

## Chapter 02 Environmental Context: Globalization, Diversity, and Ethics

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

1. According to Thomas Friedman, the first phase of globalization was characterized by companies globalizing.

True   False

2. According to the head of Brunswick Corporation, there are a large number of people possessing global leadership capabilities.

True   False

3. Cultures around the world impact the organizational behavior of managers and employees in similar ways.

True   False

4. A typical U.S. management leadership style is more effective around the world compared to an autocratic leadership style.

True   False

5. Germans on an average are more obedient than their U.S. counterparts.

True   False

6. In Japan a performance based incentive system providing a weekly bonus to the best worker is welcomed.

True False

7. Diversity still plays a role of a "tack on" in the study of organizational behavior in today's work place.

True False

8. Most women have broken the "glass ceiling" to become CEO's, board of directors, and corporate officers of large organizations.

True False

9. A proactive, affirmative action approach with respect to aggressively hiring women and minorities will result in a more talented, and capable workforce for organizations.

True False

10. While diversity may add value, it does not really contribute to the firm's competitive advantage.

True False

11. Cultural diversity is a natural by-product for firms going international.

True False

12. The foundation and point of departure for creating and effectively managing diversity is the development of a truly multicultural organization.

True False

13. Exclusionary organizations do not exist anymore.

True False

14. Club organizations get around the laws by hiring and promoting women and minorities with an unbiased attitude.

True False

15. Redefining the organization goes beyond being just proactively antiracist and antisexist.

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16. If carefully studied and objectively analyzed, most firms would still not be classified as being a multicultural organization.

True False

17. At the heart of the learning process for managers to effectively deal with diversity, is communication.

True False

18. Women were similar to men on perceptions involving a hostile work environment and derogatory attitudes toward women.

True False

19. Most tests traditionally used in selection and evaluation are not suited or valid for a diverse workforce.

True False

20. Scientific analysis is used to ensure that pencil-and-paper tests are not biased.

True False

21. Awareness training alone is imperative to shift perceptions and bring about behavioral change.

True False

22. A mentor is a trusted counselor, coach, or advisor who provides advice and assistance.

True False

23. Parents who want to return to work on a part-time basis, have found compressed workweeks to be an attractive employment alternative.

True False

24. Peer pressure can lead people to behave unethically.

True False

25. Ethics needs theory-building and basic research in the study of organizational behavior.

True False

26. There is no significant relationship between corporate social performance and bottom-line results.

True False

27. According to the text, all of the following have had dramatic effect on the study and application of management and organizational behavior EXCEPT:

- A. globalization.
- B. environmental issues.
- C. diversity.
- D. social issues.

28. Which of the following is NOT a major reason for increasing diversity?

- A. Competitive pressures
- B. Legislation and Lawsuits
- C. Decreasing bottom-line
- D. Increase in international business

29. \_\_\_\_\_ is defined as a set of individual attributes that enable an individual to influence individuals, groups, and organizations from diverse social/cultural/institutional systems.

- A. Cultural group
- B. Diversification
- C. Global mindset
- D. Nuances

30. Which of the following is true of the way diversity issues are beginning to be treated by organizations today?

- A. It is treated primarily as a legal issue.
- B. It is a reality to build on to make a stronger enterprise.
- C. It is a government enforced cost of doing business.
- D. It is an afterthought in the study of organizational behavior.

31. This law at first increased the mandatory retirement age from 65 to 70, but was later amended to eliminate an upper age limit completely.

- A. Age Discrimination Act of 1978.
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- C. Age Abolishment Act of 1978.
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32. The Family and Medical Leave Act of 1993 allows employees to take up to \_\_\_\_\_ weeks of unpaid leave for family or medical reasons each year.

- A. 15 weeks
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- C. 90 days
- D. 12 weeks

33. Which organization is the furthest from a multicultural organization?

- A. Club organization
- B. Compliance organization
- C. Exclusionary organization
- D. Redefined organization

34. Which of the following organizations directly violate discrimination laws?

- A. Club organization
- B. Redefining organization
- C. Compliance organization
- D. Exclusionary organization

35. Which of the following organization technically gets around the laws by hiring and promoting only those women and minorities who are deemed to have the "right" credentials and perspectives?

- A. Compliance organization
- B. Club organization
- C. Redefining organization
- D. Multicultural organization

36. In which of the following types of organization, the strategy is more of meeting the letter of the laws, not the spirit.

- A. Exclusionary organization
- B. Club organization
- C. Compliance organization
- D. Redefining organization

37. Identify the third stage of evolution of organizations leading up to the formation of a multicultural organization.

- A. Exclusionary organization
- B. Compliance organization
- C. Affirmative action organization
- D. Club organization

38. Which of the following organization is closest to being a multicultural organization?

- A. Compliance organization
- B. Club organization
- C. Exclusionary organization
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39. Which of the following organization is characterized by an ongoing commitment to eliminate social oppression and promote dignity and respect for everyone throughout the organization?
- A. Multicultural organization
  - B. Redefining organization
  - C. Club organization
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40. Which of the following is characterized by an examination of all activities for the purpose of evaluating their impact on all employees' opportunity to both participate in and contribute to their own and the firm's growth and success?
- A. Club organization
  - B. Compliance organization
  - C. Multicultural organization
  - D. Redefining organization
41. Identify the ability to put oneself in another's place and see things from that person's point of view.
- A. Insight
  - B. Understanding
  - C. Empathy
  - D. Intuition

42. \_\_\_\_\_ tests help prevent diversity bias.

- A. General aptitude
- B. Knowledge
- C. Job-specific
- D. Intelligence

43. In an interview for the position of a sales executive, which of the following techniques would be most effective to identify whether the applicant has the necessary skills for the job?

- A. General aptitude test
- B. Stress interview
- C. Panel interview
- D. Role-playing exercise

44. This is a process that ensures that tests are equivalent across cultures and can be used when pencil-and-paper tests are used.

- A. Scientific norming
- B. Scientific storming
- C. Scientific performing
- D. Scientific adjourning

45. Awareness training:

- A. is used as supplements to other forms of training.
- B. is valuable to shift perceptions.
- C. leads to behavioral change.
- D. is often employed as icebreakers to get diversity training sessions started.

46. All of the following are factors that contribute to the success of diversity training EXCEPT:

- A. mandatory participation of all employees.
- B. long-term evaluation of training results.
- C. managerial rewards for increasing diversity.
- D. mandatory attendance for all managers.

47. Which of the following is a major problem in diversity training?

- A. Employees interest
- B. Top-management support
- C. Transfer problem
- D. Finding effective trainers

48. Which of the following is the major reason for the transfer problem?

- A. Lack of confidence or self-efficacy
- B. Lack of effective training
- C. Lack of interest
- D. Lack of top-management support

49. Becoming overly protective and encasing the employee into a "glass bubble" is a problem associated with which of the following techniques of managing diversity?

- A. Training
- B. Work/Family programs
- C. Mentoring
- D. Tests

50. Flextime allows employees greater autonomy by permitting them to choose their daily starting and ending times within a given time period called a \_\_\_\_\_.

- A. time gap
- B. bandwidth
- C. core period
- D. sabbatical

51. According to the text, which of the following alternative work schedule arrangements have been widely used in Europe?

- A. Compressed workweek
- B. Flextime
- C. Telecommuting
- D. Job sharing

52. Danny works in an organization that implements only compressed workweek as a work/family program. Danny's work time is typically 9a.m-5p.m. i.e. a 40 hours workweek spread over 5 days. Danny has to liberty to:

- A. work for 35 hours in a week and compensate by working 45 hours the next week.
- B. work for 30 hours in a week and ask his wife, Kate, who is also an employee of the same organization, to work for 50 hours and compensate for him.
- C. work for 10 hours each day for only 4 days a week.
- D. go to work anytime of the day.

53. It was found that work-to-family conflict was linked to all of the following EXCEPT:

- A. job dissatisfaction.
- B. turnover intentions.
- C. stress.
- D. absenteeism.

54. These include leave policies and reimbursement for legal fees, medical expenses, agency or placement fees, temporary foster care, and/or travel expenses.

- A. Child care or elder care benefits
- B. Leave/ time-off policies
- C. Life-cycle accounts
- D. Adoption benefits

55. These include legal and financial planning assistance, discounts with local merchants, group auto and home owners insurance, and fleet arrangements for auto purchases.

- A. Group purchase programs
- B. Casual day programs
- C. Convenience benefits
- D. Health promotion benefits

56. Which of the following refers to on-site services such as dry cleaning, ATM machines, postal services, and video rentals?

- A. Adoption benefits
- B. Group purchase programs
- C. Convenience benefits
- D. Casual day programs

57. Which of the following is a cultural influence on ethical behavior?

- A. Ethical codes
- B. Media
- C. Political environment
- D. Role models

58. The external forces that have an impact on the ethical behavior of an individual include all of the following EXCEPT:

- A. political environment.
- B. role models.
- C. ethical codes.
- D. international developments.

59. Ethical concerns relating to the protection of the environment is also called:

- A. environmental issues.
- B. environ-friendly issues.
- C. green or sustainability issues.
- D. geo-centric issues.

60. The social cognitive model for ethics proposed by Stajkovic and Luthans uses national cultures as the social foundation of various factors that interact to influence the perception of ethical standards and actual ethical behavior across cultures. These factors include all of the following EXCEPT:

- A. institutional factors.
- B. environmental factors.
- C. organizational factors.
- D. personal factors.

61. Studies have indicated that the firms convicted of antitrust violations, acts of discrimination etc., had significantly lower returns on assets and returns on \_\_\_\_\_.

- A. equity
- B. profit margins
- C. current ratio
- D. sales

62. Which of the following disseminates ethical codes to organizations?

- A. Civil Rights Act
- B. Gramm-Leach-Bliley Act
- C. Tread Act
- D. Sarbanes-Oxley Act

63. \_\_\_\_\_ may be defined as, "engaging in economically sustainable business activities that go beyond legal requirements to protect the well-being of employees, communities, and the environment."

- A. Corporate governance
- B. Corporate social responsibility
- C. Securitisation
- D. Business ethics



64. List the outcomes for effective diversity management identified by the Society of Human Resource Management.

65. Identify the major reasons for increasing diversity in today's organizations.

66. What is the purpose of the Americans with Disabilities Act of 1990?

67. What is the purpose of the Civil Rights Act of 1991?

68. List the characteristics of a multicultural organization.

69. Identify and explain the various stages leading up to a multicultural organization.

70. Define empathy. How is it important in managing diversity?

71. Identify the various techniques used by organizations to managing diversity.

72. What are the problems facing organizations while using "testing" as an approach to managing diversity? What can they be minimized?

73. Identify and explain the major problem facing organizations while using training as an approach to managing diversity.

74. Who is a mentor? What is the purpose of a mentor program?

75. Identify the major problem facing organizations while using mentoring as a technique to managing diversity.

76. List the steps provided in the text for establishing an effective mentoring program.

77. Identify the common alternative work schedules discussed in the text.

78. Describe the common alternative work schedules which allow employees flexibility in balancing their home and work demands. Provide examples if required.

79. Describe the various factors that determine ethical behavior.

# Chapter 02 Environmental Context: Globalization, Diversity, and Ethics **Key**

1. According to Thomas Friedman, the first phase of globalization was characterized by  
(p. 31) companies globalizing.

**FALSE**

*Difficulty: Easy*

*Luthans - Chapter 02 #1*

2. According to the head of Brunswick Corporation, there are a large number of people  
(p. 32) possessing global leadership capabilities.

**FALSE**

*Difficulty: Medium*

*Luthans - Chapter 02 #2*

3. Cultures around the world impact the organizational behavior of managers and employees in  
(p. 32) similar ways.

**FALSE**

*Difficulty: Easy*

*Luthans - Chapter 02 #3*

4. A typical U.S. management leadership style is more effective around the world compared to  
(p. 32) an autocratic leadership style.

**FALSE**

*Difficulty: Medium*

5. Germans on an average are more obedient than their U.S. counterparts.

(p. 32)

TRUE

Difficulty: Easy

Luthans - Chapter 02 #5

6. In Japan a performance based incentive system providing a weekly bonus to the best worker

(p. 32)

is welcomed.

FALSE

Difficulty: Easy

Luthans - Chapter 02 #6

7. Diversity still plays a role of a "tack on" in the study of organizational behavior in today's work

(p. 34)

place.

FALSE

Difficulty: Medium

Luthans - Chapter 02 #7

8. Most women have broken the "glass ceiling" to become CEO's, board of directors, and

(p. 35)

corporate officers of large organizations.

FALSE

Difficulty: Easy

Luthans - Chapter 02 #8



9. A proactive, affirmative action approach with respect to aggressively hiring women and minorities will result in a more talented, and capable workforce for organizations.  
(p. 37)

TRUE

*Difficulty: Easy*  
*Luthans - Chapter 02 #9*

10. While diversity may add value, it does not really contribute to the firm's competitive advantage.  
(p. 37)

FALSE

*Difficulty: Medium*  
*Luthans - Chapter 02 #10*

11. Cultural diversity is a natural by-product for firms going international.  
(p. 37)

TRUE

*Difficulty: Medium*  
*Luthans - Chapter 02 #11*

12. The foundation and point of departure for creating and effectively managing diversity is the development of a truly multicultural organization.  
(p. 38)

TRUE

*Difficulty: Medium*  
*Luthans - Chapter 02 #12*

13. Exclusionary organizations do not exist anymore.  
(p. 38)

FALSE

*Difficulty: Medium*  
*Luthans - Chapter 02 #13*

14. Club organizations get around the laws by hiring and promoting women and minorities with an unbiased attitude.  
(p. 38)

**FALSE**

*Difficulty: Medium*

*Luthans - Chapter 02 #14*

15. Redefining the organization goes beyond being just proactively antiracist and antisexist.  
(p. 38)

**TRUE**

*Difficulty: Easy*

*Luthans - Chapter 02 #15*

16. If carefully studied and objectively analyzed, most firms would still not be classified as being a multicultural organization.  
(p. 39)

**TRUE**

*Difficulty: Medium*

*Luthans - Chapter 02 #16*

17. At the heart of the learning process for managers to effectively deal with diversity, is communication.  
(p. 40)

**TRUE**

*Difficulty: Easy*

*Luthans - Chapter 02 #17*

18. Women were similar to men on perceptions involving a hostile work environment and derogatory attitudes toward women.  
(p. 40)

**FALSE**

*Difficulty: Medium*  
*Luthans - Chapter 02 #18*

19. Most tests traditionally used in selection and evaluation are not suited or valid for a diverse workforce.  
(p. 41)

**TRUE**

*Difficulty: Medium*  
*Luthans - Chapter 02 #19*

20. Scientific analysis is used to ensure that pencil-and-paper tests are not biased.  
(p. 41)

**FALSE**

*Difficulty: Medium*  
*Luthans - Chapter 02 #20*

21. Awareness training alone is imperative to shift perceptions and bring about behavioral change.  
(p. 42)

**FALSE**

*Difficulty: Medium*  
*Luthans - Chapter 02 #21*

22. A mentor is a trusted counselor, coach, or advisor who provides advice and assistance.  
(p. 43)

**TRUE**

*Difficulty: Easy*  
*Luthans - Chapter 02 #22*

23. Parents who want to return to work on a part-time basis, have found compressed workweeks to be an attractive employment alternative.  
(p. 44)

FALSE

*Difficulty: Medium*

*Luthans - Chapter 02 #23*

24. Peer pressure can lead people to behave unethically.  
(p. 47)

TRUE

*Difficulty: Easy*

*Luthans - Chapter 02 #24*

25. Ethics needs theory-building and basic research in the study of organizational behavior.  
(p. 47)

TRUE

*Difficulty: Medium*

*Luthans - Chapter 02 #25*

26. There is no significant relationship between corporate social performance and bottom-line results.  
(p. 48)

FALSE

*Difficulty: Medium*

*Luthans - Chapter 02 #26*

27. According to the text, all of the following have had dramatic effect on the study and application of management and organizational behavior EXCEPT:

(p. 34)

- A. globalization.
- B. environmental issues.
- C. diversity.
- D. social issues.

*Difficulty: Easy*

*Luthans - Chapter 02 #27*

28. Which of the following is NOT a major reason for increasing diversity?

(p. 35

(Figure

2.1))

- A. Competitive pressures
- B. Legislation and Lawsuits
- C. Decreasing bottom-line
- D. Increase in international business

*Difficulty: Medium*

*Luthans - Chapter 02 #28*

29. \_\_\_\_\_ is defined as a set of individual attributes that enable an individual to influence individuals, groups, and organizations from diverse social/cultural/institutional systems.

(p. 34)

- A. Cultural group
- B. Diversification
- C. Global mindset
- D. Nuances

*Difficulty: Easy*

*Luthans - Chapter 02 #29*

30. Which of the following is true of the way diversity issues are beginning to be treated by organizations today?  
(p. 34)

- A. It is treated primarily as a legal issue.
- B. It is a reality to build on to make a stronger enterprise.
- C. It is a government enforced cost of doing business.
- D. It is an afterthought in the study of organizational behavior.

*Difficulty: Medium*

*Luthans - Chapter 02 #30*

31. This law at first increased the mandatory retirement age from 65 to 70, but was later amended to eliminate an upper age limit completely.  
(p. 36)

- A. Age Discrimination Act of 1978.
- B. Age Amendment Act of 1978.
- C. Age Abolishment Act of 1978.
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*Difficulty: Easy*

*Luthans - Chapter 02 #31*

32. The Family and Medical Leave Act of 1993 allows employees to take up to \_\_\_\_\_ weeks of unpaid leave for family or medical reasons each year.  
(p. 37)

- A. 15 weeks
- B. 8 weeks
- C. 90 days
- D. 12 weeks

*Difficulty: Easy*

*Luthans - Chapter 02 #32*

33. Which organization is the furthest from a multicultural organization?

(p. 38)

- A. Club organization
- B. Compliance organization
- C. Exclusionary organization
- D. Redefined organization

*Difficulty: Easy*

*Luthans - Chapter 02 #33*

34. Which of the following organizations directly violate discrimination laws?

(p. 38)

- A. Club organization
- B. Redefining organization
- C. Compliance organization
- D. Exclusionary organization

*Difficulty: Easy*

*Luthans - Chapter 02 #34*

35. Which of the following organization technically gets around the laws by hiring and promoting only those women and minorities who are deemed to have the "right" credentials and perspectives?

(p. 38)

- A. Compliance organization
- B. Club organization
- C. Redefining organization
- D. Multicultural organization

*Difficulty: Easy*

*Luthans - Chapter 02 #35*

36. In which of the following types of organization, the strategy is more of meeting the letter of the laws, not the spirit.  
(p. 38)

- A. Exclusionary organization
- B. Club organization
- C. Compliance organization
- D. Redefining organization

*Difficulty: Medium*

*Luthans - Chapter 02 #36*

37. Identify the third stage of evolution of organizations leading up to the formation of a multicultural organization.  
(p. 38)

- A. Exclusionary organization
- B. Compliance organization
- C. Affirmative action organization
- D. Club organization

*Difficulty: Easy*

*Luthans - Chapter 02 #37*

38. Which of the following organization is closest to being a multicultural organization?  
(p. 38)

- A. Compliance organization
- B. Club organization
- C. Exclusionary organization
- D. Redefining organization

*Difficulty: Easy*

*Luthans - Chapter 02 #38*



39. Which of the following organization is characterized by an ongoing commitment to eliminate social oppression and promote dignity and respect for everyone throughout the organization?  
(p. 39)

- A. Multicultural organization
- B. Redefining organization
- C. Club organization
- D. Compliance organization

*Difficulty: Easy*

*Luthans - Chapter 02 #39*

40. Which of the following is characterized by an examination of all activities for the purpose of evaluating their impact on all employees' opportunity to both participate in and contribute to their own and the firm's growth and success?  
(p. 38)

- A. Club organization
- B. Compliance organization
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*Difficulty: Easy*

*Luthans - Chapter 02 #40*

41. Identify the ability to put oneself in another's place and see things from that person's point of view.  
(p. 40)

- A. Insight
- B. Understanding
- C. Empathy
- D. Intuition

*Difficulty: Easy*

42. \_\_\_\_\_ tests help prevent diversity bias.

(p. 41)

- A. General aptitude
- B. Knowledge
- C. Job-specific
- D. Intelligence

Difficulty: Easy

Luthans - Chapter 02 #42

43. In an interview for the position of a sales executive, which of the following techniques would be most effective to identify whether the applicant has the necessary skills for the job?

(p. 41)

- A. General aptitude test
- B. Stress interview
- C. Panel interview
- D. Role-playing exercise

Difficulty: Medium

Luthans - Chapter 02 #43

44. This is a process that ensures that tests are equivalent across cultures and can be used when pencil-and-paper tests are used.

(p. 41)

- A. Scientific norming
- B. Scientific storming
- C. Scientific performing
- D. Scientific adjourning

Difficulty: Medium

Luthans - Chapter 02 #44

45. Awareness training:

(p. 42)

- A. is used as supplements to other forms of training.
- B. is valuable to shift perceptions.
- C. leads to behavioral change.
- D. is often employed as icebreakers to get diversity training sessions started.

*Difficulty: Medium*

*Luthans - Chapter 02 #45*

46. All of the following are factors that contribute to the success of diversity training EXCEPT:

(p. 42)

- A. mandatory participation of all employees.
- B. long-term evaluation of training results.
- C. managerial rewards for increasing diversity.
- D. mandatory attendance for all managers.

*Difficulty: Medium*

*Luthans - Chapter 02 #46*

47. Which of the following is a major problem in diversity training?

(p. 42)

- A. Employees interest
- B. Top-management support
- C. Transfer problem
- D. Finding effective trainers

*Difficulty: Easy*

*Luthans - Chapter 02 #47*

48. Which of the following is the major reason for the transfer problem?

(p. 42)

- A. Lack of confidence or self-efficacy
- B. Lack of effective training
- C. Lack of interest
- D. Lack of top-management support

*Difficulty: Medium*

*Luthans - Chapter 02 #48*

49. Becoming overly protective and encasing the employee into a "glass bubble" is a problem associated with which of the following techniques of managing diversity?

(p. 43)

- A. Training
- B. Work/Family programs
- C. Mentoring
- D. Tests

*Difficulty: Medium*

*Luthans - Chapter 02 #49*

50. Flextime allows employees greater autonomy by permitting them to choose their daily starting and ending times within a given time period called a \_\_\_\_\_.

(p. 44)

- A. time gap
- B. bandwidth
- C. core period
- D. sabbatical

*Difficulty: Easy*

*Luthans - Chapter 02 #50*

51. According to the text, which of the following alternative work schedule arrangements have  
(p. 44) been widely used in Europe?

- A. Compressed workweek
- B. Flextime
- C. Telecommuting
- D. Job sharing

*Difficulty: Easy*

*Luthans - Chapter 02 #51*

52. Danny works in an organization that implements only compressed workweek as a work/family  
(p. 44) program. Danny's work time is typically 9a.m-5p.m. i.e. a 40 hours workweek spread over 5 days. Danny has to liberty to:

- A. work for 35 hours in a week and compensate by working 45 hours the next week.
- B. work for 30 hours in a week and ask his wife, Kate, who is also an employee of the same organization, to work for 50 hours and compensate for him.
- C. work for 10 hours each day for only 4 days a week.
- D. go to work anytime of the day.

*Difficulty: Medium*

*Luthans - Chapter 02 #52*

53. It was found that work-to-family conflict was linked to all of the following EXCEPT:  
(p. 45)

- A. job dissatisfaction.
- B. turnover intentions.
- C. stress.
- D. absenteeism.

*Difficulty: Easy*

54. These include leave policies and reimbursement for legal fees, medical expenses, agency or placement fees, temporary foster care, and/or travel expenses.

(p. 45  
(Table  
2.1))

- A. Child care or elder care benefits
- B. Leave/ time-off policies
- C. Life-cycle accounts
- D. Adoption benefits

Difficulty: Medium

Luthans - Chapter 02 #54

55. These include legal and financial planning assistance, discounts with local merchants, group auto and home owners insurance, and fleet arrangements for auto purchases.

(p. 45  
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- A. Group purchase programs
- B. Casual day programs
- C. Convenience benefits
- D. Health promotion benefits

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Luthans - Chapter 02 #55

56. Which of the following refers to on-site services such as dry cleaning, ATM machines, postal services, and video rentals?

(p. 45  
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Difficulty: Easy

57. Which of the following is a cultural influence on ethical behavior?

(p. 46)

- A. Ethical codes
- B. Media
- C. Political environment
- D. Role models

Difficulty: Medium

Luthans - Chapter 02 #57

58. The external forces that have an impact on the ethical behavior of an individual include all of the following EXCEPT:

(p. 46)

- A. political environment.
- B. role models.
- C. ethical codes.
- D. international developments.

Difficulty: Medium

Luthans - Chapter 02 #58

59. Ethical concerns relating to the protection of the environment is also called:

(p. 47)

- A. environmental issues.
- B. environ-friendly issues.
- C. green or sustainability issues.
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Difficulty: Easy

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60. The social cognitive model for ethics proposed by Stajkovic and Luthans uses national  
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- A. institutional factors.
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- C. organizational factors.
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*Difficulty: Medium*

*Luthans - Chapter 02 #60*

61. Studies have indicated that the firms convicted of antitrust violations, acts of discrimination  
(p. 47) etc., had significantly lower returns on assets and returns on \_\_\_\_.

- A. equity
- B. profit margins
- C. current ratio
- D. sales

*Difficulty: Easy*

*Luthans - Chapter 02 #61*

62. Which of the following disseminates ethical codes to organizations?  
(p. 47)

- A. Civil Rights Act
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- C. Tread Act
- D. Sarbanes-Oxley Act

*Difficulty: Medium*



63. \_\_\_\_\_ may be defined as, "engaging in economically sustainable business activities that go beyond legal requirements to protect the well-being of employees, communities, and the environment."  
(p. 49)

- A. Corporate governance
- B. Corporate social responsibility**
- C. Securitisation
- D. Business ethics

*Difficulty: Easy*

*Luthans - Chapter 02 #63*

64. List the outcomes for effective diversity management identified by the Society of Human Resource Management.  
(p. 34)

SHRM has identified outcomes such as:

1. Creating a work environment or culture that allows everyone to contribute all that they can to the organization.
2. Leveraging differences and similarities in the workforce for the strategic advantage of the organization; and
3. Enhancing the ability of people from different backgrounds to work effectively together.

*Difficulty: Medium*

*Luthans - Chapter 02 #64*

65. Identify the major reasons for increasing diversity in today's organizations.

(p. 35  
(Figure  
2.1))

Students may or may not provide the figure given below. If provided, the figure will be sufficient to answer the question.



The major reasons for increasing diversity in today's organizations include:

1. the recognition and desire for diverse viewpoints,
2. changing workforce,
3. legislation and lawsuits,
4. rapidly growing increase in international business, and
5. competitive pressures.

*Difficulty: Medium*

*Luthans - Chapter 02 #65*

66. What is the purpose of the Americans with Disabilities Act of 1990?

(p. 36)

This law prohibits discrimination against those essentially qualified individuals challenged by a disability and requires organizations to reasonably accommodate them.

*Difficulty: Easy*

67. What is the purpose of the Civil Rights Act of 1991?

(p. 37)

This law refined the 1964 act and the reinstated burden of proof falls on employers to eliminate discrimination and ensure equal opportunity in employment to employees. It also allows punitive and compensatory damages through jury trials.

*Difficulty: Easy*

*Luthans - Chapter 02 #67*

68. List the characteristics of a multicultural organization.

(p. 38)

A multicultural organization has been described as one that:

1. Reflects the contributions and interests of diverse cultural and social groups in its mission, operations, and product or service
2. Acts on a commitment to eradicate social oppression in all forms within the organization
3. Includes the members of diverse cultural and social groups as full participants, especially in decisions that shape the organization
4. Follows through on broader external social responsibilities, including support of other institutional efforts to eliminate all forms of social oppression.

*Difficulty: Medium*

*Luthans - Chapter 02 #68*

69. Identify and explain the various stages leading up to a multicultural organization.

*(p. 38-39)*

1. Exclusionary organization - This type of organization is the furthest from a multicultural organization. It is devoted to maintaining the dominance of one group over all others on factors such as age, education, gender, or race. This organization is characterized by exclusionary hiring practices and other forms of discrimination. Even though such organizations are directly violating laws, they unfortunately still exist.
2. Club organization - This organization is characterized by the maintenance of privileges by those who traditionally have held power. These organizations may technically get around the laws by hiring and promoting women and minorities, but only those who are deemed to have the "right" credentials and perspectives.
3. Compliance organization - This type of organization is committed to removing some of the discriminatory practices that are inherent in the exclusionary and club organizations. For example, women and minorities are hired and promoted to give the impression of openness and fair play. However, the strategy is more of meeting the letter of the laws, not the spirit.
4. Redefining organization - This advanced stage organization is characterized by an examination of all activities for the purpose of evaluating their impact on all employees' opportunity to both participate in and contribute to their own and the firm's growth and success. Redefining the organization goes beyond being just proactively antiracist and antisexist. This approach questions the core cultural values of the organization as manifested in the mission, structure, technology, psychosocial dynamics, and products and services. The redefining organization not only deals with but recognizes the value of a diverse workforce; it engages in visionary planning and problem solving to tap the strength of the diversity. This approach involves both developing and implementing policies and practices that distribute power among all diverse groups in the organization.
5. Multicultural organization - The true multicultural organization is characterized by core cultural values and an ongoing commitment to eliminate social oppression and promote dignity and respect for everyone throughout the organization. All members of diverse cultural and social groups are involved in the decisions that shape the mission, structure, technology,

psychosocial dynamics, and products and services of the organization.

*Difficulty: Hard*

*Luthans - Chapter 02 #69*

70. Define empathy. How is it important in managing diversity?

*(p. 40)*

Empathy is the ability to put oneself in another's place and see things from that person's point of view. Empathy is particularly important in managing diversity because members of diverse groups often feel that only they can truly understand the challenges or problems they are facing. It is also an important way to deal with more subtle problems because it helps the manager understand the diverse employee's point of view.

*Difficulty: Medium*

*Luthans - Chapter 02 #70*

71. Identify the various techniques used by organizations to managing diversity.

*(p. 41)*

Organizational approaches to managing diversity include a variety of techniques. These include testing, training, mentoring, and various work/family programs.

*Difficulty: Easy*

*Luthans - Chapter 02 #71*

72. What are the problems facing organizations while using "testing" as an approach to managing diversity? What can they be minimized?  
(p. 41)

A problem that organizations have encountered with the use of tests for selection and evaluation is that they may be culturally biased because most tests traditionally used in selection and evaluation are not suited or valid for a diverse workforce. Besides being culturally unbiased, tests used in effectively managing diversity should be able to identify whether the applicant has the necessary skills for doing the job.

One way to make tests more valid for diverse employees is to use job-specific tests rather than general aptitude or knowledge tests. People from different cultures often perform poorly on the traditional tests because they are culturally biased toward individuals who had been raised in a white, middle-class neighborhood. Older applicants may also do poorly on such culturally biased tests. Job-specific tests help prevent diversity bias by focusing on the work to be done. If pencil-and-paper or online tests are used, then to help ensure that they are not biased, scientific norming could be used. This is a process that ensures the tests are equivalent across cultures. As a result, all test questions have the same meaning regardless of the person's cultural background.

73. Identify and explain the major problem facing organizations while using training as an approach to managing diversity.  
(p. 43)

A major problem of diversity training is the transfer problem. Those going through the diversity training may see the value and gain some relevant knowledge, but then do not transfer this training back to the job. A major reason for this transfer problem is a lack of confidence or self-efficacy.

*Difficulty: Medium*

*Luthans - Chapter 02 #73*

74. Who is a mentor? What is the purpose of a mentor program?

(p. 43)

A mentor is a trusted counselor, coach, or advisor who provides advice and assistance. The purpose of the mentor program is to help support members of a diverse group in their jobs, socialize them in the cultural values of the organization, and pragmatically help their chances for development and advancement.

*Difficulty: Easy*

*Luthans - Chapter 02 #74*

75. Identify the major problem facing organizations while using mentoring as a technique to managing diversity.  
(p. 43)

A major problem in the mentoring program is that mentors may become overly protective and encase those they mentor into a "glass bubble" by shunting them into jobs with adequate pay and professional challenges, but eliminate all chance of further advancement.

*Difficulty: Easy*

*Luthans - Chapter 02 #75*

76. List the steps provided in the text for establishing an effective mentoring program.  
(p. 43-44)

Establishing an effective mentoring program typically involves several steps:

1. Top-management support is secured for the program.
2. Mentors and their protégés are carefully chosen. The mentor, who provides the advice and guidance, is paired with an individual who is very likely to profit from the experience.
3. An effective mentoring program would be to give both mentors and protégés an orientation. The mentors are taught how to conduct themselves, and the protégés are given guidance on the types of questions and issues that they should raise with their mentor so that they can gain the greatest value from the experience.
4. Throughout the mentoring period, mentor and protégé individually and together meet with the support staff of the program to see how well things are going.
5. At the end of the mentoring cycle, overall impressions and recommendations are solicited from both mentors and protégés regarding how the process can be improved in the future.

*Difficulty: Medium*

*Luthans - Chapter 02 #76*



77. Identify the common alternative work schedules discussed in the text.

(p. 44)

The most common alternative work schedule arrangements include flextime, the compressed workweek, job sharing, and telecommuting.

*Difficulty: Easy*

*Luthans - Chapter 02 #77*

78. Describe the common alternative work schedules which allow employees flexibility in balancing their home and work demands. Provide examples if required.

(p. 44-45)

1. Flextime allows employees greater autonomy by permitting them to choose their daily starting and ending times within a given time period called a bandwidth. E.g. Two parents are both employed at a company that has a bandwidth of 7 A.M. to 7 P.M. Everyone working for the firm must put in his or her eight hours during this time period. The father may go to work at 7 A.M. and work until 3 P.M., at which time he leaves and picks up the children from school. The mother, meanwhile, drops the children at school at 8:45 A.M. and works from 9:30 A.M. to 5:30 P.M. Thus both parents are able to adjust their work and home schedules to fit within the bandwidth.
  2. Compressed workweek compresses the workweek into fewer days. E.g. The typical workweek is 40 hours spread over five days, a compressed workweek could be four 10-hour days.
  3. Job sharing is the splitting of a full-time position between two people, each of whom works part-time.
  4. Telecommuting entails receiving and sending work between home and the office. E.g. Employees may come into the office on Monday and Tuesday, work out of their homes on Wednesday and Thursday via telecommuting, and come in again on Friday.
- The examples provided by students for each alternative work schedule may vary.

*Difficulty: Hard*

*Luthans - Chapter 02 #78*

79. Describe the various factors that determine ethical behavior.

(p. 46)

A number of relevant factors from the cultural, organizational, and external environment determine ethical behavior.

1. Cultural influences on ethical behavior come from family, friends, neighbors, education, religion, and the media.
2. Organizational influences come from ethical codes, role models, policies and practices, and reward and punishment systems.
3. The external forces having an impact on ethical behavior include political, legal, economic, and international developments.

These factors often work interdependently in shaping the ethical behavior of individuals and groups in organizations.

*Difficulty: Medium*

*Luthans - Chapter 02 #79*

## Chapter 02 Environmental Context: Globalization, Diversity, and Ethics Summary

<u>Category</u>	<u># of Questions</u>
Difficulty: Easy	37
Difficulty: Hard	3
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