TRUE/FALSE QUESTIONS

HISTORICAL BACKGROUND OF MANAGEMENT

1. According to Adam Smith, division of labor was an important concept.
   (True; easy; p. 26)

2. In the Industrial Revolution, machine power began substituting for human power.
   (True; easy; p. 27)

3. The Industrial Revolution began in the nineteenth century.
   (False; moderate; p. 27)

SCIENTIFIC MANAGEMENT

4. *Principles of Scientific Management* was written by Frederick Winslow Taylor.
   (True; moderate; p. 28)

5. “One best way” is the phrase most associated with scientific management.
   (True; moderate; p. 28)

6. The primary issue that aroused Taylor to create a more scientific approach to management was worker effectiveness.
   (False; difficult; p. 28)

7. Based on his scientific management principles, Taylor suggested the incentive pay principle.
   (True; moderate; p. 28)
8. Geert Hofstede is associated with the scientific management approach.
   (False; moderate; p. 28)

9. Frank Gilbreth’s best-known contribution to scientific management concerned selecting the best worker.
   (False; moderate; p. 29)

10. Gilbreth is best known for “the one best way.”
    (False; moderate; p. 28)

11. Frederick Taylor is most associated with the principles of scientific management.
    (True; easy; p. 28)

12. Geert Hofstede was among the first researchers to use motion pictures to study hand-and-body motions.
    (False; moderate; p. 29)

GENERAL ADMINISTRATIVE THEORISTS

13. General administrative theory focuses only on managers and administrators.
    (False; moderate; p. 29)

14. One could say that Fayol was interested in studying macromanagement issues, whereas Taylor was interested in studying micromanagement issues.
    (True; moderate; p. 30)

15. The 14 principles of management are associated with Fayol.
    (True; moderate; p. 30)

16. An organization that has a division of labor, a clearly defined hierarchy, detailed rules, and impersonal relationships would be described as a bureaucracy.
    (True; moderate; p. 30)

17. Weber’s bureaucracy is a lot like scientific management.
    (True; moderate; p. 30)

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QUANTITATIVE APPROACH TO MANAGEMENT

18. The qualitative approach to management has also been labeled operations research or management science.
   (False; moderate; p. 32)

19. Linear programming is a technique that managers use to improve resource allocation decisions.
   (True; moderate; p. 32)

TOWARD UNDERSTANDING ORGANIZATIONAL BEHAVIOR

20. Concern for employee motivation is most closely associated with organizational behavior.
   (True; moderate; p. 32)

21. Barnard, Follett, Munsterberg, and Owen are all theorists associated with the early organizational behavior approach.
   (True; moderate; p. 33)

22. Hugo Munsterberg created the field of industrial psychology.
   (True; moderate; p. 33)

23. Hugo Munsterberg was an early advocate of the human resources approach to management.
   (False; moderate; p. 33)

24. Munsterberg’s work in industrial psychology is easily connected with the scientific management approach.
   (True; moderate; p. 33)

25. Without question, the most important contribution to the developing field of organizational behavior came from the Hawthorne studies.
   (True; moderate; p. 33)

26. The Hawthorne studies were performed at the General Motors plant beginning in 1924.
   (False; easy; p. 33)
27. Follett is the scientist who is most closely associated with the Hawthorne studies.
   (False; moderate; p. 34)

CURRENT TRENDS AND ISSUES

28. An organization whose whole existence is made possible by and revolves around the Internet is categorized as e-business enhanced.
   (False; moderate; p. 41)

29. According to the textbook, total quality management is a philosophy of management driven by continual improvement and responding to customer needs and expectations.
   (True; moderate; p. 43)

MULTIPLE-CHOICE QUESTIONS
For each of the following choose the answer that most completely answers the question.

HISTORICAL BACKGROUND OF MANAGEMENT

30. Which of the following is not a reason Smith claimed enhanced productivity from division of labor?
   a. increasing worker skill and dexterity
   b. saving time lost in changing tasks
   c. creating labor-saving inventions
   d. strict management control over worker time and motion
   (d; moderate; p. 26)

31. An example of early uses of the functions of management is the _______________.
   a. development of gunpowder
   b. arsenal of Venice where ships were built
   c. Artist’s Revolution in 1803
   d. War of 1812
   (b; moderate; p. 26)
32. In *Wealth of Nations*, Adam Smith described the breakdown of jobs into narrow and repetitive tasks and called this _____________.
   a. assembly lines  
   b. lowest common factor of work  
   c. division of labor  
   d. greatest common factor of work  
   *(c; challenging; p. 26)*

33. The major contribution of the Industrial Revolution was the substitution of ________ for human power.
   a. electricity  
   b. water power  
   c. machine power  
   d. critical thinking  
   *(c; challenging; p. 27)*

34. General administrative theorists devoted their efforts to _______________.
   a. making the overall organization more effective  
   b. developing mathematical models to improve management  
   c. improving the productivity and efficiency of workers  
   d. emphasizing the study of human behavior in organizations  
   *(a; moderate; p. 29)*

35. Which of the following is not one of the four management approaches that grew out of the first half of this century?
   a. scientific management  
   b. general administrative  
   c. organizational behavior  
   d. systems approach
SCIENTIFIC MANAGEMENT

36. Frederick Taylor performed most of his work in ______________.
   a. grape vineyards in California
   b. steel companies in Pennsylvania
   c. auto assembly plants near Detroit
   d. cotton gins in Alabama
   (b; easy; p. 28)

37. Frank and Lillian Gilbreth’s work began in the area of ________________.
   a. laying bricks
   b. cutting lumber
   c. installing rudimentary electrical wiring
   d. assembly lines
   (a; easy; p. 29)

38. Frank and Lillian Gilbreth were the first researchers to utilize motion pictures to the study of ____________.
   a. reactions of workers in group settings
   b. hand-and-body motions
   c. workers reactions to pay increases
   d. groups of workers in tense situations where they are assigning each other tasks
   (b; moderate; p. 29)

39. Which of the following phrases is most associated with scientific management?
   a. management relations
   b. one best way
   c. supply and demand
   d. quality control
   (b; moderate; p. 28)
40. The primary issue that aroused Taylor to create a more scientific approach to management was  
       ____________.
       a. worker efficiency
       b. worker effectiveness
       c. worker absenteeism and turnover
       d. workplace safety
       (a; moderate; p. 28)

41. According to the textbook, probably the best-known example of Taylor’s scientific management was the  
       ____________ experiment.
       a. horseshoe
       b. pig iron
       c. blue collar
       d. fish tank
       (b; moderate; p. 28)

42. Based on his scientific management principles, Taylor suggested which of the following pay principles?  
       a. monthly salary
       b. monthly salary with bonus
       c. seniority pay
       d. incentive pay
       (d; difficult; p. 28)

43. A “therblig” concerns what scientific management workplace issue?  
       a. optimum temperature for workplace efficiency
       b. basic hand motions
       c. optimum speed for basic motions
       d. weight/movement ratios
       (b; moderate; p. 29)

GENERAL ADMINISTRATIVE THEORISTS

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44. General administrative theory focuses on ______________.
   a. the entire organization
   b. managers and administrators
   c. the measurement of organizational design relationships
   d. primarily the accounting function
   (a; easy; p. 29)

45. One could say that Fayol was interested in studying __________ management issues, whereas Taylor was interested in studying ________ management issues.
   a. micro; macro
   b. macro; micro
   c. micro; micro.
   d. macro; macro
   (b; difficult; p. 30)

46. Which of the following is not one of Fayol’s principles of management?
   a. division of work
   b. unity of command
   c. discipline
   d. equality
   (d; difficult; p. 30)

47. The 14 principles of management are associated with whom?
   a. Weber
   b. Drucker
   c. Taylor
   d. Fayol
   (d; moderate; p. 30)

48. According to Weber’s ideal bureaucracy, ____________ is when people are selected for jobs based on technical qualifications.
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49. Bureaucracy defined as a form of organization characterized by _________________.
   a. division of labor
   b. clearly defined hierarchy
   c. detailed rules and regulations
   d. all of the above
   (d; moderate; p. 30)

QUANTITATIVE APPROACH TO MANAGEMENT

50. Which of the following approaches to management has also been labeled operations research or management science?
   a. the qualitative approach
   b. the quantitative approach
   c. the experimental approach
   d. the theoretical approach
   (b; easy; p. 31)

51. The quantitative approach evolved from the development of mathematical and statistical solutions to _________________.
   a. waiting line problems at fast-food restaurants in the 1960s
   b. military problems in World War II
   c. clogged telephone circuits during the 1930s
   d. production management problems in the 1950s
   (b; challenging; p. 31)
52. The quantitative approach involves applications of _____________.  
   a. statistics  
   b. optimization models  
   c. information models  
   d. computer simulations  
   e. all of the above  
   (e; moderate; p. 32)

53. Quantitative techniques have become less intimidating with the advent of _____________.  
   a. training of these techniques in college  
   b. computers  
   c. sophisticated computer software  
   d. managers with better mathematical skills  
   e. quality control  
   (c; difficult; p. 32)

54. ____________ is a technique that managers use to improve resource allocation decisions.  
   a. Linear programming  
   b. Work scheduling  
   c. Economic order quantity modeling  
   d. Regression analysis  
   (a; moderate; p. 32)

55. Decisions on determining a company’s optimum inventory levels have been significantly influenced by ____________.  
   a. linear programming  
   b. work scheduling  
   c. economic order quantity modeling  
   d. regression analysis  
   (c; moderate; p. 32)

56. Which of the following would not be associated with the quantitative approach to management?  
   a. information models  
   b. critical-path scheduling  
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c. systematic motivation of individuals
d. linear programming
(c; moderate; p. 32)

TOWARD UNDERSTANDING ORGANIZATIONAL BEHAVIOR

57. Concern for employee motivation is most closely associated with which management approach?
   a. bureaucracy
   b. organizational behavior
   c. scientific management
   d. systems
   (b; moderate; p. 32)

58. According to the textbook, which of the following early advocates of organizational behavior was concerned about deplorable working conditions?
   a. Robert Owens
   b. Hugo Munsterberg
   c. Mary Parker Follett
   d. Chester Barnard
   (a; difficult; p. 33)

59. Which of the following early advocates of organizational behavior created the field of industrial psychology, the scientific study of people at work?
   a. Robert Owens
   b. Hugo Munsterberg
   c. Mary Parker Follett
   d. Chester Barnard
   (b; difficult; p. 33)

60. According to the textbook, _____________ was one of the first to recognize that organizations could be viewed from the perspective of individual and group behavior.
61. Which of the following early advocates of organizational behavior was the first to argue that organizations were open systems?
   a. Robert Owens
   b. Hugo Munsterberg
   c. Mary Parker Follett
   d. Chester Barnard
   (d; difficult; p. 33)

62. Which four theorists are associated with the early organizational behavior approach?
   a. Barnard, Follett, Munsterberg, and Owen
   b. Munsterberg, Taylor, Fayol, and Follett
   c. Taylor, Fayol, Weber, and Barnard
   d. Follett, Barnard, Munsterberg, and Weber
   (a; moderate; p. 33)

63. Which of the following was a major contribution of Hugo Munsterberg?
   a. He was a social reformer.
   b. He created the field of industrial psychology.
   c. He was interested in individual and group behavior.
   d. He viewed organizations as social systems requiring human cooperation.
   (b; difficult; p. 33)

64. Munsterberg’s work in industrial psychology is easily connected with what other management approach?
   a. general administrative

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b. classical management
c. systems
d. scientific management

(d; difficult; p. 33)

65. Contemporary management practices that emphasize work groups as a means to increasing productivity can be traced to which of the following authors?
a. Robert Owen
b. Mary Parker Follett
c. Chester Barnard
d. Hugo Munsterberg

(b; moderate; p. 33)

66. Which of the following is true concerning the management beliefs of Barnard?
a. Employee ability and motivation remain fixed within a single employee, but vary across different employees.
b. To improve productivity, management should concentrate on selecting the best employee rather than motivating current employees.
c. Productivity is best achieved by insulating the organization from external constituencies.
d. Organizations are social systems that require human cooperation.

(d; difficult; p. 33)

67. Without question, the most important contribution to the developing field of organizational behavior came out of the ________________.
a. Taylor studies
b. Porter studies
c. Parker studies
d. Hawthorne studies

(d; moderate; p. 33)

68. The Hawthorne studies were initially devised to study ________________.
a. productivity levels of groups versus individuals
b. the effect of noise on employee productivity
c. the effect of illumination levels on employee productivity

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d. the effect of cooperative versus competitive organizational environments on productivity
   *(c; moderate; p. 33)*

69. What scientist is most closely associated with the Hawthorne studies?
   
   a. Adams
   
   b. Mayo
   
   c. Lawler
   
   d. Barnard
   
   *(b; easy; p. 34)*

70. One outcome of the Hawthorne studies could be described by which of the following statements?

   a. Social norms or group standards are the key determinants of individual work behavior.
   
   b. Money is more important than the group on individual productivity.
   
   c. Behavior and employee sentiments are inversely related.
   
   d. Security is relatively unimportant.

   *(a; moderate; p. 34)*

**CURRENT TRENDS AND ISSUES**

71. According to the textbook, the fastest growth in the U.S. workforce will be among ________________.

   a. African-American workers
   
   b. Asian workers
   
   c. Turkish workers
   
   d. German workers
   
   e. Australian workers

   *(b; moderate; p. 37)*

72. Workforce diversity refers to differences in employees such as ________________.

   a. gender
   
   b. race

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39
c. age  
d. all of the above  
(d; moderate; p. 39)

73. Workforce diversity will be realized in the next decade most importantly by _______ of the population in the United States.  
a. increase in teenagers  
b. aging  
c. divorce rate  
d. birthrate  
(b; moderate; p. 39)

74. TQM differs from earlier management theories because TQM costs can be lowered while ___________.  
a. decreasing costs  
b. increasing productivity  
c. allowing reworked production to be handled by special teams assigned to this task  
d. employees are laid off  
(b; challenging; p. 45)

75. A learning organization develops the capability to ______________.  
a. add new training programs even when competitors are going bankrupt  
b. accept conventional wisdom of the industry  
c. continuously learn, adapt, and change  
d. work in teams  
(c; moderate; p. 41)

76. __________ is the process of developing businesses to pursue trends and changes that no one else has seen before.  
a. Entrepreneurship  
b. Division of labor  

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77. Knowledge management involves encouraging the members of the organization to _______________.
   a. improve the educational level of the average employee
   b. develop new training programs to help new employees learn their jobs
   c. develop a corporate university like Hamburger University at McDonald’s
   d. systematically gather information and share it with others
      (d; moderate; p. 42)

78. The sales and marketing component of e-business is _____________.
   a. intranet
   b. evolution
   c. e-commerce
   d. extranet
      (c; easy; p. 41)

79. _______ and _______ were two of the pioneers in the area of total quality management.
   a. Fayol; Weber
   b. Taylor; Gilbreth
   c. Owen; Munsterberg
   d. Deming; Juran
      (d; moderate; p. 43)

80. Which of the following is not one of the three important themes that stand out in the definition of entrepreneurship?
   a. the pursuit of opportunities
   b. the theme of innovation
   c. the potential of failure
   d. the theme of growth
      (c; moderate; p. 40)
81. __________ is a comprehensive term describing the way an organization does its work by using electronic (Internet-based) linkages with its key constituencies in order to efficiently and effectively achieve its goals.
   a. Electronic commerce
   b. Electronic business
   c. Virtual business
   d. Technologically impaired
   (b; easy; p. 40)

82. In which of the following categories of e-business involvement does an organization use the Internet to perform its traditional business functions better, but not to sell anything?
   a. e-business enhanced organization
   b. e-business enabled organization
   c. total e-business organization
   d. theoretical e-business organization
   (b; moderate; p. 41)

83. According to the textbook, Levi Strauss & Co. is categorized as which of the following e-business involvements?
   a. e-business enhanced
   b. e-business enabled
   c. total e-business
   d. theoretical e-business
   (b; moderate; p. 41)

84. An internal organizational communication system that uses Internet technology and is accessible only by organizational employees to communicate with its global workforce is called a(n) ___________.
   a. extranet
   b. local area network
   c. intranet
   d. hyernet

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85. An organization whose entire existence is made possible by and revolves around the Internet is categorized as which of the following e-business involvements?
   a. e-business enhanced
   b. e-business enabled
   c. total e-business
   d. theoretical e-business

86. This second theme of entrepreneurship involves changing, revolutionizing, transforming, or introducing new products or services or new ways of doing business.
   a. organizational structure
   b. innovation
   c. organizational systems
   d. technology

87. According to the text, all of the following are mentioned as organizations that have recognized the importance of knowledge management to being a learning organization except _____________.
   a. Hewlett-Packard
   b. Toyota
   c. General Electric
   d. Boeing

88. ____________ is the generic term used to describe the quality revolution that swept through both the business and public sectors during the 1980s and 1990s.
   a. Ethno quality management
   b. Total quality management
   c. Hyper quality management
   d. Partial quality management
89. All of the following are characteristics of total quality management except ______________.
   a. intense focus on the competition
   b. concern for continual improvement
   c. improvement in the quality of everything the organization does
   d. accurate measurement
   d.  empowerment of employees
   (a; moderate; p. 43)

90. A ______________ organization is one that has developed the capacity to continuously learn, adapt, and change.
   a. virtual
   b. learning
   c. traditional
   d. bureaucratic
   (b; moderate; p. 41)

91. ______________ involves cultivating a learning culture where organizational members systematically gather knowledge and share it with others in the organization so as to achieve better performance.
   a. Systems management
   b. Software management
   c. Technical management
   d. Knowledge management
   (d; moderate; p. 42)

92. All of the following are characteristics of a learning organization except ______________.
   a. “if it was invented or reinvented here, reject it.”
   b. “if you aren’t changing, it won’t be working for long.”
   c. “ability to learn; knowledge and expertise.”
   d. “control others.”
   (d; difficult; p. 42)
93. ____________ and ____________ were the most famous drivers of TQM.
   a. Deming; Juran
   b. Juran; Bailey
   c. Bailey; Geerdhart
   e. Taylor; Deming
   (a; moderate; p. 43)

94. ____________ is a philosophy of management driven by continual improvement and responding to
customer needs and expectations.
   a. Workplace religion
   b. Workplace spirituality
   c. Quality management
   d. Knowledge management
   (e; moderate; p. 43)

SCENARIOS AND QUESTIONS
For each of the following choose the answer that most completely answers the question.

HISTORICAL BACKGROUND OF MANAGEMENT

A Look Back (Scenario)

Cindy Schultz, tired from working with customers all day, decided to take a 15-minute nap to help clear her head before the 4:15 P.M. managers’ meeting. Her company had recently begun a reengineering process as well as other changes requiring copious management input. As she leaned back in her chair, she wondered if management science had always been this way and how it all began. As she napped, she dreamed that she was traveling in the “Management Way Back Machine” with “Mr. Peabody” as her guide that took her back through management history.

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95. One of the earliest sites Cindy visited was the home of Adam Smith, author of *The Wealth of Nations*, which suggested that organizations and society would gain from _______________.
   a. time management  
   b. division of labor  
   c. group work  
   d. quality management
   (b; moderate; p. 26)

96. Cindy visited a bookstore that was holding a book signing. She saw that the title of the book was *Principles of Scientific Management* and concluded that the author must be _______________.
   a. Adam Smith  
   b. Frank Gilbreth  
   c. Henry Gantt  
   d. Frederick Taylor
   (d; easy; p. 28)

97. Cindy admired the works of Taylor and Gilbreth, two advocates of _______________.
   a. scientific management  
   b. organizational behavior  
   c. human resource management  
   d. motivation
   (a; moderate; p. 28)

98. Cindy spent some time visiting with __________, a researcher she previously knew little about but who also contributed to management science by being among the first to use motion picture films to study hand-and-body motions and by devising a classification scheme known as a ‘therblig.’
   a. Henry Gantt  
   b. Max Weber  
   c. Chester Barnard  
   d. Frank Gilbreth

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Scientific Management (Scenario)

As an intern, Jeanna is perplexed as she hears different managers discuss their views on particular problems. She has been assigned to several departments during her internship.

99. While trying to describe a problem, one manager utilizes analysis of basic work tasks that are performed in the organization. It is most likely that this manager has studied the work of _______________.
   a. Frederick Taylor
   b. Edward Deming
   c. Max Weber
   d. Henri Fayol

100. As she talked to another manager, Jeanna learned a view of the organization that stressed strict division of labor, formal rules and regulations, and impersonal application of those rules and regulations. This manager was a student of _________________.
   a. the Industrial Revolution
   b. quantitative methods
   c. spiritual knowledge
   d. bureaucracy

101. One particular department in the organization made decisions about planning and control of the organization. They used sophisticated computer software to develop models, equations, and formulas that aid other managers to do their jobs. This department utilizes _________________.
   a. anthropology
   b. bureaucracy
   c. quantitative methods
   d. spiritual management
102. Jeanna worked in a department where employees were seen as the driving force behind the organization, and contributions of individuals were seen as varied and distinct. This department probably saw employees through the ____________ field of study.
   a. workplace diversity
   b. organizational behavior
   c. quantitative studies
   d. total quality management
   (b; moderate; p. 32)

103. One manager encouraged Jeanna to explore applications of statistics, optimization models, information models, and computer simulations to management activities. This manager was discussing ____________.
   a. quantitative approach
   b. workplace diversity
   c. organizational behavior
   d. knowledge management
   (a; easy; p. 32)

TOWARD UNDERSTANDING ORGANIZATIONAL BEHAVIOR

A major research effort started in the 1920s at a telephone equipment assembly plant in Cicero, Illinois. The Industrial Revolution had sustained Western Electric for the last 50 years, but the latest attempts to use the principles of Taylor, the Gilbreths, and other theorists had not produced improvements in productivity.

104. In cooperation with researchers from Harvard, managers designed a project that was the last attempt to apply the principles of the Industrial Revolution and the first research into a new area of management thought. This project began as a test to determine the most productive ____________.
   a. reward structure
   b. illumination level
   c. number of breaks during a shift
   d. number of days away from work per month
   (b; moderate; p. 33)
105. This research effort lasted for 7 years and became known as ________________.
   a. the Harvard Research Group
   b. the Boston Consulting Group
   c. quantitative management
   d. the Hawthorne studies
   (d; moderate; p. 33)

106. The research project studied ________________.
   a. behavior and sentiments
   b. group influences on individual behavior
   c. group standards affect individual behavior
   d. all of the above
   (d; difficult; p. 33)

107. Critics of these research efforts criticized ________________.
   a. the research procedures
   b. analyses of findings
   c. the conclusions based on the analyses of the findings
   d. all of the above
   (d; difficult; p. 34)

108. The most important thing about these studies is that they ________________.
   a. helped employees understand their own behavior, beginning the employee empowerment movement
   b. stimulated interest in human behavior in organizations
   c. concluded that employees were no different from machines
   d. showed that managers had to be right in all their decisions
   (b; difficult; p. 34)
As an engineer, Kevin was trained to understand the roles of machinery and hardware in enhancing organizational productivity. However, Kevin was promoted to a managerial position where his duties included supervising a department of 34 people and leading them toward completion of a new project. Ever the perfectionist, Kevin decided to enhance his understanding of the human side of business management by reading a history text on the human resources approach.

109. Kevin read that __________ was an early social reformer who is remembered most for his/her courage and commitment to reducing the suffering of the working class.
   a. Hugo Munsterberg
   b. Robert Owen
   c. Mary Parker Follett
   d. Chester Barnard
   (b; moderate; p. 33)

110. Kevin also expanded his reading list to include works authored by ______________, the creator of the field of industrial psychology.
   a. Hugo Munsterberg
   b. Robert Owen
   c. Mary Parker Follett
   d. Chester Barnard
   (a; moderate; p. 33)

111. Kevin was surprised to learn that using group-based projects was not a contemporary concept. In fact, __________ was an early 1900s social philosopher who thought that organizations should be based on a group ethic.
   a. Hugo Munsterberg
   b. Robert Owen
   c. Mary Parker Follett
   d. Chester Barnard
   (c; moderate; p. 33)
112. Kevin also learned that the human resources approach was not limited to academic theorists. A strong contribution to this field was made by _______________, an actual manager who thought organizations were social systems that required cooperation.
   a. Hugo Munsterberg  
   b. Robert Owen  
   c. Mary Parker Follett  
   d. Chester Barnard  
   (d; moderate; p. 33)

**CURRENT TRENDS AND ISSUES**

**The New Challenge (Scenario)**

Tom has just been promoted to chief technology officer at his company, Global Tech Solutions, Inc. His first assignment is to identify four project managers in the company that are likely to successfully manage new projects. Tom selects Robert, Frank, Sue, and Jan, who all are recent graduates from a local university. He informs them about a current situation.

113. During a discussion about e-business, Robert tells Tom that he understands that ______________ is a comprehensive term describing the way an organization does its work by using electronic linkages with its key constituencies in order to efficiently and effectively achieve its goals.
   a. b-business  
   b. t-business  
   c. e-business  
   d. i-business  
   (c; moderate; p. 40)

114. Discussing the three categories of e-business was not difficult. Tom simply stated that the three categories included all of the following except ______________.
   a. e-business enhanced  
   b. e-business enabled  
   c. total e-business  
   d. cross-sectional e-business  
   (d; moderate; p. 41)
115. Tom further clarified that many *Fortune 500* type organizations are evolving into e-businesses using the ____________ approach.
   a. e-business-enhanced
   b. e-business-enabled
   c. total e-business
   d. cross-sectional e-business
   
   *(a; moderate; p. 41)*

116. Sue asked for some examples of traditional organizations that have become e-business enhanced. Tom replied that all of the following are examples except ______________.
   a. Merrill Lynch
   b. Yahoo!
   c. Office Depot
   d. Starbucks
   
   *(b; moderate; p. 41)*

**Regional University (Scenario)**

A regional university is trying to deal with many pressures to maintain its vitality in today’s educational environment. It faces many challenges that test the managers at the university.

117. In an attempt to attract students from foreign counties, the university designs a new department. This new department is tasked to attract international students and move them into the mainstream of the university through an intensive program that teaches English. This action could best be defined as ______________.
   a. bureaucracy
   b. organizational behavior
   c. a quantitative approach
   d. globalization
   
   *(d; easy; p. 37)*

118. Realizing that the university needs to attract a heterogeneous mixture of faculty, the university develops a plan to hire faculty from different genders, races, and ages. This is seen as a move to develop __________ in the university.
a. workforce diversity  
b. entrepreneurship  
c. e-business  
d. scientific management  
(a; easy; p. 39)

119. Although most university programs that offer degrees through classes on the Internet are at either the associate degree or graduate level, this university decides to offer a degree at bachelor’s level. This is an example of _______________.  
a. workforce diversity  
b. entrepreneurship  
c. organizational behavior  
d. scientific management  
(b; moderate; p. 40)

120. In an effort to improve operations in the university, Internet web pages are developed to market the university, accept applications to the university, and accept applications for campus housing. These operations are seen as parts of an e-business ________ organization.  
a. enhanced  
b. enabled  
c. capable  
d. effective  
(b; moderate; p. 41)

121. Plans were made and classes were developed that would be delivered through the Internet. These operations are seen as parts of an e-business ________ organization.  
a. enhanced  
b. enabled  
c. capable  
d. effective  
(a; moderate; p. 41)

The New Business (Scenario)
Lois has started on her own children’s clothing store business. She is a bit nervous but is confident she will do a good job. She remembers studying the different approaches to management and knows when to use each approach.

122. Before opening day, Lois has to decide how much money she should put in her budget toward advertising. This is using the _________________.
   a. organizational behavior approach
   b. quantative approach
   c. qualitative approach
   d. systems approach
   (b; moderate; p. 31)

123. Lois has three people she needs to interview for her manager position. Employee selection procedures is an example of _____________.
   a. organizational behavior approach
   b. quantative approach
   c. qualitative approach
   d. systems approach
   (a; moderate; p. 32)

ESSAY QUESTIONS

SCIENTIFIC MANAGEMENT

124. In a short essay, discuss Frederick Taylor’s work in scientific management. Next, list Taylor’s four principles of management.

   Answer
   Frederick Taylor did most of his work at the Midvale and Bethlehem Steel Companies in Pennsylvania. As a mechanical engineer with a Quaker and Puritan background, he was continually appalled by workers’ inefficiencies. Employees used vastly different techniques to do the same job. They were inclined to “take it...
easy” on the job, and Taylor believed that worker output was only about one-third of what was possible. Virtually no work standards existed. Workers were placed in jobs with little or no concern for matching their abilities and aptitudes with the tasks they were required to do. Managers and workers were in continual conflict. Taylor set out to correct the situation by applying the scientific method to shop floor jobs. He spent more than two decades passionately pursuing the “one best way” for each job to be done.

Taylor’s Four Principles of Management

a. Develop a science for each element of an individual’s work, which will replace the old rule-of-thumb method.

b. Scientifically select and then train, teach, and develop the worker.

c. Heartily cooperate with the workers so as to ensure that all work is done in accordance with the principles of the science that has been developed.

d. Divide work and responsibility almost equally between management and workers. Management takes over all work for which it is better fitted than the workers.

(difficult; p. 28)

125. In a short essay, discuss the work in scientific management done by Frank and Lillian Gilbreth.

Answer
Frank Gilbreth is probably best known for his experiments in bricklaying. By carefully analyzing the bricklayer’s job, he reduced the number of motions in laying exterior brick from 18 to about 5, and on laying interior brick the motions were reduced from 18 to 2. Using the Gilbreth’s techniques, the bricklayer could be more productive on the job and less fatigued at the end of the day. The Gilbreths were among the first researchers to use motion pictures to study hand-and-body motions and the amount of time spent doing each motion. Wasted motions missed by the naked eye could be identified and eliminated. The Gilbreths also devised a classification scheme to label 17 basic hand motions, which they called therbligs. This scheme allowed the Gilbreths a more precise way of analyzing a worker’s exact hand movements.

(moderate; p. 29)

GENERAL ADMINISTRATIVE THEORISTS

126. In a short essay, discuss the work of Henri Fayol as it relates to the general administrative approach to management. Next, list and discuss 7 of Fayol’s 14 principles of management.

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Answer

Fayol described the practice of management as something distinct from accounting, finance, production, distribution, and other typical business functions. He argued that management was an activity common to all human endeavors in business, in government, and even in the home. He then proceeded to state 14 principles of management—fundamental rules of management that could be taught in schools and applied in all organizational situations.

Fayol’s 14 Principles of Management

a. Division of work—specialization increases output by making employees more efficient.
b. Authority—managers must be able to give orders. Authority gives them this right. Along with authority, however, goes responsibility.
c. Discipline—employees must obey and respect the rules that govern the organization.
d. Unity of command—every employee should receive orders from only one superior.
e. Unity of direction—the organization should have a single plan of action to guide managers and workers.
f. Subordination of individual interests to the general interest—the interests of any one employee or group of employees should not take precedence over the interests of the organization as a whole.
g. Remuneration—workers must be paid a fair wage for their services.
h. Centralization—this term refers to the degree to which subordinates are involved in decision making.
i. Scalar chain—the line of authority from top management to the lowest ranks in the scalar chain.
j. Order—people and materials should be in the right place at the right time.
k. Equity—managers should be kind and fair to their subordinates.
l. Stability of tenure of personnel—management should provide orderly personnel planning and ensure that replacements are available to fill vacancies.
m. Initiative—employees who are allowed to originate and carry out plans will exert high levels of effort.
n. Esprit de corps—promoting team spirit will build harmony and unity within the organization.

(difficult; p. 30)
TOWARD UNDERSTANDING ORGANIZATIONAL BEHAVIOR

127. In a short essay, describe the Hawthorne studies. Next, discuss the role of Elton Mayo in these studies and list some of the findings of his research.

**Answer**

Without question, the most important contribution to the developing organizational behavior field came from the Hawthorne studies, a series of studies conducted at the Western Electric Company Works in Cicero, Illinois. Western Electric industrial engineers initially designed these studies as a scientific management experiment. They wanted to examine the effect of various illumination levels on worker productivity. Based on their research, it was concluded that illumination intensity was not directly related to group productivity. In 1927, the Western Electric engineers asked Harvard professor Elton Mayo and his associates to join the study as consultants. Through additional research, Elton Mayo concluded that group influences affected individual behavior, that group standards establish individual worker output, and that money is less a factor in determining output than are group standards, group sentiments, and security. These conclusions led to a new emphasis on the human behavior factor in the functioning of organizations and the attainment of their goals.

*(difficult; p. 33)*

CURRENT TRENDS AND ISSUES

128. Although criticized for their procedures, analyses of findings and conclusions, the Hawthorne Studies stimulated an interest in human behavior in organizations. Give examples of these scientific management experiments and explain how these experiments contributed to the field of management.

**Answer**

Elton Mayo and Western Electric engineers did numerous experiments in the redesign of jobs, changes in workday and workweek length, introduction or rest periods, and individual versus group wage plans. One experiment indicated that the incentive plan had less effect on a worker’s output than did group pressure. These conclusions led to a new emphasis on the human behavior factor in the management of organizations and the attainment of goals.

*(difficult; p. 34)*