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**Test Bank & Instructor's Solutions Manual**  
*to accompany*

# **QUALITY MANAGEMENT** **for Organizational Excellence**

**Seventh Edition**

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# TEST BANK

## Chapter One

### *THE TOTAL QUALITY APPROACH TO QUALITY MANAGEMENT*

**TRUE/FALSE: Place T or F in the space provided to the left of the statement.**

- \_\_\_\_\_ 1. Quality deals not only products and services but also includes people, processes, and environments.
- \_\_\_\_\_ 2. Joseph M. Juran is best known for the Seven Deadly Diseases.
- \_\_\_\_\_ 3. Today's consumers define quality as being flawless and having all of the attributes they want in just the way they want them.
- \_\_\_\_\_ 4. According to the Three-Legged Stool of Total Quality, the seat of the stool is customer focus.
- \_\_\_\_\_ 5. Quality management has no future in the 21<sup>st</sup> century.
- \_\_\_\_\_ 6. Peak performance is essential to organizations that operate in a globally competitive environment.

**MULTIPLE CHOICE: Circle the letter before the correct answer in each of the following questions.**

- 1. The total quality approach has which of the following characteristics?
  - A. Teamwork
  - B. Obsession with quantity
  - C. Confusion and poor leadership
  - D. One employee in charge
- 2. Customers want an excellent product or service from an organization that also provides:
  - A. The Deming Cycle
  - B. Quick fixes
  - C. Reliable delivery and after purchase support
  - D. Stamps

3. Which of the following functions is part of the Juran Trilogy?
  - A. Pareto Principle
  - B. Quality planning
  - C. Unity of purpose
  - D. Six Sigma Program
  
4. Crosby's Quality Vaccine consists of three ingredients. Which of the following is not one of the three ingredients?
  - A. Teamwork
  - B. Education
  - C. Determination
  - D. Implementation
  
5. Which of the following is a trend that will shape the future of quality management?
  - A. The Deming Cycle.
  - B. The Juran Trilogy.
  - C. Global economy.
  - D. Increasing global competition.
  
6. Which of the following certifications is for managers who lead and champion continual-process improvement initiatives?
  - A. Calibration technician
  - B. Six Sigma Green Belt
  - C. Manager of Quality/Organizational Excellence
  - D. Quality Process Analyst

### **Test Key—Chapter 1**

#### True/False

1. T
2. F
3. T
4. T
5. F
6. T

#### Multiple Choice

1. A
2. C
3. B
4. A
5. D
6. C

## Chapter Two

### *QUALITY AND GLOBAL COMPETITIVENESS*

**TRUE OR FALSE: Place T or F in the space provided to the left of the statement.**

- \_\_\_\_\_ 1. U.S companies, mistakenly seeing quality as the issue, learned that quantity was the key to success in the global marketplace.
- \_\_\_\_\_ 2. The need to improve an organization's financial condition correlated directly with the process of making and measuring quality improvements.
- \_\_\_\_\_ 3. A nation's ability to compete in the global marketplace has a direct bearing on the quality of life of its citizens.
- \_\_\_\_\_ 4. The only way the U.S. can overcome business-related inhibitors is for the government to enact policies that will reduce non-value-added costs to a minimum.
- \_\_\_\_\_ 5. In order to be an exporter, a manufacturer must be able to outperform foreign competitors in terms of both quality and productivity.
- \_\_\_\_\_ 6. Management-by-accounting encourages short-term cost cutting instead of long-term improvement.

**MULTIPLE CHOICE: Circle the letter before the correct answer in each of the following questions.**

- 1. Of the trends listed below, which one increases the level of globalization in business?
  - A. Growing irrelevance of distance.
  - B. Shifts in the interest rates.
  - C. Quality of the product.
  - D. Rise of small towns.
- 2. Which of the following statements are considered true concerning the affects of global integration?
  - A. It has helped fuel economic growth throughout the industrialized world.
  - B. It can be the Achilles heel of economic growth.
  - C. Downturns in one country can now have a ripple effect that quickly spreads to other countries.
  - D. All of the above

3. Which of the following countries is the most competitive country in the world?
  - A. Germany
  - B. United States
  - C. Japan
  - D. Switzerland
  
4. When making comparisons among internationally competing countries, the following indicators are used:
  - A. Standard of living and investment.
  - B. Quality is the key to success.
  - C. Government infrastructure.
  - D. Ability to compete.
  
5. The most important key in maximizing competitiveness is:
  - A. Education
  - B. Human resources
  - C. Teamwork
  - D. Government
  
1. The most common college degree among American CEOs is the:
  - A. Quality management
  - B. MBA
  - C. CFO
  - D. Management and Leadership

### **Test Key—Chapter 2**

#### True/False

1. F
2. T
3. T
4. F
5. T
6. T

#### Multiple Choice

1. C
2. D
3. C
4. A
5. B
6. B

### Chapter Three

## ***STRATEGIC MANAGEMENT: PLANNING AND EXECUTION FOR COMPETITIVE ADVANTAGE***

**TRUE OR FALSE: Place T or F in the space provided to the left of the statement.**

- \_\_\_\_\_ 1. In order to survive in a globally competitive environment, organizations must adopt a broad strategy that gives them a sustainable competitive advantage.
- \_\_\_\_\_ 2. A core competency is something an organization does so well it can be viewed as a competitive advantage.
- \_\_\_\_\_ 3. SWOT Analysis is the only step needed in the strategic planning process.
- \_\_\_\_\_ 4. An organization's vision is a specific measurable goal it tries to achieve.
- \_\_\_\_\_ 5. Change that is inflicted on employees will be resisted, but change that is engendered by employees who are involved in and prepared for it will be accepted and promoted.
- \_\_\_\_\_ 6. Even the best plan can do no good until it is effectively executed.

**MULTIPLE CHOICE: Circle the letter before the correct answer in each of the following questions.**

- 1. Which of the following statements apply when developing a mission statement?
  - A. The how-to statements.
  - B. Describe the “who, what, and where” of the organization.
  - C. Be brief, but comprehensive.
  - D. Choose wording that is simple.
- 2. Which of the following statements best describe the acronym SWOT?
  - A. Specific, Witness, Opportunities, and Time.
  - B. Single, Weaknesses, Occasion, and Tactics.
  - C. Strengths, Weaknesses, Opportunities, and Threats.
  - D. Strategic, Weaknesses, Objectives, and Tactics.
- 3. Strategic management is
  - A. Creative thinkers who look at their business environment from a different perspective.
  - B. Expansive and wasteful.
  - C. Constantly seeking gaps in the marketplace that their companies can fill.
  - D. Management that bases decisions within an ethical framework.



4. Which of the following statements is true concerning strategies used to execute a strategic plan?
- A. Organizations should communicate at all times.
  - B. Consult with only managers.
  - C. Adjust to administrative barriers.
  - D. Be flexible and improvise.
5. Which of the following strategies is important when executing a strategic plan?
- A. Review the plan with customers.
  - B. Identify advocates and resisters.
  - C. Form an application task force.
  - D. Activate the steering committee.
6. To promote successful execution of strategies, organizations should undertake which of the following strategies?
- A. Eliminate administrative barriers
  - B. Conduct a secondary SWOT analysis
  - C. Hold a stakeholder's gap analysis
  - D. Contract with an execution specialist

### Test Key—Chapter 3

#### True/False

- 1. T
- 2. T
- 3. F
- 4. F
- 5. T
- 6. T

#### Multiple Choice

- 1. A
- 2. C
- 3. D
- 4. A
- 5. B
- 6. A

## Chapter Four

# *QUALITY MANAGEMENT, ETHICS, AND CORPORATE SOCIAL RESPONSIBILITY*

**TRUE OR FALSE: Place T or F in the space provided to the left of the statement.**

- \_\_\_\_\_ 1. Morality refers to the values that are subscribed to and fostered by society in general and by individuals within society.
- \_\_\_\_\_ 2. Locus of control is a person's ability to undertake self-directed tasks and to cope with tense structure.
- \_\_\_\_\_ 3. In a total quality setting, people are responsible for their actions and accountable for their performance.
- \_\_\_\_\_ 4. Managers must establish ethical standards within their organization.
- \_\_\_\_\_ 5. Corporate social responsibility is a balanced approach for organizations to address economic, social and environmental issues in a way that aims to benefit people, communities and society.
- \_\_\_\_\_ 6. People in positions of authority are exempt from their organization's ethics standards.

**MULTIPLE CHOICE: Circle the letter before the correct answer in each of the following questions.**

- 1. The concepts of trust, integrity, and \_\_\_\_\_ are part of the value system of total quality.
  - A. Morality
  - B. Responsibility
  - C. Trust
  - D. Legality
- 2. Which of the following is not a value that leads to peak performance and excellence?
  - A. Creativity
  - B. Quality
  - C. Dependability
  - D. Opportunity
- 3. Managers have three main responsibilities in regard to ethics. Which of the following is **NOT** one of those?

- A. They are responsible for creating an internal environment that promotes, expects, and rewards ethical behavior.
  - B. They are responsible for helping employees make ethical choices.
  - C. They are responsible for setting an example of ethical behavior.
  - D. They are responsible for helping employees follow through and exhibit ethical behavior after the appropriate choices have been made.
4. When handling an ethical dilemma, managers should select the option that will most likely:
- A. Pass the various ethics tests
  - B. Build strength in the organization
  - C. Set the best example for employees
  - D. None of the above
5. When providing ethics training, it is important to:
- A. Facilitate, don't preach
  - B. Stimulate discussion
  - C. Highlight practical applications
  - D. All of the above are important
6. An organization's responsibilities for ensuring ethical behavior include:
- A. Paying whistleblowers to speak up
  - B. Creating an ethical environment
  - C. Establishing in-house courts and juries
  - D. Refusing to talk to the media

#### Test Key—Chapter 4

##### True/False

- 1. T
- 2. F
- 3. T
- 4. F
- 5. T
- 6. F

##### Multiple Choice

- 1. B
- 2. C
- 3. A
- 4. A
- 5. D
- 6. B

## Chapter Five

### *PARTNERING AND STRATEGIC ALLIANCES*

**TRUE OR FALSE: Place T or F in the space provided to the left of the statement.**

- \_\_\_\_\_ 1. The overall purpose of internal partnering is to harness the full potential of the workforce and focus it on continual improvement of quality.
- \_\_\_\_\_ 2. Any supplier would make a good partner.
- \_\_\_\_\_ 3. If a manufacturer is not careful a customer-supplier partnership can be very costly, especially in the product development cycle.
- \_\_\_\_\_ 4. The rationale for partnering with potential competitors is competitiveness.
- \_\_\_\_\_ 5. Educational institutions provide on-site customized training, technical assistance, and consulting services to help organizations continually improve their people and their processes.
- \_\_\_\_\_ 6. Government mandated partnerships are recommended when dealing with foreign countries.

**MULTIPLE CHOICE: Circle the letter before the correct answer in each of the following questions.**

- 1. The maximum benefits of partnering are realized when all parties in the chain of partners:
  - A. Are satisfied
  - B. Cooperate
  - C. Get what they want
  - D. Trust each other
- 2. Partnering can lead to continual improvements in such key areas as relationships between customers and suppliers, customer satisfaction, and
  - A. Increased competitiveness
  - B. Increased resources
  - C. Processes and products
  - D. Quality Control
- 3. Internal partnering occurs at three levels. Which of the following is NOT one of these levels?
  - A. Team-to-team partnerships
  - B. Management-to-management partnerships
  - C. Management-to-employee partnerships
  - D. Employee-to-employee partnerships

4. Successful supplier partnerships evolve in seven stages. They begin in the following order: Uncertainty and tentativeness; Short-term pressures; Need for new opportunity and \_\_\_\_\_.
- A. Adoption of new values
  - B. Mature partnering
  - C. Adoption of new paradigms
  - D. Awareness of potential
5. Educational institutions provide which of the following services to help organizations continually improve their people and their processes.
- A. On-site customized training
  - B. Technical assistance
  - C. Consulting services
  - D. All of the above
6. The rules for establishing global partnerships are the same as those for establishing domestic partnerships when:
- A. Partnerships are based on sound business principles rather than politics
  - B. Governments agree to guarantee profits
  - C. Governments are influenced
  - D. Sound business principles are not allowed to inhibit partnerships

### Test Key—Chapter 5

#### True/False

- 1. T
- 2. F
- 3. F
- 4. T
- 5. T
- 6. F

#### Multiple Choice

- 1. B
- 2. C
- 3. B
- 4. C
- 5. D
- 6. A

## Chapter Six

# *QUALITY CULTURE: CHANGING HEARTS, MINDS, AND ATTITUDES*

**TRUE OR FALSE: Place T or F in the space provided to the left of the statement.**

- \_\_\_\_\_ 1. Expectations are important determinants of organizational culture.
- \_\_\_\_\_ 2. If an organization begins to decline after moving to total quality it should return to its traditional approach.
- \_\_\_\_\_ 3. The most effective way to implement changes is to make sure all employees have sufficient warning prior to the actual changes.
- \_\_\_\_\_ 4. It might be necessary to change an organization's leadership to ensure needed cultural change.
- \_\_\_\_\_ 5. The key people in an organization that is establishing a quality culture are those who can facilitate and those who can inhibit implementation of the change.
- \_\_\_\_\_ 6. To maintain a quality culture organizations must recognize and reward behaviors that nurture quality.

**MULTIPLE CHOICE: Circle the letter before the correct answer in each of the following questions.**

- 1. There are several primary reasons why cultural change must either precede or at least parallel the implementation of total quality. Which of the following is NOT a primary reason?
  - A. Moving to Total Quality takes time.
  - B. Employees may not adapt to too many changes.
  - C. It can be difficult to overcome the past
  - D. Change cannot occur in a hostile environment
- 2. Which of the following is NOT a law of organizational change?
  - A. Involve everyone affected by change in making it.
  - B. Be prepared to listen and observe.
  - C. Trust people and treat them with dignity and respect.
  - D. Understand the history behind the current culture.
- 3. Which of the following strategies are needed for establishing a quality culture?
  - A. Take a hearts and minds approach

- B. Put the planned changes in writing
  - C. Support of management
  - D. All the strategies above are needed for establishing a quality culture.
4. Advocates of change:
- A. Are often unaware of how a proposed change will be perceived by potential resisters.
  - B. Fear a loss of control.
  - C. Sometimes fear the unknown.
  - D. Are patient with the concerns of resisters.
5. Strategies for establishing a quality culture include which of the following?
- A. Watching shocking videos
  - B. Realization of the work effort
  - C. Developing a plan for making the changes
  - D. Rebuilding teams
6. Which of the following is a strategy for maintaining a quality culture?
- A. Increase the company's debt-to-assets ratio
  - B. Streamline the RFP process
  - C. Discourage initiative in favor of SOPs
  - D. Keep employees involved

**Test Key—Chapter 6**

True/False

- 1. T
- 2. F
- 3. F
- 4. T
- 5. T
- 6. T

Multiple Choice

- 1. B
- 2. C
- 3. D
- 4. A
- 5. C
- 6. D