions

5. How an organisation goes about defining their future, and the most effective and efficient way of achieving this outcome is a key part of the management function of:
- A. planning
  - B. organising
  - C. leading
  - D. controlling
  - E. motivating.

ANS: A                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management functions

6. How a manager goes about influencing the activities of their colleagues, subordinates and superiors is a key part of the management function of:
- A. planning
  - B. organising
  - C. leading
  - D. controlling
  - E. motivating.

ANS: C                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management functions

7. Conceptual, human and technical skills are important for which type of employee:
- A. top managers
  - B. middle-managers
  - C. first-line managers
  - D. non-managers
  - E. All of these.

ANS: E                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management functions

8. \_\_\_\_\_ skill is the cognitive ability to view the organisation holistically and understand the relationships that exist between its parts.
- A. Conceptual
  - B. Organising
  - C. Human
  - D. Technical
  - E. Strategic

ANS: A                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management functions

9. People with titles such as managing director, chairperson, chief executive officer and general manager would be considered part of what management group?
- A. non-management
  - B. top-management
  - C. middle-management
  - D. functional-management
  - E. None of these choices.

ANS: B                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management type

10. Which of the following is not a function of management?
- A. Controlling
  - B. Planning
  - C. Delegating
  - D. Leading
  - E. Organising

ANS: C                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management functions

11. One of the most effective ways a manager can control their worker's output is through the use of \_\_\_\_\_.

- A. performance management
- B. teams
- C. executive management
- D. mission statements
- E. strategic plans

ANS: A                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management type

12. \_\_\_\_\_ is the management function concerned with monitoring employees' activities, keeping the organisation on track toward its goals and making corrections as needed.
- A. Resource allocation
  - B. Planning
  - C. Controlling
  - D. Efficiency
  - E. Organising

ANS: C                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management function

13. When managers undertake efforts to forecast possible changes in their situation, they can be said to be using their:
- A. technical skills
  - B. project skills
  - C. conceptual skills
  - D. leadership skills
  - E. ability to control the uncontrollable.

ANS: C                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management skills

14. A social entity that is goal directed and deliberately structured is referred to as:
- A. an organisation
  - B. management
  - C. employees
  - D. students
  - E. tasks.

ANS: A                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management skills

15. When a manager achieves an organisation's goal, but at too great a cost, they can be said to have been:
- A. efficient, but not effective
  - B. effective, but not efficient
  - C. neither efficient nor effective
  - D. a poor controller of costs
  - E. both efficient and effective.

ANS: B                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Organisational Performance

16. When managers calculate the number of worker hours required to complete a given task, they are measuring:
- A. organisational effectiveness

- B. organisational efficiency
- C. organisational performance
- D. organisational structure
- E. two of the above.

ANS: B                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Organisational performance

17. The ultimate responsibility of managers is to achieve high:
- A. resources
  - B. performance
  - C. shareholder satisfaction
  - D. profitability
  - E. turnover.

ANS: B                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Organisational performance

18. Which of the following skills are most important at the 'first-line' management level?
- A. conceptual skills
  - B. technical skills
  - C. human skills
  - D. project skills
  - E. None of these choices.

ANS: C                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management skills

19. Managers of eco-tourism operations constantly face issues related to the natural environment, government regulation and competition. These managers will rely most heavily on their:
- A. conceptual skills
  - B. technical skills
  - C. human skills
  - D. controlling skills
  - E. interpersonal skills.

ANS: A                      PTS: 1                      DIF: Difficult                      NAT: AACSB Analytic  
TOP:                      Management skills

20. Coaching a football team, nurturing the ill and managing a rock band are all associated with which of the following managerial skills?
- A. Planning skills
  - B. Human skills
  - C. Technical skills
  - D. Organising skills
  - E. Intellectual skills

ANS: B                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management skills

21. Charlotte is the executive director of the local 'Save our Forests' action group. Her level in terms of the management hierarchy is that of a:
- A. project manager
  - B. consultant
  - C. top manager

- D. first-line manager
- E. middle manager.

ANS: C                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management type

22. The greatest threat to a manager's skill is considered to be:
- A. technological obsolescence
  - B. age and experience
  - C. the inability to apply skills consistently
  - D. rapid change in the external environment.

ANS: D                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management skills

23. Which of the following sets of skills are most important at lower organisational levels?
- A. Planning skills
  - B. Human skills
  - C. Conceptual skills
  - D. Technical skills
  - E. Intellectual skills

ANS: D                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management skills

24. Which of the following types of skills is the understanding of and proficiency in the performance of specific tasks?
- A. Human skill
  - B. Leadership skill
  - C. Technical skill
  - D. Conceptual skill
  - E. Social skill

ANS: C                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Management skills

25. Peter Bolton is the head of the finance department in his national company. His level in the management hierarchy is that of a:
- A. chief executive officer
  - B. top manager
  - C. first-line manager
  - D. middle manager
  - E. conceptual manager.

ANS: D                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management type

26. A set of expectations for a manager's behaviour is known as:
- A. an expectation
  - B. a task set
  - C. a broad system of control
  - D. a role
  - E. None of these choices.

ANS: D                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic

TOP: Manager roles

27. Which of the following is a functional manager?
- A. Project manager
  - B. First-line manager
  - C. Vice-president
  - D. Financial vice-president

ANS: C                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP: Management types

28. Elton Jones is a functional manager. Which of the following best describes his position?
- A. He is responsible for a number of departments that perform varying functions.
  - B. He organises people across departments to perform a specific task.
  - C. He supervises employees with similar skills and training.
  - D. He is responsible for a fully integrated division and all the departments within it.

ANS: C                      PTS: 1                      DIF: Difficult                      NAT: AACSB Analytic  
TOP: Management types

29. A \_\_\_\_\_ would be considered part of 'vertical management', whilst a \_\_\_\_\_ would be considered part of 'horizontal management'?
- A. functional manager; first line manager
  - B. first line manager; functional manager
  - C. first line manager; middle manager
  - D. functional manager; general manager
  - E. functional manager; project manager

ANS: B                      PTS: 1                      DIF: Difficult                      NAT: AACSB Analytic  
TOP: Manager types

30. The 'disturbance handler' role involves:
- A. motivating and communicating with staff
  - B. initiating change
  - C. taking corrective action during disputes or crises
  - D. developing information sources within the organisation
  - E. staying well informed about current affairs.

ANS: C                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP: Manager roles

31. According to Mintzberg, which of the following is an interpersonal role?
- A. Spokesperson
  - B. Liaison
  - C. Negotiator
  - D. Monitor
  - E. Disturbance handler

ANS: B                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP: Manager roles

32. The informational role, according to Mintzberg, is a(n) \_\_\_\_\_ role?
- A. entrepreneur
  - B. leader

- C. figurehead
- D. celebratory
- E. monitor

ANS: E                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Manager roles

33. The decisional role, according to Mintzberg, is a(n) \_\_\_\_\_ role?
- A. entrepreneur
  - B. leader
  - C. figurehead
  - D. celebratory
  - E. monitor

ANS: A                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Manager roles

34. Maintaining information links is an activity consistent with the \_\_\_\_\_ role.
- A. leader
  - B. spokesperson
  - C. figurehead
  - D. monitor
  - E. liaison

ANS: D                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Manager roles

35. In small businesses, which of the following is the most important managerial role?
- A. Liaison
  - B. Resource allocator
  - C. Monitor
  - D. Leader
  - E. Figurehead

ANS: B                      PTS: 1                      DIF: Difficult                      NAT: AACSB Analytic  
TOP:                      Manager roles

36. As the world of small and not-for-profit organisations becomes increasingly complex, managers should carefully integrate all of the following roles except:
- A. manage by information
  - B. manage through people
  - C. manage through action
  - D. manage by exception
  - E. All of these choices should be integrated.

ANS: D                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Organisation type

37. Which of the following represents a change from the 'traditional' approach to the 'new competency' approach to management?
- A. From controller to enabler
  - B. From leading teams to supervising individuals
  - C. From collaboration to conflict management
  - D. From empowering to autocratic
  - E. None of these choices.

ANS: A                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      State-of-the art management

38. Major changes underway for which managers must prepare include all of the following except:
- A. work place diversity
  - B. globalisation
  - C. paradigm shifts
  - D. technology
  - E. the increased importance of organising.

ANS: E                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      State-of-the art management

39. Managing crises in turbulent times requires all the following, except:
- A. focusing on business needs
  - B. staying calm
  - C. being visible
  - D. putting people first
  - E. maintaining the truth.

ANS: A                      PTS: 1                      DIF: Difficult                      NAT: AACSB Analytic  
TOP:                      Turbulent times

40. In the current management paradigm, the primary responsibility of managers is not to make decisions, but to:
- A. create autocratic leaders among homogeneous employees
  - B. convert electronic technology to mechanical
  - C. create learning capability throughout the organisation
  - D. emphasise individual performance over team, to get the 'best' from workers
  - E. push decision making vertically upwards.

ANS: C                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      State-of-the art management

41. Given that all managerial jobs are not the same, what generic skills are deemed important for all managers?
- A. The ability to create an exciting and demanding working environment.
  - B. The ability to inspire confidence in the organisation and its leadership group.
  - C. The ability to hide any mistake they might make from their superiors.
  - D. Both B and C are correct.
  - E. Both A and B are correct.

ANS: E                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      State-of-the art management

42. The new paradigm emphasises work by:
- A. individuals within a team
  - B. top managers
  - C. teams
  - D. union approved labour
  - E. individuals.

ANS: C                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      State-of-the art management

43. The spokesperson role includes the following activities:
- A. seek and receive information
  - B. transmit information to external stakeholders
  - C. maintain information links both inside and outside the organisation
  - D. direct and motivate subordinates
  - E. decide to get organisational resources.

ANS: B                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Manager roles

44. The negotiator role includes the following activities:
- A. seek and receive information
  - B. transmit information to external stakeholders
  - C. maintain information links both inside and outside the organisation
  - D. direct and motivate subordinates
  - E. represent departments during union contract discussions.

ANS: E                      PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP:                      Manager roles

45. The liaison role includes the following activities:
- A. maintains information links both inside and outside the organisation
  - B. transmit information to external stakeholders
  - C. maintain information links both inside and outside the organisation
  - D. direct and motivate subordinates
  - E. decide to get organisational resources.

ANS: A                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Manager roles

46. The monitor role includes the following activities:
- A. seek and receive information
  - B. transmit information to external stakeholders
  - C. maintain information links both inside and outside the organisation
  - D. direct and motivate subordinates
  - E. decide to get organisational resources.

ANS: A                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Manager roles

47. The figurehead role includes the following activities:
- A. seek and receive information
  - B. transmit information to external stakeholders
  - C. perform ceremonial and symbolic duties (for example, greeting visitors to the organisation)
  - D. direct and motivate subordinates
  - E. decide to get organisational resources.

ANS: C                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Manager roles

48. The cognitive ability to see the organisation as a whole and the relationship between its parts is considered a:
- A. human skill

- B. conceptual skill
- C. technical skill
- D. scanning skill.

ANS: B                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Management skills

49. All the following are considered strengths of Australian managers, except:
- A. hard-working
  - B. philanthropic
  - C. honest an ethical
  - D. innovative
  - E. technically sound.

ANS: B                      PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP:                      Managerial roles

50. Sustainable development includes all the following activities, except:
- A. using materials that can be effectively recycled
  - B. conducting energy and water audits and reducing energy use
  - C. providing employees with flexible working conditions
  - D. working proactively with suppliers and customers on issues such as reducing the amount of packaging required
  - E. a clear focus on the short term.

ANS: E                      PTS: 1                      DIF: Moderate                      NAT: AACSB  
Sustainability                      TOP: Sustainable development

## COMPLETION

1. \_\_\_\_\_ is the attainment of organisational goals in an effective and efficient manner through planning, organising, leading and controlling organisational resources.

ANS: Management

PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP: Introduction

2. The extent to which an organisation is able to attain its goals by using resources in an efficient and effective manner is described as the \_\_\_\_\_ of that organisation.

ANS: performance

PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP: Organisational performance

3. \_\_\_\_\_ refers to the process of determining whether the organisation is on target to achieve its goals.

ANS: Controlling

PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP: Management function

4. \_\_\_\_\_ is the management function concerned with allocating resources to the various organisational departments.

ANS: Organising

PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP: Management function

5. The management function that involves the use of influence to motivate employees to achieve the organisation's goals is referred to as \_\_\_\_\_.

ANS: leading

PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP: Management function

6. \_\_\_\_\_ refers to the definition of goals and deciding on the tasks and use of resources needed to attain them.

ANS: Planning

PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP: Management function

7. A social entity that is goal directed and deliberately structured is called a(n) \_\_\_\_\_.

ANS: organisation

PTS: 1                    DIF: Moderate                    NAT: AACSB Analytic  
TOP: Organisational performance

8. The degree to which the organisation achieves a stated goal is called \_\_\_\_\_.

ANS: effectiveness

PTS: 1                    DIF: Moderate                    NAT: AACSB Analytic  
TOP: Organisational performance

9. Organisational \_\_\_\_\_ refers to the amount of resources used to achieve an organisational goal.

ANS: efficiency

PTS: 1                    DIF: Easy                    NAT: AACSB Analytic  
TOP: Organisational performance

10. \_\_\_\_\_ relate to how managers work with, and through, other people in the organisation.

ANS: Human skills

PTS: 1                    DIF: Easy                    NAT: AACSB Analytic  
TOP: Management skills

11. The cognitive ability to view the organisation as a single entity as well as a complex array of interrelationships is an example of a \_\_\_\_\_ skill.

ANS: conceptual

PTS: 1                    DIF: Moderate                    NAT: AACSB Analytic  
TOP: Management skills

12. Project, first-line, middle and top managers are \_\_\_\_\_ related

ANS: vertically

PTS: 1                    DIF: Difficult                    NAT: AACSB Analytic  
TOP: Organisation type

13. \_\_\_\_\_ skill is the manager's ability to see the organisation as a whole as well as the relationships among its constituent parts.

ANS: Conceptual

PTS: 1                    DIF: Easy                    NAT: AACSB Analytic  
TOP: Management skills

14. General and functional managers are \_\_\_\_\_ related \_.

ANS: horizontally

PTS: 1                    DIF: Moderate                    NAT: AACSB Analytic  
TOP: Management type

15. A(n) \_\_\_\_\_ manager is responsible for a temporary work project that involves the participation of people from various functions and levels of the organisation, and perhaps from outside the company as well.

ANS: project

PTS: 1                    DIF: Moderate                    NAT: AACSB Analytic  
TOP: Management type

16. \_\_\_\_\_ managers are responsible for departments that perform a single functional task and have employees with similar training and skills.

ANS: Functional

PTS: 1                    DIF: Moderate                    NAT: AACSB Analytic  
TOP: Management type

17. \_\_\_\_\_ managers are responsible for several departments that perform different functions.

ANS: General

PTS: 1                    DIF: Easy                                    NAT: AACSB Analytic  
TOP: Management type

18. The \_\_\_\_\_ performs ceremonial and symbolic duties such as greeting visitors, signing legal documents.

ANS: figurehead

PTS: 1                    DIF: Moderate                    NAT: AACSB Analytic  
TOP: Management role

19. A(n) \_\_\_\_\_ represents the department during negotiation of union contracts, sales, purchases, budgets; represent departmental interests.

ANS: negotiator

PTS: 1                    DIF: Easy                                    NAT: AACSB Analytic  
TOP: Management role

20. The \_\_\_\_\_ role requires the manager to use both their conceptual as well as human skills together to achieve a desired outcome.

ANS: decision

PTS: 1                    DIF: Difficult                    NAT: AACSB Analytic  
TOP: Management role

21. \_\_\_\_\_ refers to the organisation's ability to attain its goals by using resources.

ANS: Performance

PTS: 1                    DIF: Moderate                    NAT: AACSB Analytic  
TOP: Management role

22. A(n) \_\_\_\_\_ manager is one who is responsible for an organisation's major departments.

ANS: middle

PTS: 1                    DIF: Difficult                    NAT: AACSB Analytic  
TOP: Management type

23. The \_\_\_\_\_ (two words) role decides who gets resources, and set priorities for resource use in the organisation.

ANS: resource allocator

PTS: 1                    DIF: Difficult                    NAT: AACSB Analytic  
TOP: Management role

24. The \_\_\_\_\_ role initiates improvement projects and identifies new ideas for the organisation to adopt.

ANS: entrepreneur

PTS: 1                    DIF: Easy                    NAT: AACSB Analytic  
TOP: Management role

25. Contemporary management issues require managers to change their focus from being a controller to one that is a(n) \_\_\_\_\_.

ANS: enabler

PTS: 1                    DIF: Moderate                    NAT: AACSB Analytic  
TOP: State-of-the art management

26. \_\_\_\_\_ (two words) involves making balanced and equitable decisions so that financial, environmental and social outcomes are achieved.

ANS: Sustainable development

PTS: 1                    DIF: Moderate                    NAT: AACSB Sustainability  
TOP: Sustainable development

27. There is no limit to the opportunity for organisations to work closely and to engage and empower their stakeholders to find \_\_\_\_\_ outcomes on the triple bottom line.

ANS: win-win

PTS: 1                    DIF: Moderate                    NAT: AACSB Sustainability  
TOP: Sustainable development

28. Contemporary management issues require managers to change their focus away from supervising individuals to one that \_\_\_\_\_ (two words).

ANS: leads teams

PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP: State-of-the art management

29. 'Is there a major shortfall in the number of minorities working in our business?' is a question associated with the 'management challenge' of\_\_\_\_\_.

ANS: diversity

PTS: 1                      DIF: Moderate                      NAT: AACSB Diversity  
TOP: Management role

30. Contemporary management issues require managers to change their focus from one that is autocratic to one that is \_\_\_\_\_.

ANS: dispersed/empowering (both are correct answers)

PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP: State-of-the art management

## SHORT ANSWER

1. List the six major components of the management process model.

ANS:

Planning; organising; controlling; leading; resources; and performance.

PTS: 1

DIF: Easy

NAT: AACSB Analytic

TOP: Management functions

2. List the reasons that may contribute to the failure of management skills.

ANS:

1. Managers' failure to comprehend and adapt to the rapid pace of change in the world around them.
2. Top managers who create a climate of fear in the organisation, so that people are afraid to tell the truth.
3. Poor communication skills and failure to listen; treating people only as instruments to be used; suppressing dissenting viewpoints; and the inability to build a management team characterised by mutual trust and respect.

PTS: 1

DIF: Moderate

NAT: AACSB Analytic

TOP: Management skills

3. List the four major issues would-be managers should consider before deciding they want to pursue a management career.

ANS:

- The increased workload
- The challenge of supervising former peers
- The 'headache' of responsibility for other people
- Being 'caught in the middle'

PTS: 1

DIF: Moderate

NAT: AACSB Analytic

TOP: Manager roles

4. List the three categories of manager roles in contemporary organisations. For each category, identify and define the roles and activities that managers are responsible for.

ANS:

Category: informational

- Monitor: Seek and receive information, scan periodicals and reports, maintains personal contacts.
- Disseminator: for information to other organisational members; send memos and reports; make phone calls.
- Spokesperson: transmit information to outsiders through speeches, reports, is memos et cetera.

Category: interpersonal

- Figurehead: performs ceremonial and symbolic duties.
- Leader: direct and motivate subordinates; trying, Council and communicate with subordinates.
- Liaison: maintain information links both inside and outside the organisation.

Category: decisional

- Entrepreneur: initiate improvement projects.
- Disturbance handler: take corrective action during disputes or crises.
- Resource allocator: decide who gets resources.
- Negotiator: represent
- Department during negotiation in union contracts et cetera.

PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP: Manager roles

5. List the three types of management skills required in the new workplace. Identify which skill needs to be emphasised at each level of management.

ANS:

Conceptual skills are required at all levels of management (non-managers through to top-managers), although it becomes more important as the manager progresses up the chain of command.

Human skills are less important for non-management staff, but become immediately important when a person is hired or promoted to first-line management positions.

Technical skills are most important for non-management employees, and diminish in importance as the person moves up the chain of command.

PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP: Management skills

6. List the different considerations when managing in a not-for-profit organisation.

ANS:

- Having to deal with volunteer staff
- Increased importance of external stakeholder needs
- Emphasis on non-financial performance measures
- Emphasis on generating revenue from avenues other than 'sales'

PTS: 1                      DIF: Difficult                      NAT: AACSB Analytic  
TOP: Small Business and Not-For-Profit

7. List the ways in which the 'traditional' management competencies have had to adapt to account for the contemporary management context.

ANS:

- From controller to enabler
- From supervising individuals to leading teams
- From conflict and competition to conversation and collaboration
- From autocratic to dispersed and empowering
- From maintaining stability to mobilising for change

PTS: 1                      DIF: Easy                      NAT: AACSB Analytic  
TOP: State-of-the-art management

## ESSAY

1. In a single paragraph, describe the process of management in your own words.

ANS:

The answer should focus on the six components of management process: resources, planning, organising, leading, controlling and performance.

PTS: 1

DIF: Easy

NAT: AACSB Analytic

TOP: Introduction

2. Describe the three major skills necessary for performing a managerial role successfully, providing examples of each.

ANS:

The skills are conceptual, human and technical. Examples are provided in the text.

PTS: 1

DIF: Easy

NAT: AACSB Analytic

TOP: Management skills

3. List the ten management roles as quantified by Mintzberg. In what workplace situations do you think each role would be especially useful?

ANS:

Students should refer to the text and be able to list the ten roles listed therein. A role is the set of expectations for a manager's behaviour. Mintzberg's research indicates that diverse manager activities can be organised into ten roles, which may be further divided into three conceptual categories: informational, interpersonal and decisional. The three informational roles are used to maintain and develop an information network. These roles are monitor, disseminator and spokesperson. The three interpersonal roles pertain to relationships with others and thus human skills. These roles are figurehead, leader and liaison. The liaison role pertains to the development of information sources both inside and outside the organisation. Decisional roles pertain to those events about which the manager must make a choice and take action, thus often requiring both conceptual and human skills. The four decisional roles are entrepreneur, disturbance handler, resource-allocator and negotiator. The entrepreneur role involves the initiation of change, as managers become aware of potential problems and search for improvements that will correct them. Students should then, through examples, provide a discussion of when and how each role might be employed effectively by a organisations.

PTS: 1

DIF: Easy

NAT: AACSB Analytic

TOP: Manager roles

4. Briefly discuss the relationship between management skills and management level.

ANS:

The answer should contain both of the following points: (a) conceptual and human skills become more important as a manager moves up through the organisation; and (b) technical skills become less important as a manager moves up through the organisation.

PTS: 1

DIF: Moderate

NAT: AACSB Analytic

TOP: Management skill

5. Explain the concept of paradigm shift.

ANS:

As organisations experience rapid change, managers must have the ability to think in new and different ways. As managers change the way they think, perceive and understand, they experience a paradigm shift. These changes allow the manager and the organisation to maintain a better 'fit' with volatile organisational environments.

PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic                      TOP:  
Organisation performance

6. Explain how the concept of flexibility is consistent with both the new management paradigm and the learning organisation.

ANS:

The new management paradigm recognises that change and volatility will be common problems facing the organisation of tomorrow. Due to this commonality of change, organisations must continually reinvent themselves to become learning organisations. Flexibility allows organisations to respond to problems in more efficient and effective ways.

PTS: 1                      DIF: Difficult                      NAT: AACSB Analytic  
TOP: Organisational performance

7. Explain how managerial skills remain relevant to not-for profit organisations.

ANS:

The student should be able to identify the following management functions and their relevance: providing a vision/mission to employees; creating a sense of purpose; providing motivation; provide the role of figurehead, etc. See p 27–8 for the complete list.

PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP: Organisational type

8. Identify and define the five leadership skills associated with effective crisis management. Be sure to use examples to illustrate your answer.

ANS:

Students should be able to identify the five leadership skills identified in the section 'Turbulent Times: Managing crises and unexpected events' – namely: stay calm, be visible, put people before business, tell the truth, know when to get back to business. For each of the five leadership skills identified, students should be able to include real or imagined examples to demonstrate their understanding.

PTS: 1                      DIF: Moderate                      NAT: AACSB Analytic  
TOP: Turbulent times

9. The realities of the contemporary management context require an adaptation to the competencies needed for managers to remain both effective and efficient. Identify and define the five changes to the management competencies needed in the contemporary management context. Be sure to use examples to illustrate your answer.

ANS:

Student should be able to identify the changes to the five management competencies needed for managers to remain both effective and efficient in the contemporary management context. The competencies refer to the five management principles (that is, overseeing work, pushing tasks,

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managing relationships, leading and designing) and refer specifically to the following:

- From controller to enabler
- From supervising individuals to leading teams
- From conflict and competition to conversation and collaboration
- From autocratic to dispersed and empowering
- From maintaining stability to mobilising for change

For each of the five changes to management competencies identified, students should be able to include real or imagined examples to demonstrate their understanding.

PTS: 1

DIF: Moderate

NAT: AACSB Analytic

TOP: State-of-the-art management