

Chapter 2

The Evolution of Management Thinking

TRUE/FALSE

1. According to the opening case in Chapter 2, Cemex specializes in delivering concrete in the most technologically advanced parts of the world.

ANS: F DIF: 2 REF: 37

NAT: AACSB Analytic | Creation of Value TYP: F

2. Managers today face the ultimate paradox: keep everything running efficiently and profitably, while, at the same time, change everything.

ANS: T DIF: 3 REF: 38

NAT: AACSB Analytic | Strategy TYP: F

3. Studying history is a way to achieve strategic thinking, see the big picture, and improve conceptual skills.

ANS: T DIF: 2 REF: 38

NAT: AACSB Analytic | Strategy TYP: F

4. Social forces refer to those aspects of a culture that guide and influence relationships among people.

ANS: T DIF: 1 REF: 38

NAT: AACSB Analytic | Environmental Influence TYP: F

5. Political forces are aspects of a culture that guide and influence relationships among people.

ANS: F DIF: 1 REF: 39

NAT: AACSB Analytic | Environmental Influence TYP: F

6. Economic forces pertain to the availability, production, and distribution of resources in a society.

ANS: T DIF: 1 REF: 39

NAT: AACSB Analytic | Environmental Influence TYP: F

7. The early study of management as we know it today began with what is now called the technology-driven workplace.

ANS: F DIF: 2 REF: 40

NAT: AACSB Technology | Information Technologies TYP: F

8. According to Unlocking Innovative Solutions Through Technology in Chapter 2, railroads had a similar effect on the economy about 150 years ago as the Internet is having today.

ANS: T DIF: 1 REF: 40

NAT: AACSB Technology | Creation of Value TYP: F

9. The classical perspective on management emerged during the early eighteenth century.

ANS: F DIF: 2 REF: 41

NAT: AACSB Analytic | Leadership Principles TYP: F

10. A Gantt chart is a bar graph that measures planned and completed work along each stage of production by time elapsed.

ANS: T DIF: 1 REF: 42

NAT: AACSB Analytic | Creation of Value TYP: F

11. Frederick W. Taylor developed Scientific Management and emphasized the fourteen principles of management that should guide managerial behavior.

ANS: F DIF: 1 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

12. Scientific management developed a standard method for performing each job.

ANS: T DIF: 1 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

13. Since Taylor was the sole contributor in the area of scientific management, he was awarded the title of "father of scientific management."

ANS: F DIF: 1 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

14. Division of labor, with clear definitions of authority and responsibility, is one of the six characteristics of the ideal bureaucracy.

ANS: T DIF: 1 REF: 43

NAT: AACSB Analytic | Leadership Principles TYP: F

15. Administrative acts and decisions recorded in writing is one of the six characteristics of the ideal bureaucracy.

ANS: T DIF: 1 REF: 43

NAT: AACSB Analytic | Leadership Principles TYP: F

16. One of the important reasons for the success of UPS is the concept of bureaucracy.

ANS: T DIF: 2 REF: 44

NAT: AACSB Analytic | Leadership Principles TYP: F

17. Max Weber emphasized efficiency instead of effectiveness in organizations through his bureaucratic model.

ANS: F DIF: 1 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

18. Fayol's Unity of Direction Principle emphasizes that each subordinate receives orders from one, and only one.

ANS: F DIF: 2 REF: 45

NAT: AACSB Analytic | Leadership Principles TYP: F

19. Unity of direction principle proposes that similar activities in an organization should be grouped together under one manager.

ANS: T DIF: 1 REF: 45

NAT: AACSB Analytic | Leadership Principles TYP: F

20. The hypothetical chain that provides horizontal links between unionized workers in different departments in an organization is called the scalar chain.

ANS: F DIF: 2 REF: 45

NAT: AACSB Analytic | Leadership Principles TYP: F

21. Follett and Barnard were early advocates of a more humanistic perspective on management that emphasized the importance of understanding human behavior, needs, and attitudes in the workplace as well as social interactions and group processes.

ANS: T DIF: 2 REF: 46

NAT: AACSB Analytic | Leadership Principles TYP: F

22. Most early interpretations of the Hawthorne studies agreed that money was the cause of the increased output.

ANS: F DIF: 2 REF: 47

NAT: AACSB Analytic | Motivation Concepts TYP: F

23. The Hawthorne studies led to the early conclusion that positive human relations can lead to significantly higher performance.

ANS: T DIF: 1 REF: 47

NAT: AACSB Analytic | Motivation Concepts TYP: F

24. Maslow's hierarchy of needs started with belongingness, progressed to safety, and finally to esteem.

ANS: F DIF: 2 REF: 47

NAT: AACSB Analytic | Motivation Concepts TYP: F

25. According to Douglas McGregor, Theory X and Theory Y provide two opposing views of workers, where Theory X recognizes that workers enjoy achievement and responsibility, while Theory Y recognizes that workers will avoid work whenever possible.

ANS: F DIF: 1 REF: 48
NAT: AACSB Analytic | Motivation Concepts TYP: F

26. Theory Y proposes that organizations can take advantage of the imagination and intellect of all of their employees.

ANS: T DIF: 2 REF: 48
NAT: AACSB Analytic | Motivation Concepts TYP: F

27. Organization development is a specific set of management techniques based in the behavioral science approach.

ANS: T DIF: 1 REF: 50
NAT: AACSB Analytic | Creation of Value TYP: F

28. The behavioral science approach develops theories about human behavior based on scientific methods and study.

ANS: T DIF: 1 REF: 50
NAT: AACSB Analytic | Leadership Principles TYP: F

29. Operations management refers to the field of management that specializes in the physical production of goods or services.

ANS: T DIF: 1 REF: 51
NAT: AACSB Analytic | Operations Management TYP: F

30. Operations management represents the field of management that specializes in the physical production of goods and services.

ANS: T DIF: 1 REF: 51
NAT: AACSB Analytic | Operations Management TYP: F

31. There are four components to the systems theory: inputs, outputs, feedback and the customers.

ANS: F DIF: 1 REF: 52
NAT: AACSB Analytic | Creation of Value TYP: F

32. Outputs, from a systems theory viewpoint, are the material, human, financial, or information resources used to produce goods and services.

ANS: F DIF: 2 REF: 52
NAT: AACSB Analytic | Creation of Value TYP: F

33. In systems theory, an open system is open to the suggestions and recommendations of its workers.

ANS: F DIF: 1 REF: 52
NAT: AACSB Analytic | Creation of Value TYP: F

34. One of the advantages provided by good coordination within an organization is that entropy is reduced.

ANS: F DIF: 2 REF: 53
NAT: AACSB Analytic | Creation of Value TYP: F

35. To survive, closed systems must interact with the environment.

ANS: F DIF: 1 REF: 53
NAT: AACSB Analytic | Creation of Value TYP: F

36. Contingency theory suggests that managers would be more successful if they learned the best way to manage and motivate their employees, and then applied this knowledge in a universally consistent way.

ANS: F DIF: 2 REF: 53
NAT: AACSB Analytic | Leadership Principles TYP: A

37. When the shop foreman receives and rewards valuable suggestions from its workers, and this leads to continual improvement of production, synergy has occurred.

ANS: T DIF: 2 REF: 54
NAT: AACSB Analytic | Creation of Value TYP: A

38. The inherent focus of TQM is on managing the total organization to deliver quality to the customer.

ANS: T DIF: 1 REF: 54
NAT: AACSB Analytic | Creation of Value TYP: F

39. Benchmarking involves finding out what the customer wants.

ANS: F DIF: 2 REF: 54
NAT: AACSB Analytic | Creation of Value TYP: F

40. The implementation of small, incremental improvements in all areas of the organization on an ongoing basis refers to continuous improvement.

ANS: T DIF: 1 REF: 54
NAT: AACSB Analytic | Creation of Value TYP: F

41. The learning organization is an attitude or philosophy about what an organization can become.

ANS: T DIF: 2 REF: 55
NAT: AACSB Analytic | Creation of Value TYP: F

42. Although team leadership is critical, in learning organizations the traditional boss is practically eliminated.

ANS: T DIF: 2 REF: 56

NAT: AACSB Analytic | Creation of Value TYP: F

43. In learning organizations, managers learn to think in terms of "control over" rather than "control with" others.

ANS: F DIF: 1 REF: 56

NAT: AACSB Analytic | Leadership Principles TYP: F

44. The fundamental unit in a learning organization is command-and-control management teams.

ANS: F DIF: 2 REF: 56

NAT: AACSB Analytic | Creation of Value TYP: F

45. Giving employees the power, freedom, knowledge, and skills to make decisions and perform effectively refers to empowerment.

ANS: T DIF: 1 REF: 56

NAT: AACSB Analytic | Leadership Principles TYP: F

46. People are a cost to be minimized for managers in learning organizations.

ANS: F DIF: 2 REF: 56

NAT: AACSB Analytic | Creation of Value TYP: F

47. Business-to-business e-commerce refers to selling products over the Internet to consumers.

ANS: F DIF: 1 REF: 57

NAT: AACSB Technology | Creation of Value TYP: F

48. Supply chain management refers to the sequence of suppliers and purchasers, covering all stages of processing from obtaining raw materials to distributing finished goods to consumers.

ANS: T DIF: 1 REF: 57-58

NAT: AACSB Analytic | Creation of Value TYP: F

49. Enterprise resource planning refers to the sequence of suppliers and purchasers, covering all stages of processing from obtaining raw materials to distributing finished goods to consumers.

ANS: F DIF: 2 REF: 58

NAT: AACSB Analytic | Creation of Value TYP: F

50. Knowledge management refers to the efforts to systematically find, organize, and make available a company's intellectual capital.

ANS: T DIF: 1 REF: 58-59

NAT: AACSB Analytic | Creation of Value TYP: F

51. Peter Drucker coined the word knowledge work more than 40 years ago.

ANS: T DIF: 1 REF: 59

NAT: AACSB Analytic | Information Technologies TYP: F

52. Customer relationship management systems collect and manage large amounts of data about customers and make them available to employees.

ANS: T DIF: 1 REF: 59

NAT: AACSB Technology | Creation of Value TYP: F

53. Outsourcing refers to contracting out selected functions or activities to other organizations that can do the work more cost-efficiently.

ANS: T DIF: 1 REF: 59

NAT: AACSB Analytic | Creation of Value TYP: F

54. Outsourcing refers to a process whereby companies find out how others do something better than they do and then try to imitate or improve on it.

ANS: F DIF: 1 REF: 59

NAT: AACSB Analytic | Creation of Value TYP: F

MULTIPLE CHOICE

1. Which of these, according to the opening case in Chapter 2, represents a management challenge for Cemex?

- a. Finding an Asian headquarter given its focus on the developing world
- b. Locating opportunities in the advanced part of the world
- c. Finding a business approach that accepted, rather than resisted, the natural chaos of the marketplace
- d. Finding entrepreneurial suppliers to match Cemex's innovative culture
- e. Introducing information technology in a mundane cement business

ANS: C DIF: 1 REF: 37

NAT: AACSB Analytic | Creation of Value TYP: F

2. Sam Walton was way ahead of open-book management when he _____ to/with the employees in the 1960s.

- a. opened the financial records
- b. allowed decision making
- c. gave bonuses
- d. developed technology skills
- e. managed the openings of Wal-Mart

ANS: A DIF: 2 REF: 38

NAT: AACSB Analytic | Creation of Value TYP: F

3. Which of these forces refer to those aspects of a culture that guide and influence relationships among people?
- a. Social
 - b. Political
 - c. Economic
 - d. Technological
 - e. Legal

ANS: A DIF: 1 REF: 38

NAT: AACSB Analytic | Environmental Influence TYP: F

4. Which of these forces comprises unwritten, common rules and perceptions about relationships?
- a. Economic force
 - b. Political force
 - c. Social force
 - d. Legal force
 - e. Personal force

ANS: C DIF: 1 REF: 38

NAT: AACSB Analytic | Environmental Influence TYP: F

5. Which of these forces pertain to the availability, production, and distribution of resources in a society?
- a. Social
 - b. Political
 - c. Economic
 - d. Technological
 - e. Legal

ANS: C DIF: 1 REF: 39

NAT: AACSB Analytic | Environmental Influence TYP: F

6. Interest rates, inflation, and trade barriers are all examples of _____ forces.
- a. technology
 - b. political
 - c. social
 - d. economic
 - e. none of these

ANS: D DIF: 2 REF: 39

NAT: AACSB Analytic | Environmental Influence TYP: F

7. The stimulus for technological innovation is often found in which of these?
- a. Social forces
 - b. Political forces
 - c. Economic forces
 - d. Competitive forces
 - e. All of these

ANS: C DIF: 1 REF: 39

NAT: AACSB Analytic | Environmental Influence TYP: F

8. Strong anti-American sentiments in many parts of the world exemplify the effect of
- economic forces.
 - political forces.
 - social forces.
 - technological forces.
 - human relations force.

ANS: B DIF: 2 REF: 39

NAT: AACSB Analytic | Environmental Influence TYP: A

9. According to Unlocking Innovative Solutions Through Technology in Chapter 2, the Internet serves the same basic economic function that _____ did 150 years ago.
- sliced bread
 - the telephone
 - railroads
 - cars
 - newspaper

ANS: C DIF: 1 REF: 40

NAT: AACSB Technology | Creation of Value TYP: F

10. According to Unlocking Innovative Solutions Through Technology in Chapter 2, the railroads and Internet serve the same basic function: _____.
- transporting information
 - connecting buyers and sellers
 - traveling with speed
 - managing product
 - developing industry performance

ANS: B DIF: 2 REF: 40

NAT: AACSB Technology | Creation of Value TYP: F

11. Which of these is the most current management perspective?
- The learning organization
 - Contingency views
 - Systems theory
 - The technology-drive workplace
 - Classical perspective

ANS: D DIF: 2 REF: 41

NAT: AACSB Analytic | Leadership Principles TYP: F

12. The nineteenth and early twentieth centuries saw the development of which management perspective?
- The human relations movement
 - The behavioral sciences approach
 - The classical perspective
 - The quantitative management approach
 - The TQM approach

ANS: C DIF: 2 REF: 41

NAT: AACSB Analytic | Leadership Principles TYP: F

13. Which of these perspectives emphasize a rational, scientific approach to the study of management and sought to make organizations efficient operating machines?
- a. The human relations movement
 - b. The behavioral sciences approach
 - c. The scientific management movement
 - d. The quantitative management approach
 - e. The TQM approach

ANS: C DIF: 1 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

14. Frank Gilbreth felt that efficiency equated with _____.
- a. one best way to do work
 - b. leadership flows from the top down
 - c. procedures and policies
 - d. scientific management
 - e. bureaucracy

ANS: A DIF: 2 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

15. _____ is considered the "first lady of management."
- a. Mary Parker Follett
 - b. Lillian Gilbreth
 - c. Carly Fioroni
 - d. Maxine Weber
 - e. Anne Adams

ANS: B DIF: 2 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

16. The three subfields of the classical perspective include
- a. quantitative management, behavioral science, and administrative management.
 - b. bureaucratic organization, quantitative management, and the human relations movement.
 - c. administrative management, bureaucratic organization, and scientific management.
 - d. scientific management, quantitative management, and administrative management.
 - e. none of these.

ANS: C DIF: 2 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

17. Who is considered as the "father of scientific management?"
- a. Frank B. Gilbreth
 - b. Elton Mayo
 - c. Henry Gantt
 - d. Douglas McGregor
 - e. Frederick W. Taylor

ANS: E DIF: 1 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

18. _____ is a bar graph that measures planned and completed work along each stage of production by time elapsed.
- a. Time and Work chart
 - b. Gantt chart
 - c. Time and Motion chart
 - d. Production and Delivery chart
 - e. Gilbreth chart

ANS: B DIF: 1 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

19. Fredrick Taylor's contributions were in the field of
- a. scientific management.
 - b. human resource management.
 - c. human relations.
 - d. quantitative management.
 - e. total quality management.

ANS: A DIF: 1 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

20. Which of the following is not a criticism of scientific management?
- a. It does not appreciate the social context of work.
 - b. It does not appreciate the higher needs of workers.
 - c. It does not appreciate the careful study of tasks and jobs.
 - d. It does not acknowledge variance among individuals.
 - e. It tends to regard workers as uninformed and ignored their ideas and suggestions.

ANS: C DIF: 2 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

21. Standardization of work and wage incentives are characteristics of
- a. bureaucratic organizations.
 - b. scientific management.
 - c. quantitative management.
 - d. administrative management.
 - e. behavioral science.

ANS: B DIF: 2 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

22. Max Weber felt selection of employees should be based on:
- a. education
 - b. competence
 - c. connections
 - d. management skills
 - e. efficient systems

ANS: B DIF: 2 REF: 42

NAT: AACSB Analytic | Leadership Principles TYP: F

23. Which of these is a major criticism of scientific management?
- a. It ignored the social context of work.
 - b. It ignored the impact of compensation on performance.
 - c. It overemphasized individual differences.
 - d. It overemphasized the intelligence of workers.
 - e. It emphasized the social context of work.

ANS: A DIF: 2 REF: 43

NAT: AACSB Analytic | Leadership Principles TYP: F

24. Bureaucratic organizations approach was a subfield within the _____.
- a. classical perspective
 - b. systems theory
 - c. scientific management
 - d. learning organization
 - e. management science view

ANS: A DIF: 2 REF: 43

NAT: AACSB Analytic | Leadership Principles TYP: F

25. Organizations, according to Weber's ideas on bureaucracy, should be based on which of these?
- a. Personal loyalty
 - b. Personal references
 - c. Rational authority
 - d. Family ties
 - e. Charismatic authority

ANS: C DIF: 2 REF: 43

NAT: AACSB Analytic | Leadership Principles TYP: F

26. Positions organized in a hierarchy of authority is an important characteristic of
- a. scientific management.
 - b. bureaucratic organizations.
 - c. quantitative management.
 - d. the human relations movement.
 - e. total quality management.

ANS: B DIF: 1 REF: 43

NAT: AACSB Analytic | Leadership Principles TYP: F

27. Archies' Antiques, Inc., is characterized by separation of management from ownership and by clearly defined lines of authority and responsibility. These characteristics are consistent with the principles of
- a. scientific management.
 - b. bureaucratic organizations.
 - c. administrative management theory.
 - d. human resource management.
 - e. all of these.

ANS: B DIF: 2 REF: 43

NAT: AACSB Analytic | Leadership Principles TYP: A

28. Which of the following is NOT a characteristic of Weberian bureaucracy?
- a. Labor is divided with clear definitions of authority and responsibility that are legitimized as official duties.
 - b. Positions are organized in a hierarchy of authority, with each position under the authority of a higher one.
 - c. All personnel are selected and promoted based on technical qualifications.
 - d. Administrative acts and decisions are recorded in writing.
 - e. Management is the same as the ownership of the organization.

ANS: E DIF: 3 REF: 43

NAT: AACSB Analytic | Leadership Principles TYP: F

29. UPS is successful in the small package delivery market. One important reason for this success is the concept of
- a. globalization.
 - b. employee flexibility.
 - c. loose standards.
 - d. bureaucracy.
 - e. non-bureaucratic organizational system.

ANS: D DIF: 2 REF: 44

NAT: AACSB Analytic | Leadership Principles TYP: F

30. Scientific management focused on _____, and administrative principles focused on _____.
- a. individual productivity, total organization
 - b. organization productivity, individual effort
 - c. efficient procedures, management by principle
 - d. employee ability, employee loyalty
 - e. employee competence, work flow through the organization

ANS: A DIF: 2 REF: 44

NAT: AACSB Analytic | Leadership Principles TYP: F

31. Mary Parker Follett contributed to which field?
- a. Administrative principles approach to management
 - b. Scientific management approach
 - c. Total quality management approach
 - d. Quantitative approach to management
 - e. Systems approach to management

ANS: A DIF: 1 REF: 45

NAT: AACSB Analytic | Leadership Principles TYP: F

32. Mary Parker Follett thought of leadership as _____, rather than techniques.
- a. systems
 - b. top managers
 - c. people
 - d. efficiencies
 - e. floor managers

ANS: C DIF: 2 REF: 45
 NAT: AACSB Analytic | Leadership Principles TYP: F

33. Chester Bernard felt that _____ could help a poorly managed organization.
- a. bureaucracy
 - b. line managers
 - c. efficiencies
 - d. informal relations
 - e. top/down flow of information

ANS: D DIF: 2 REF: 45
 NAT: AACSB Analytic | Leadership Principles TYP: F

34. The assembly line is most consistent with which of the following general principles of management?
- a. Unity of command
 - b. Division of work
 - c. Unity of direction
 - d. Scalar chain
 - e. Quality management

ANS: C DIF: 3 REF: 45
 NAT: AACSB Analytic | Leadership Principles TYP: A

35. The principle that similar activities in an organization should be grouped together under one manager is the essence of the classical perspective known as
- a. unity of command.
 - b. division of work.
 - c. unity of direction.
 - d. scalar chain.
 - e. quality management.

ANS: C DIF: 2 REF: 45
 NAT: AACSB Analytic | Leadership Principles TYP: F

36. The use of specialization to produce more and better work with the same level of effort is consistent with the administrative management principle of
- a. unity of command.
 - b. unity of direction.
 - c. scalar chain.
 - d. division of work.
 - e. none of these

ANS: D DIF: 1 REF: 45
 NAT: AACSB Analytic | Leadership Principles TYP: F

37. Which of these refers to a chain of authority extending from top to the bottom of the organization and including every employee?
- a. Unity of command
 - b. Division of labor
 - c. Unity of direction
 - d. Scalar chain
 - e. None of these

ANS: D DIF: 1 REF: 45

NAT: AACSB Analytic | Leadership Principles TYP: F

38. A social group within an organization is part of the
- a. formal organizational structure.
 - b. informal organization.
 - c. scalar chain.
 - d. reorganization process.
 - e. top management level.

ANS: B DIF: 1 REF: 45

NAT: AACSB Analytic | Leadership Principles TYP: F

39. A significant contribution of Chester Barnard was the concept of
- a. bureaucracy.
 - b. the informal organization.
 - c. total quality management.
 - d. scientific management.
 - e. traditional theory of authority.

ANS: B DIF: 1 REF: 45

NAT: AACSB Analytic | Leadership Principles TYP: F

40. Despite flawed methodology or inaccurate conclusions, the findings provided by the Hawthorne Studies provided the impetus for which approach?
- a. Classical perspective
 - b. Humanistic perspective
 - c. Scientific management
 - d. Bureaucratic organizations
 - e. Contingency perspective

ANS: B DIF: 2 REF: 47

NAT: AACSB Analytic | Motivation Concepts TYP: F

41. The human resources perspective of management links motivation theories with _____.
- a. top management
 - b. employee tasks
 - c. floor managers
 - d. efficiencies
 - e. profit maximization

ANS: B DIF: 2 REF: 47

NAT: AACSB Analytic | HRM TYP: F

42. Which of these emphasized the importance of understanding human behaviors, needs, and attitudes in the workplace as well as social interactions and group processes?
- a. Humanistic perspective
 - b. Classical perspective
 - c. Scientific management
 - d. Bureaucratic organizations
 - e. Contingency perspective

ANS: A DIF: 1 REF: 47

NAT: AACSB Analytic | Leadership Principles TYP: F

43. Which of these refers to the management thinking and practice that emphasizes satisfaction of employees' basic needs is the key to increased worker productivity?
- a. Scientific management perspective
 - b. Human resource perspective
 - c. Management science perspective
 - d. Behavioral sciences approach
 - e. Human relations movement

ANS: E DIF: 2 REF: 47

NAT: AACSB Analytic | Leadership Principles TYP: F

44. A "diary farm" view of management, i.e., contented cows give more milk, so satisfied workers will give more work was espoused by
- a. human relations management.
 - b. human resource perspective.
 - c. behavioral science approach.
 - d. management science perspective.
 - e. none of these.

ANS: A DIF: 2 REF: 47

NAT: AACSB Analytic | Leadership Principles TYP: F

45. Most early interpretations of the Hawthorne studies argued that the factor that best explained increased output was
- a. money.
 - b. days off.
 - c. human relations.
 - d. lighting.
 - e. free food.

ANS: C DIF: 2 REF: 47

NAT: AACSB Analytic | Motivation Concepts TYP: F

46. Maslow's hierarchy of needs started with which of these needs?
- a. Esteem
 - b. Love
 - c. Safety
 - d. Physiological
 - e. Belongingness

ANS: D DIF: 1 REF: 47

NAT: AACSB Analytic | Motivation Concepts

TYP: F

47. The classical perspective on management, according to Douglas McGregor, is consistent with which of the following?
- a. Theory X manager
 - b. Theory Y manager
 - c. Theory Z manager
 - d. Theory A manager
 - e. None of these

ANS: A DIF: 2 REF: 48

NAT: AACSB Analytic | Motivation Concepts

TYP: F

48. Tommy believes his employees are responsible, creative, and able to work with minimal direction. He is a
- a. Theory X manager.
 - b. Theory Y manager.
 - c. Theory Z manager.
 - d. Theory A manager.
 - e. contingency theory manager.

ANS: B DIF: 2 REF: 48

NAT: AACSB Analytic | Motivation Concepts

TYP: A

49. Beth Brant, production supervisor at Trustworthy Tools Mfg., Inc. believes that her employees dislike work, avoid responsibility, and therefore they need to be controlled and directed. Beth is a
- a. Theory X manager.
 - b. Theory Y manager.
 - c. realistic manager.
 - d. Theory Z manager.
 - e. Theory J manager.

ANS: A DIF: 3 REF: 48

NAT: AACSB Analytic | Motivation Concepts

TYP: A

50. According to your text, which of the following organizations successfully practices Theory Y?
- a. United Parcel Service
 - b. Signet Painting, Inc.
 - c. U.S. Postal Service
 - d. Alcan Aluminum Ltd. (AA)
 - e. All of these

ANS: B DIF: 2 REF: 48

NAT: AACSB Analytic | Motivation Concepts

TYP: F

51. At Signet Painting, owners applied _____ to involve workers and give them opportunities to share their best knowledge and skills.
- Theory X
 - scientific management
 - bureaucracy
 - Theory Y
 - Theory Z

ANS: D DIF: 1 REF: 49

NAT: AACSB Analytic | Motivation Concepts

TYP: A

52. The behavioral sciences approach is based on which of the following disciplines?
- Anthropology
 - Economics
 - Sociology
 - Psychology
 - All of these

ANS: E DIF: 1 REF: 50

NAT: AACSB Analytic | Leadership Principles

TYP: F

53. Organizational development is one specific set of management techniques based in the _____ approach.
- management science
 - systems theory
 - behavioral sciences
 - scientific management
 - quantitative

ANS: C DIF: 2 REF: 50

NAT: AACSB Analytic | Creation of Value

TYP: F

54. The management science perspective emerged after World War II to treat problems associated with
- modern global warfare.
 - environmental issues.
 - employee involvement.
 - Germany.
 - improving manufacturing.

ANS: A DIF: 2 REF: 51

NAT: AACSB Analytic | Operations Management

TYP: F

55. The management science perspective applies all of the following to managerial problems EXCEPT
- statistics.
 - qualitative techniques.
 - mathematics.
 - quantitative techniques.
 - all of these are correct.

ANS: B DIF: 2 REF: 51

NAT: AACSB Analytic | Operations Management

TYP: F

56. Operations research grew out of World War II groups and is based on _____.
a. group dynamics
b. employees in crisis
c. production in turbulent times
d. mathematical equations
e. a humanistic approach

ANS: D DIF: 2 REF: 51

NAT: AACSB Analytic | Operations Management TYP: F

57. Which of the following would be classified as input for Coca-Cola, Inc.?
a. Soda
b. Advertising
c. Water
d. Employee satisfaction
e. All of these

ANS: C DIF: 2 REF: 52

NAT: AACSB Analytic | Creation of Value TYP: A

58. Which of the following would be classified as an output for Coca-Cola, Inc.?
a. Soda
b. Profits
c. Employee satisfaction
d. All of these
e. None of these

ANS: D DIF: 3 REF: 52

NAT: AACSB Analytic | Creation of Value TYP: A

59. According to the systems theory, a beautician at a hair salon would be a(n)
a. output.
b. environment.
c. input.
d. transformation process.
e. none of these.

ANS: C DIF: 3 REF: 52

NAT: AACSB Analytic | Creation of Value TYP: A

60. For IBM, according to the systems theory, which of these would not be an input?
a. Raw material
b. Information
c. Financial resources
d. Human resources
e. Employee satisfaction

ANS: E DIF: 2 REF: 52

NAT: AACSB Analytic | Creation of Value TYP: A

61. Which of these is not a component of systems theory?
- a. Inputs
 - b. Autonomy
 - c. Feedback
 - d. Environment
 - e. Outputs

ANS: B DIF: 2 REF: 52
 NAT: AACSB Analytic | Creation of Value TYP: F

62. Which of the following, according to the systems theory, is transformation process for a business?
- a. Incoming trainees
 - b. Retiring employees
 - c. Managers
 - d. Training
 - e. Recruiters

ANS: D DIF: 2 REF: 52
 NAT: AACSB Analytic | Creation of Value TYP: A

63. The teamwork philosophy is based in part on the assumption that five people working together can produce more than five people working individually. This philosophy is consistent with the concept of
- a. transformation.
 - b. entropy.
 - c. synergy.
 - d. feedback.
 - e. quality.

ANS: C DIF: 3 REF: 53
 NAT: AACSB Analytic | Creation of Value TYP: A

64. Which of these must interact with the environment to survive?
- a. Closed system
 - b. Entropy
 - c. Synergy
 - d. Universal view
 - e. Open system

ANS: E DIF: 1 REF: 53
 NAT: AACSB Analytic | Creation of Value TYP: F

65. Then tendency for a system to run down and die refers to
- a. entropy.
 - b. synergy.
 - c. open system.
 - d. case property.
 - e. contingency perspective.

ANS: A DIF: 1 REF: 53
 NAT: AACSB Analytic | Creation of Value TYP: F

66. It is often difficult to make decisions about subsystems, because they are _____.
a. interdependent
b. independent
c. managed differently
d. filled with employees
e. organizationally based

ANS: A DIF: 2 REF: 53

NAT: AACSB Analytic | Creation of Value

TYP: F

67. $10 + 10 = 25$ reflects which of these?
a. Entropy
b. Synergy
c. Open system
d. Closed system
e. Weberian math

ANS: B DIF: 3 REF: 53

NAT: AACSB Analytic | Creation of Value

TYP: F

68. In which of the following perspectives is every situation viewed as unique?
a. A universalist view
b. A contingency view
c. A case view
d. Scientific management view
e. None of these

ANS: C DIF: 2 REF: 53

NAT: AACSB Analytic | Leadership Principles

TYP: F

69. _____ is often considered the "father of the quality movement."
a. Weber
b. Gilbreth
c. Follett
d. Deming
e. Gehrke

ANS: D DIF: 2 REF: 54

NAT: AACSB Analytic | Leadership Principles

TYP: F

70. Which of these focuses on managing the whole organization to deliver quality to customers?
a. Bureaucracy
b. Theory Z
c. Management-by-objective
d. Total Quality Management
e. Organization-customer relationship

ANS: D DIF: 1 REF: 54

NAT: AACSB Analytic | Leadership Principles

TYP: F

71. Elements of TQM include
- a. employee detachment.
 - b. focus on profits.
 - c. benchmarking.
 - d. accidental improvement.
 - e. all of these.

ANS: C DIF: 1 REF: 54

NAT: AACSB Analytic | Leadership Principles

TYP: F

72. In order to determine how to deal with a problem employee, Sharon evaluated the employee, the problem, and the context in which the problem occurred. She is applying which of the following perspectives?
- a. Participative view
 - b. Universalist view
 - c. Autonomy view
 - d. Contingency view
 - e. Humanist view

ANS: D DIF: 3 REF: 54

NAT: AACSB Analytic | Leadership Principles

TYP: A

73. A consultant who recommends the effectiveness of sensitivity training to every organization he serves is violating the basics of which of the following perspectives?
- a. Efficiency perspective
 - b. Universalist perspective
 - c. Contingency perspective
 - d. Scientific management perspective
 - e. Quantitative perspective

ANS: C DIF: 2 REF: 54

NAT: AACSB Analytic | Leadership Principles

TYP: A

74. Which of these is a process whereby companies find out how others do something better than they do and then try to imitate or improve on it?
- a. TQM
 - b. Continuous improvement
 - c. Benchmarking
 - d. Empowerment
 - e. MBO

ANS: C DIF: 1 REF: 54

NAT: AACSB Analytic | Leadership Principles

TYP: F

75. The implementation of small incremental improvements in all areas of the organization on an ongoing basis is referred to as
- a. benchmarking.
 - b. empowerment.
 - c. systems theory.
 - d. contingency perspective.
 - e. continuous improvement.

ANS: E DIF: 1 REF: 54

NAT: AACSB Analytic | Creation of Value TYP: F

76. In a(n) _____ organization all employees look for problems.
- a. continuous improvement
 - b. bureaucratic
 - c. empowered
 - d. learning
 - e. total quality management

ANS: D DIF: 2 REF: 55

NAT: AACSB Analytic | Creation of Value TYP: F

77. Which of these teams is the fundamental unit in a learning organization?
- a. Informal
 - b. Vertical
 - c. Industrial
 - d. Self-directed
 - e. Union-based

ANS: D DIF: 2 REF: 56

NAT: AACSB Analytic | Creation of Value TYP: F

78. In learning organizations, _____ is(are) a manager's primary source of strength, not a cost to be minimized.
- a. technology
 - b. competitors
 - c. government
 - d. levels of management
 - e. people

ANS: E DIF: 2 REF: 56

NAT: AACSB Analytic | Creation of Value TYP: F

79. Developing a learning organization involves making specific changes in all of the following areas EXCEPT
- a. leadership.
 - b. empowerment.
 - c. participative strategy.
 - d. adaptive cultures.
 - e. government controls.

ANS: E DIF: 1 REF: 55-56

NAT: AACSB Analytic | Leadership Principles TYP: F

80. Which of these means giving employees the power, freedom, knowledge, and skills to make decisions and perform effectively?
- a. Empowerment
 - b. TQM
 - c. Promotion
 - d. Benchmarking
 - e. Culture

ANS: A DIF: 1 REF: 56

NAT: AACSB Analytic | Leadership Principles TYP: F

81. _____ becomes extremely important in organizations that deal with ideas rather than material goods.
- a. Scientific management
 - b. Open information
 - c. Theory X
 - d. Manufacturing
 - e. Economic forces

ANS: B DIF: 2 REF: 56

NAT: AACSB Analytic | Leadership Principles TYP: F

82. _____ refers to the work an organization does by using electronic linkages with customers, partners, suppliers, employees, or other key constituents.
- a. E-commerce
 - b. E-business
 - c. Supply chain management
 - d. Knowledge management
 - e. Customer relationship management

ANS: B DIF: 2 REF: 57

NAT: AACSB Technology | Creation of Value TYP: F

83. E-bay is which type of e-commerce?
- a. B2B
 - b. B2C
 - c. C2C
 - d. C2B
 - e. none of these

ANS: C DIF: 2 REF: 57

NAT: AACSB Technology | Creation of Value TYP: F

84. _____ refers to business exchanges or transactions that occur electronically such as B2C, B2B, and C2C.
- a. E-commerce
 - b. E-business
 - c. Supply chain management
 - d. Knowledge management
 - e. Customer relationship management

ANS: A DIF: 2 REF: 57

NAT: AACSB Technology | Creation of Value TYP: F

85. _____ are organizations that sell their product or service over the Internet directly to individual consumers.
- a. B2B
 - b. B2C
 - c. B2D
 - d. C2C
 - e. D2B

ANS: B DIF: 1 REF: 57

NAT: AACSB Technology | Creation of Value TYP: F

86. _____ are organizations that sell their product or service over the Internet directly to other commercial entities.
- a. B2B
 - b. B2C
 - c. B2D
 - d. C2C
 - e. D2B

ANS: A DIF: 1 REF: 57

NAT: AACSB Technology | Creation of Value TYP: F

87. _____ refers to managing the sequence of suppliers and purchasers, covering all stages of processing from obtaining raw materials to distributing finished goods to consumers.
- a. E-commerce
 - b. E-business
 - c. Supply chain management
 - d. Knowledge management
 - e. Customer relationship management

ANS: C DIF: 2 REF: 57-58

NAT: AACSB Technology | Creation of Value TYP: F

88. _____ refers to the efforts to systematically find, organize, and make available a company's intellectual capital and to foster a culture of continuous learning and knowledge sharing.
- E-commerce
 - E-business
 - Supply chain management
 - Knowledge management
 - Customer relationship management

ANS: D DIF: 2 REF: 58-59

NAT: AACSB Technology | Creation of Value

TYP: F

89. Customer relationship management is a growing segment of _____ in which large amounts of data about customers are collected.
- E-commerce
 - E-business
 - Supply chain management
 - Knowledge management
 - Outsourcing

ANS: D DIF: 2 REF: 59

NAT: AACSB Technology | Creation of Value

TYP: F

CASE

Scenario - Jasmine Lye

The opportunity to gain a foothold in the snack cracker industry had just been found. Jasmine Lye, an account executive manager for Baked Wheat Industries had developed an interest in wheat crackers two months ago when one of her newly hired account execs, Tricia Parker, had convinced her about the high margins and promising future associated with that market. Lye had always believed that if you do your homework in hiring the best people then it only makes sense to listen to their recommendations and implement their suggestions.

Lye had given her approval to Parker to explore opportunities to move into this promising new market. This morning, Parker had reported that the Jackson Corporation had severed its contract with Feel Good Crackers Incorporated. Apparently, the Feel Good salesman had shared sensitive information about Jackson at a cocktail party. Parker had already established a good relationship with Feel Good buyers and so recognized this as an opportunity to expand her market into wheat crackers.

1. Lye's behavior provides an example of
 - a. the use of scalar rope.
 - b. division of organization.
 - c. the principle of inversion.
 - d. unity of direction.
 - e. all of these.

ANS: d

DIF: 2

REF: 45

NAT: AACSB Analytic | Leadership Principles

KEY: Scenario Questions

TYP: A

2. Lye's management style reflects a belief in
 - a. Theory Y.
 - b. developing her employees through control.
 - c. grieving theory.
 - d. all of these.
 - e. none of these.

ANS: a

DIF: 2

REF: 49

NAT: AACSB Analytic | Leadership Principles

KEY: Scenario Questions

TYP: A

3. From a System's theory perspective
 - a. Lye should increase teamwork, leading to more entropy.
 - b. Lye should listen to and reward her people well to increase synergy.
 - c. the Jackson account was lost because Feel Good was too closed to its environment.
 - d. all of these.
 - e. none of these.

ANS: b

DIF: 2

REF: 52

NAT: AACSB Analytic | Leadership Principles

KEY: Scenario Questions

TYP: A

4. Contingency theory recommends
 - a. Lye should manage all of her employees the way she manages Parker.
 - b. the goal of every manager should be high return on investment, so Lye should expand her market only if it increases ROI.
 - c. Parker should focus on her expertise, recognizing the potential risk of failure with a new market.
 - d. all of these.
 - e. none of these.

ANS: e

DIF: 2

REF: 53

NAT: AACSB Analytic | Leadership Principles

KEY: Scenario Questions

TYP: A

COMPLETION

1. _____ refer to the aspects of a culture that guide and influence relationships among people.

ANS: Social forces

DIF: 2 REF: 38

NAT: AACSB Analytic | Environmental Influence TYP: F

2. _____ refer to the influence of political and legal institutions on people and organizations.

ANS: Political forces

DIF: 2 REF: 39

NAT: AACSB Analytic | Environmental Influence TYP: F

3. _____ pertain to the availability, production, and distribution of resources in a society.

ANS: Economic forces

DIF: 2 REF: 39

NAT: AACSB Analytic | Environmental Influence TYP: F

4. A management perspective that emerged during the nineteenth and early twentieth centuries that emphasized a rational, scientific approach to the study of management and sought to make organizations efficient operating machines is called _____.

ANS: classical perspective

DIF: 2 REF: 40

NAT: AACSB Analytic | Leadership Principles TYP: F

5. Weber's vision of organizations that would be managed on an impersonal, rational basis is called a(n) _____.

ANS: bureaucracy

DIF: 2 REF: 42-43

NAT: AACSB Analytic | Leadership Principles TYP: F

6. A subfield of the classical management perspective that focused on the total organization rather than the individual worker, delineating the management functions of planning, organizing, commanding, coordinating, and controlling is called _____.

ANS: administrative principles

DIF: 2 REF: 44

NAT: AACSB Analytic | Leadership Principles TYP: F

7. According to Fayol, similar activities in an organization should be grouped together under one manager. This administrative principle is known as _____.

ANS: unity of direction

DIF: 3 REF: 45

NAT: AACSB Analytic | Leadership Principles

TYP: F

8. A management perspective that emerged around the late nineteenth century that emphasized understanding human behavior, needs, and attitudes in the workplace is referred to as a(n) _____.

ANS: humanistic perspective

DIF: 2 REF: 46

NAT: AACSB Analytic | Leadership Principles

TYP: F

9. A management perspective that suggests jobs should be designed to meet higher-level needs by allowing workers to use their full potential is called a(n) _____.

ANS: human resources perspective

DIF: 2 REF: 47

NAT: AACSB Analytic | Leadership Principles

TYP: F

10. A management perspective that emerged after World War II, and applied mathematics, statistics, and other quantitative techniques to managerial problems is referred to as a(n) _____.

ANS: management science perspective

DIF: 2 REF: 50

NAT: AACSB Analytic | Leadership Principles

TYP: F

11. _____ refers to the field of management that specializes in the physical production of goods or services.

ANS: Operations management

DIF: 2 REF: 51

NAT: AACSB Analytic | Leadership Principles

TYP: F

12. The concept that the whole is greater than the sum of its parts is known as _____.

ANS: synergy

DIF: 2 REF: 53

NAT: AACSB Analytic | Creation of Value

TYP: F

13. The _____ view of management is an integration of the case and universalist viewpoints.

ANS: contingency

DIF: 2 REF: 53

NAT: AACSB Analytic | Leadership Principles

TYP: F

14. The process by which companies find out how others do something better than they do and then try to copy and/or improve it is known as _____.

ANS: benchmarking

DIF: 2 REF: 54

NAT: AACSB Analytic | Leadership Principles TYP: F

15. The _____ can be defined as one in which everyone is engaged in identifying and solving problems, enabling the organization to continuously experiment, change, and improve, thus increasing its capacity to grow, learn, and achieve its purpose.

ANS: learning organization

DIF: 2 REF: 55

NAT: AACSB Analytic | Creation of Value TYP: F

16. _____ means giving employees the power, freedom, knowledge, and skills to make decisions and perform effectively.

ANS: Empowerment

DIF: 2 REF: 56

NAT: AACSB Analytic | Leadership Principles TYP: F

17. There are three types of e-commerce. They are _____.

ANS: business-to-business, business-to-consumer, and consumer-to-consumer

DIF: 2 REF: 57

NAT: AACSB Technology | Creation of Value TYP: F

18. _____ refers to the sequence of suppliers and purchasers, covering all stages of processing from obtaining raw materials to distributing finished goods to consumers.

ANS: Supply chain management

DIF: 2 REF: 57-58

NAT: AACSB Analytic | Creation of Value TYP: F

19. The efforts to systematically to find, organize, and make available a company's intellectual capital and to foster a culture of continuous learning and knowledge sharing so that a company's activities build on what is already known is called _____.

ANS: knowledge management

DIF: 2 REF: 58-59

NAT: AACSB Analytic | Creation of Value TYP: F

20. _____ refers to the sequence of suppliers and purchasers, covering all stages of processing from obtaining raw materials to distributing finished goods to consumers.

ANS: Enterprise resource planning

DIF: 2 REF: 58

NAT: AACSB Analytic | Creation of Value

TYP: F

21. _____ collect and manage large amounts of data about customers and make them available to employees, enabling better decision making and superior customer service.

ANS:

Customer relationship management systems

CRM systems

DIF: 2 REF: 59

NAT: AACSB Analytic | Creation of Value

TYP: F

22. _____ refers to contracting out selected functions or activities to other organizations that can do the work more cost-efficiently.

ANS: Outsourcing

DIF: 2 REF: 59

NAT: AACSB Analytic | Creation of Value

TYP: F

SHORT ANSWER

1. List three of the basic ideas of scientific management.

ANS:

Any three of the following develop standard methods for doing each job; select workers with appropriate abilities; train workers in standard methods; support workers and eliminate interruptions; and provide wage incentives.

DIF: 2 REF: 41-42

NAT: AACSB Analytic | Leadership Principles

TYP: F

2. List the three assumptions associated with McGregor's Theory X.

ANS:

(1) Individuals have an innate dislike of work and will try to avoid it; (2) Most people must be coerced to get them to put out a reasonable level of effort; and (3) The typical person prefers to be told what to do.

DIF: 3 REF: 49

NAT: AACSB Analytic | Motivation Concepts

TYP: F

3. List the five components of the basic systems theory of organizations.

ANS:

inputs; a transformation process; outputs; feedback; and the environment.

DIF: 2 REF: 52

NAT: AACSB Analytic | Creation of Value

TYP: F

ESSAY

1. The writings of Fayol, Taylor, and Weber provide the foundation for modern management. Identify the school of thought associated with each writer and compare the focus that each writer takes in relation to the organization.

ANS:

Fayol is associated with the Administrative School, focusing on the manager level. Taylor is associated with Scientific Management, and focused on the work level. Weber is associated with the Bureaucratic Model, and his focus was on the level of the organization.

DIF: 2 REF: 41-46

NAT: AACSB Analytic | Creation of Value

TYP: F

2. Discuss the advantages and disadvantages of Taylor's Scientific Management.

ANS:

The advantages of scientific management included the standardization of work, the systematic study of work, the linking of performance and pay, and improved productivity. The disadvantages included its failure to consider the social context within which work took place and its failure to appreciate workers' needs, other than their need for money.

DIF: 2 REF: 43

NAT: AACSB Analytic | Creation of Value

TYP: F

3. Briefly describe what happened in the Hawthorne Studies and explain the results and conclusions of these studies.

ANS:

Harvard researchers, working under the direction of Elton Mayo, were studying the effects of various lighting conditions on worker performance at the Western Electric plant in Hawthorne, Illinois. Each time an experimental change was made, performance improved, regardless of the change. The early conclusion was that workers perceived that their work was important enough to hire researchers to work with them, and this recognition of importance was sufficient to motivate improved performance. This conclusion led to the development of the Human Relations Movement, stressing the importance of satisfied, happy workers. Recent analysis suggests that money may have been the single most important motivating factor.

DIF: 3 REF: 46-47

NAT: AACSB Analytic | Creation of Value

TYP: F

4. Describe the assumptions behind McGregor's Theory X and Theory Y. How do the theories relate to the classical perspective on management and early human relations ideas?

ANS:

Refer to Exhibit 2.4 in the text for the assumptions behind each theory. McGregor believed that the classical perspective was based on Theory X assumptions about workers. He also felt that a slightly modified version of Theory X fit early human relations ideas. He proposed Theory Y as a more realistic view of workers for guiding management thinking.

DIF: 3

REF: 49

NAT: AACSB Analytic | Creation of Value

TYP: F

5. Briefly describe systems theory, including synergy and negative entropy.

ANS:

Systems theory suggests that an organization can be considered a system composed of a number of interrelated subsystems. These subsystems include people, structure, technology, and goals. A change in one subsystem results in a rippling effect on the other subsystems. Managed properly, the subsystems work well together and produce more as a whole system than the parts could produce working alone. This is synergy. Negative entropy is the ability to resist the natural tendency to disintegrate.

DIF: 2

REF: 52-53

NAT: AACSB Analytic | Creation of Value

TYP: F

6. Discuss the differences between the case view, the universalist view, and the contingency view.

ANS:

These viewpoints relate to the applicability of management principles. The case view holds that every situation is unique, thus there are no universal principles. Conversely, the universalist view believes that the same management principles will work across every situation in every organization. The contingency view is an integration of these two, i.e., while there are no universal principles, there are common patterns and characteristics. The manager's task is to identify what principles will work when, based on an analysis of key contingencies.

DIF: 2

REF: 53-54

NAT: AACSB Analytic | Creation of Value

TYP: F

7. Identify and briefly describe the interacting elements in a learning organization.

ANS:

The answer should focus on the following elements: Team-based structure, employee empowerment, and open information.

DIF: 2

REF: 55-56

NAT: AACSB Analytic | Creation of Value

TYP: F

8. What makes consumer-to-consumer e-commerce possible? What are some examples of consumer-to-consumer e-commerce?

ANS:

Consumer-to-consumer e-commerce is made possible when an Internet-based business acts as an intermediary between and among consumers. Examples of these are eBay and other Web-based auctions, Napster, and ShareBear.

DIF: 1 REF: 58

NAT: AACSB Technology | Creation of Value

TYP: F