

***Management: A Focus on Leaders, 2e (McKee)***

**Chapter 2 The Leadership Imperative**

1) People tend to remember the bad leaders they have known rather than the good ones.

Answer: TRUE

Diff: 2 Page Ref: 24

Objective: 2.1 Recognize why everyone needs to lead today

2) Change within an organization is something that is ubiquitous and should never come as a surprise.

Answer: TRUE

Diff: 2 Page Ref: 24

Objective: 2.1 Recognize why everyone needs to lead today

3) The statement, "Leaders are born, not made," is more true today than ever.

Answer: FALSE

Diff: 2 Page Ref: 25

Objective: 2.1 Recognize why everyone needs to lead today

4) When it comes to success in business, basic intelligence is more important than competency.

Answer: FALSE

Diff: 2 Page Ref: 26

Objective: 2.2 Understand the characteristics of effective leadership

5) A competency is an ability that is directly linked to job performance.

Answer: TRUE

Diff: 2 Page Ref: 26

Objective: 2.2 Understand the characteristics of effective leadership

6) In the Iceberg Model, skills and knowledge are abilities that are hidden beneath the surface of an individual.

Answer: FALSE

Diff: 2 Page Ref: 27

Objective: 2.2 Understand the characteristics of effective leadership

7) Limbic resonance is a term that refers to the fact that emotions are contagious.

Answer: TRUE

Diff: 2 Page Ref: 31

Objective: 2.2 Understand the characteristics of effective leadership

8) Emotions actually travel from one person to another in the form of an electrical potential.

Answer: FALSE

Diff: 2 Page Ref: 31

Objective: 2.2 Understand the characteristics of effective leadership

9) Legitimate power is the ability to influence others through fear or punishment.

Answer: FALSE

Diff: 2 Page Ref: 33

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.3 Understand the characteristics of influential leadership

10) Managers who subscribe to the Theory X view of people are more likely to empower employees than those who believe in Theory Y.

Answer: FALSE

Diff: 2 Page Ref: 35

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.3 Understand the characteristics of influential leadership

11) The secret to responsible management and leadership is for leaders to be ethical.

Answer: TRUE

Diff: 2 Page Ref: 36

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

12) Honesty is a terminal value.

Answer: FALSE

Diff: 2 Page Ref: 37

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

13) Difficult ethical situations often define a company's reputation.

Answer: TRUE

Diff: 2 Page Ref: 38

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

14) An ethical dilemma is a situation in which it is not clear what the "right thing to do" is.

Answer: TRUE

Diff: 2 Page Ref: 41

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

15) The statement, "Everyone else is breaking the rule; I will too so I don't lose out," is an example of pluralistic ignorance.

Answer: TRUE

Diff: 2 Page Ref: 44

Objective: 2.5 Assess theories and models of management and leadership

16) Fiedler's Contingency Theory states that leaders must change style according to the situation.

Answer: FALSE

Diff: 2 Page Ref: 47

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.5 Assess theories and models of management and leadership

17) In the Situational Leadership Theory, managers match their managing style to how ready and able their workers are.

Answer: TRUE

Diff: 2 Page Ref: 47

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.5 Assess theories and models of management and leadership

18) A transactional leader uses his or her vision to inspire employees.

Answer: FALSE

Diff: 2 Page Ref: 49

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.6 Determine the necessity of transformational leadership

19) In today's uncertain business world, HR leaders have shifted from being change agents to promoting the status quo.

Answer: FALSE

Diff: 2 Page Ref: 53

Objective: 2.7 Describe HR's role in supporting and fostering excellent and ethical leadership

20) Social and emotional intelligence are at the center of the four HR leadership roles.

Answer: TRUE

Diff: 2 Page Ref: 53

Learning Outcome: 13. Identify and discuss the components of the human resource management process

Objective: 2.7 Describe HR's role in supporting and fostering excellent and ethical leadership

21) Jill Guindon-Nasir of the Ritz-Carlton Leadership Center believes that effective leaders should NOT be \_\_\_\_\_.

A) authentic

B) risk-averse

C) continuous learners

D) caring

Answer: B

Diff: 2 Page Ref: 26

Objective: 2.1 Recognize why everyone needs to lead today

22) The idea of a workplace that is stable and has continuity is \_\_\_\_\_ today's world.

A) a critical component of

B) something to insist on in

C) not realistic in

D) still very important in

Answer: C

Diff: 2 Page Ref: 24

Objective: 2.1 Recognize why everyone needs to lead today

23) Successful leaders see change as this.

- A) an opportunity
- B) a disruption
- C) a necessary evil
- D) a nuisance

Answer: A

Diff: 2 Page Ref: 25

Objective: 2.1 Recognize why everyone needs to lead today

24) Which statement is true?

- A) Leaders can only be born, not made.
- B) You can learn how to be a great leader.
- C) You cannot learn how to be a great leader.
- D) Only managers can learn to lead.

Answer: B

Diff: 1 Page Ref: 25

Objective: 2.1 Recognize why everyone needs to lead today

25) Which of the following is NOT one of the three secrets to becoming an outstanding leader?

- A) emotional and social competence
- B) power
- C) ethics
- D) corporate politics

Answer: D

Diff: 2 Page Ref: 25

Objective: 2.1 Recognize why everyone needs to lead today

26) Competencies include both intent and \_\_\_\_\_ and are always related to \_\_\_\_\_.

- A) action; intelligence
- B) motivation; leadership
- C) leadership; action
- D) action; performance

Answer: D

Diff: 2 Page Ref: 26

Objective: 2.2 Understand the characteristics of effective leadership

27) Research indicates that there is \_\_\_\_\_ correlation between intelligence and job performance.

- A) no
- B) little
- C) a strong
- D) a reverse

Answer: B

Diff: 2 Page Ref: 27

Objective: 2.2 Understand the characteristics of effective leadership

28) In the Iceberg Model, these factors are hidden "below the water line."

- A) motives, traits, and self-concept
- B) motives, skills, and traits
- C) traits, knowledge, skills
- D) self-concept, drivers, skills

Answer: A

Diff: 2 Page Ref: 27

Objective: 2.2 Understand the characteristics of effective leadership

29) Being able to see the "big picture" pattern in a complicated situation is this kind of competency.

- A) cognitive
- B) relational
- C) technical
- D) subconscious

Answer: A

Diff: 2 Page Ref: 28

Learning Outcome: 01. Describe the role of managers and the skills they need to succeed within an organization

Objective: 2.2 Understand the characteristics of effective leadership

30) These competencies distinguish superior performers from ordinary performers.

- A) sustaining
- B) threshold
- C) differentiating
- D) undifferentiating

Answer: C

Diff: 2 Page Ref: 27

Objective: 2.2 Understand the characteristics of effective leadership

31) Studies conducted by Richard Boyatzis's group determined that these competencies are the defining factors for effective leadership.

- A) friendliness and sociability
- B) technical skill and basic intelligence
- C) knowledge, skills, and flexibility
- D) emotional and social intelligence

Answer: D

Diff: 2 Page Ref: 28

Learning Outcome: 01. Describe the role of managers and the skills they need to succeed within an organization

Objective: 2.2 Understand the characteristics of effective leadership

32) Which of these competency categories is NOT a key component of social and emotional intelligence?

- A) self-awareness
- B) self-management
- C) self-consciousness
- D) social awareness

Answer: C

Diff: 2 Page Ref: 29

Learning Outcome: 01. Describe the role of managers and the skills they need to succeed within an organization

Objective: 2.2 Understand the characteristics of effective leadership

33) Emotions are able to \_\_\_\_\_ in a process called limbic resonance.

- A) travel from one person to another
- B) elevate a person's mood
- C) interfere with rational thought processes
- D) cause people to become distracted

Answer: A

Diff: 2 Page Ref: 31

AACSB skills: Communication abilities

Objective: 2.2 Understand the characteristics of effective leadership

34) What people call intuition is usually just this.

- A) picking up clues from body language, facial expressions, and positioning
- B) making educated guesses about who a person is and what he or she is likely to do
- C) inaccurate guessing that has no validity
- D) a form of extra-sensory perception

Answer: A

Diff: 2 Page Ref: 31

Objective: 2.2 Understand the characteristics of effective leadership

35) The president of a company holds this kind of power.

- A) reward power — because she controls employee pay
- B) coercive power — because she can force people to do things
- C) legitimate power — because her power comes from her position
- D) illegitimate power — because no person should have control over others

Answer: C

Diff: 2 Page Ref: 33

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.3 Understand the characteristics of influential leadership

36) The primary force behind coercive power is \_\_\_\_\_.

- A) the ability to trade
- B) valuable rewards
- C) the threat of punishment
- D) the power of persuasion

Answer: C

Diff: 2 Page Ref: 33

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.3 Understand the characteristics of influential leadership

37) The key to referent power is \_\_\_\_\_.

- A) fear
- B) whom you know
- C) respect and admiration
- D) being well-known

Answer: C

Diff: 2 Page Ref: 34

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.3 Understand the characteristics of influential leadership

38) Managers can avoid micromanagement by doing this.

- A) monitoring employees as closely as possible
- B) empowering employees to make their own decisions
- C) using majority rule for all decision-making
- D) looking only at the "big picture" and avoiding details

Answer: B

Diff: 2 Page Ref: 35

Objective: 2.3 Understand the characteristics of influential leadership

39) A manager with a Theory Y view of human nature is more likely to \_\_\_\_\_.

- A) distrust his employees and watch them carefully
- B) trust his employees and empower them with decision-making ability
- C) give his employees lifetime job opportunities if they are competent
- D) institute strict reward systems to induce employees to work hard

Answer: B

Diff: 2 Page Ref: 35

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.3 Understand the characteristics of influential leadership

40) What is a major reason why empowerment is a successful management approach?

- A) Employees are more intelligent in today's workplace.
- B) Employees are more responsible in today's workplace.
- C) The person who organized the work can make the best decisions in a given situation.
- D) The person who is closest to the work can usually make the best decisions in a given situation.

Answer: D

Diff: 2 Page Ref: 36

Objective: 2.3 Understand the characteristics of influential leadership

41) Which of the following is a terminal value?

- A) creativity
- B) honesty
- C) know-how
- D) justice

Answer: D

Diff: 2 Page Ref: 37

Objective: 2.4 Understand the characteristics of responsible leadership

42) Which of the following is an instrumental value?

- A) love
- B) ambition
- C) peace
- D) freedom

Answer: B

Diff: 2 Page Ref: 37

Objective: 2.4 Understand the characteristics of responsible leadership

43) The profession you choose is likely to have \_\_\_\_\_.

- A) its own set of ethical standards
- B) no set of ethical standards
- C) a set of ethical standards that conflicts with your personal ethical standards
- D) a written set of standards that must be committed to memory

Answer: A

Diff: 1 Page Ref: 38

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

44) A stakeholder in a company is a party that has \_\_\_\_\_.

- A) no interest in the company's ethics
- B) majority ownership of the company
- C) minority ownership in the company
- D) an interest in the company's success or failure

Answer: D

Diff: 2 Page Ref: 39

Objective: 2.4 Understand the characteristics of responsible leadership



45) Dogs are often pampered in the United States, while they are treated little better than rats in some foreign countries. What type of ethics is at work here?

- A) individual
- B) organizational
- C) societal
- D) professional

Answer: C

Diff: 2 Page Ref: 40

AACSB skills: Ethical understanding and reasoning abilities

Learning Outcome: 06. Discuss the role of ethics and social responsibility in management

Objective: 2.4 Understand the characteristics of responsible leadership

46) The Sarbanes-Oxley Act established strict guidelines \_\_\_\_\_.

- A) to prevent corruption in Congress
- B) to prevent insufficient oversight in company boards
- C) to promote diversity in company boards
- D) to eliminate oversight in company boards

Answer: B

Diff: 2 Page Ref: 40

AACSB skills: Ethical understanding and reasoning abilities

Learning Outcome: 06. Discuss the role of ethics and social responsibility in management

Objective: 2.4 Understand the characteristics of responsible leadership

47) In terms of business ethics, \_\_\_\_\_ be held legally and ethically responsible for misdeeds.

- A) organizations cannot
- B) individuals only can
- C) both individuals and organizations can
- D) neither individuals and organizations can

Answer: C

Diff: 2 Page Ref: 41

AACSB skills: Ethical understanding and reasoning abilities

Learning Outcome: 06. Discuss the role of ethics and social responsibility in management

Objective: 2.4 Understand the characteristics of responsible leadership

48) Which of the following describes an ethical dilemma?

- A) The most profitable solution is difficult to determine.
- B) Determining "right" and "wrong" is easy.
- C) Determining "right" and "wrong" is not important.
- D) Determining "right" and "wrong" is difficult.

Answer: D

Diff: 2 Page Ref: 41

AACSB skills: Ethical understanding and reasoning abilities

Learning Outcome: 06. Discuss the role of ethics and social responsibility in management

Objective: 2.4 Understand the characteristics of responsible leadership

49) Google's slogan of "Don't be evil" can be best characterized as \_\_\_\_\_.

- A) primarily a dig at its rival, Microsoft
- B) a pledge to "do the right thing" in general
- C) a pledge to avoid criminal behavior
- D) a promise that Google will never seek profits

Answer: B

Diff: 3 Page Ref: 42

AACSB skills: Ethical understanding and reasoning abilities

Learning Outcome: 06. Discuss the role of ethics and social responsibility in management

Objective: 2.4 Understand the characteristics of responsible leadership

50) Which of the following is NOT a common statement that helps people rationalize unethical behavior?

- A) Everyone does it.
- B) If I don't do it, I'll get fired.
- C) My boss told me to do it.
- D) The ends fail to justify the means.

Answer: D

Diff: 3 Page Ref: 43

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

51) What is the first step to prevent a lapse into unethical behavior?

- A) Follow your company's code of ethics.
- B) Avoid situations in which ethics are involved.
- C) Clarify your own personal code of ethics.
- D) Go by the rules, no matter what the situation.

Answer: C

Diff: 2 Page Ref: 44

AACSB skills: Ethical understanding and reasoning abilities

Learning Outcome: 06. Discuss the role of ethics and social responsibility in management

Objective: 2.4 Understand the characteristics of responsible leadership

52) Trait theories of leadership tried to define \_\_\_\_\_ that could identify a successful leader.

- A) physical and psychological tests
- B) habits, customs, and traditions
- C) physical qualities, such as symmetry
- D) permanent characteristics, such as intelligence and sociability

Answer: D

Diff: 2 Page Ref: 45

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.5 Assess theories and models of management and leadership

53) Which of the following is NOT included in the social characteristics category of leadership traits identified in research?

- A) trust/credibility
- B) stewardship
- C) charisma
- D) diplomacy

Answer: B

Diff: 2 Page Ref: 46

Objective: 2.5 Assess theories and models of management and leadership

54) In the mid-20th century, researchers turned away from trait theories that studied who a leader was and moved toward studies that analyzed \_\_\_\_\_.

- A) the leader's behavior
- B) the leader's background
- C) the leader's goals
- D) the leader's social intelligence

Answer: A

Diff: 2 Page Ref: 46

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.5 Assess theories and models of management and leadership

55) The Michigan management studies divided manager behavior into what two dimensions?

- A) production-oriented and efficiency-oriented
- B) people-oriented and production-oriented
- C) production-oriented and employee-oriented
- D) effectiveness-oriented and time-oriented

Answer: C

Diff: 2 Page Ref: 47

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.5 Assess theories and models of management and leadership

56) Which of the following would be considered an initiating structure of leadership behavior as defined by the Ohio State studies?

- A) holding an employee brainstorm session
- B) offering an employee with a sick child the afternoon off
- C) creating a task rotation schedule for cleaning the employee refrigerator
- D) implementing a Friday afternoon open-door policy for employee feedback

Answer: C

Diff: 2 Page Ref: 46

AACSB skills: Analytic skills

Objective: 2.5 Assess theories and models of management and leadership

57) Which statement best describes contingency approaches to leadership?

- A) A leader must have certain leadership characteristics.
- B) A leader cannot change his or her leadership style.
- C) Different situations require different leadership styles.
- D) A leader can change his or her leadership style.

Answer: C

Diff: 2 Page Ref: 47

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.5 Assess theories and models of management and leadership

58) Fiedler's contingency scheme states that since leaders cannot \_\_\_\_\_, the only way to be successful is to \_\_\_\_\_.

- A) maintain a constant leadership style; place the leader in a variety of different situations
- B) change their leadership style; place the leader in a favorable situation
- C) maintain a constant leadership style; make the followers change their style
- D) change their leadership style; make the followers change their style

Answer: B

Diff: 2 Page Ref: 47

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.5 Assess theories and models of management and leadership

59) The Situational Leadership Theory focuses on \_\_\_\_\_.

- A) looking at the traits of successful leaders
- B) which approaches work best with followers
- C) asking followers to change their behavior
- D) looking at the behaviors of successful leaders

Answer: B

Diff: 2 Page Ref: 47

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.5 Assess theories and models of management and leadership

60) The idea behind the Path-Goal Theory is to \_\_\_\_\_.

- A) suggest a possible goal for employees to let them clear the path of any obstacles
- B) allow employees to find their own paths to goals without managerial interference
- C) create rigid paths to employee goals that are the same for all employees
- D) provide a path for employees to a goal and clear the path of any possible obstacles

Answer: D

Diff: 2 Page Ref: 48

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.5 Assess theories and models of management and leadership

61) Transactional leaders try to \_\_\_\_\_.

- A) inspire rather than reward employees
- B) provide a vision for employees to work toward attaining
- C) trade rewards for satisfactory performance on a job
- D) convince employees that they don't need to be rewarded

Answer: C

Diff: 2 Page Ref: 49

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.6 Determine the necessity of transformational leadership

62) Transformational leaders usually have this above all other traits.

- A) energy
- B) drive
- C) intelligence
- D) charisma

Answer: D

Diff: 2 Page Ref: 50

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.6 Determine the necessity of transformational leadership

63) HR has an obligation to \_\_\_\_\_.

- A) define and label ethical goals
- B) develop programs that address issues of ethical leadership
- C) propose laws governing corporate ethical leadership
- D) refuse compensation to employees using unethical practices

Answer: B

Diff: 2 Page Ref: 53

Learning Outcome: 06. Discuss the role of ethics and social responsibility in management

Objective: 2.7 Describe HR's role in supporting and fostering excellent and ethical leadership

64) According to the Stanford Graduate School's Business Advisory Council, \_\_\_\_\_ is by far the most important characteristic that a leader can have.

- A) self-awareness
- B) honesty
- C) humility
- D) energy

Answer: A

Diff: 2 Page Ref: 54

Learning Outcome: 01. Describe the role of managers and the skills they need to succeed within an organization

Objective: 2.8 Describe the steps one must take to become a great leader

65) Courageous leaders have the ability to resist \_\_\_\_\_ and do what they know is right.

- A) complacency
- B) competency
- C) conformity
- D) conflict

Answer: C

Diff: 2 Page Ref: 56

AACSB skills: Ethical understanding and reasoning abilities

Learning Outcome: 01. Describe the role of managers and the skills they need to succeed within an organization

Objective: 2.8 Describe the steps one must take to become a great leader

66) Shanika runs leadership seminars for young managers and entrepreneurs. In a recent session, a young man from a manufacturing company complained that he was just not a "born leader." How should Shanika respond?

- A) Tell him that he may not ever be a good leader, but that he can become an effective manager.
- B) Tell him that leadership skills can and should be learned.
- C) Tell him that leadership is not a necessary characteristic of a manager.
- D) Tell him that he should adjust his goals and resign himself to the fact that he will never be a great success.

Answer: B

Diff: 2 Page Ref: 25

AACSB skills: Analytic skills

Objective: 2.1 Recognize why everyone needs to lead today

67) In his performance review, Geraldo rated high in all areas except grasping the "big picture." What should he focus on?

- A) Geraldo should focus on his cognitive competencies, the skills that help him identify and recognize patterns.
- B) Geraldo should work on his technical competencies, the skills that help him use tools common in his industry.
- C) Geraldo should work on his relational competencies, the skills that help him deal with people.
- D) Geraldo should work on his self-concept, which includes attitudes, values, and self-image.

Answer: A

Diff: 3 Page Ref: 28

AACSB skills: Analytic skills

Learning Outcome: 01. Describe the role of managers and the skills they need to succeed within an organization

Objective: 2.2 Understand the characteristics of effective leadership

68) Sean is a middle manager attending a leadership seminar. He tells the group that his social and emotional intelligence is high, but he is not very good at controlling his own emotions. What should the seminar leader tell Sean?

A) He is correct to think his social and emotional intelligence is high because social and emotional intelligence has nothing to do with one's own emotions.

B) He shouldn't worry about his deficiency because social and emotional intelligence is not very important in leadership.

C) He is mistaken to think his social and emotional intelligence is high because self-management, or controlling one's own emotions, is a key part of social and emotional intelligence.

D) He shouldn't worry because self-control is not a very important part of social and emotional intelligence.

Answer: C

Diff: 3 Page Ref: 27

AACSB skills: Reflective thinking skills

Learning Outcome: 01. Describe the role of managers and the skills they need to succeed within an organization

Objective: 2.2 Understand the characteristics of effective leadership

69) Jayne is teaching an HR workshop for a group of new college graduates. What might she suggest to help these new employees be receptive to the emotions of others?

A) Listen only to what people say, not what they do.

B) Read in between the lines of what people say.

C) Pay attention to body language, facial expressions, and how people are arranged in the room.

D) Ask people how they are feeling and give each response a numerical value from 1 to 10.

Answer: C

Diff: 2 Page Ref: 31

AACSB skills: Communication abilities

Objective: 2.2 Understand the characteristics of effective leadership

70) Martin's professional goal is to be an outstanding leader. He knows it's important to develop his self-awareness. To practice, what question might Martin ask himself?

A) What should I be doing to maximize my potential?

B) What am I feeling, and how are these feelings affecting my thoughts and actions?

C) How can I demonstrate to others that I am concerned with their welfare and genuinely care about them?

D) Which feelings in this room are negative and should be rejected or ignored?

Answer: B

Diff: 3 Page Ref: 31

AACSB skills: Reflective thinking skills

Objective: 2.2 Understand the characteristics of effective leadership

71) Dawson Consulting is restructuring to make the firm more profitable. Mack, the CEO, is offering monetary rewards for anyone who brings in a potential client. What kind of power is Mack employing?

- A) legitimate power
- B) expert power
- C) referent power
- D) reactive power

Answer: A

Diff: 2 Page Ref: 33

Objective: 2.3 Understand the characteristics of influential leadership

72) Wei is an analyst for an insurance company. The firm uses her data to make all of its business predictions. Wei is asking for a special 12-week working vacation. What kind of power is she using?

- A) soft power
- B) reward power
- C) coercive power
- D) expert power

Answer: D

Diff: 2 Page Ref: 34

Objective: 2.3 Understand the characteristics of influential leadership

73) Due to the slow economy, Gretchen has asked employees to forego their raises for the upcoming year. Gretchen is beloved by everyone in the company. What kind of power is she attempting to use?

- A) coercive power
- B) legitimate power
- C) referent power
- D) inherent power

Answer: C

Diff: 2 Page Ref: 34

Objective: 2.3 Understand the characteristics of influential leadership

74) Several supervisors at a metals fabrication plant have told workers that if they don't increase production, they will lose their holiday bonuses. What kind of power are the supervisors attempting to use?

- A) referent power
- B) coercive power
- C) impact power
- D) expert power

Answer: B

Diff: 2 Page Ref: 33

Objective: 2.3 Understand the characteristics of influential leadership



75) Mr. Vasquez has offered his sales team an all-expenses-paid weekend cruise if they beat last quarter's numbers by 25 percent. What kind of power is Mr. Vasquez using?

- A) reward power
- B) referent power
- C) coercive power
- D) legitimate power

Answer: A

Diff: 2 Page Ref: 33

Objective: 2.3 Understand the characteristics of influential leadership

76) To take advantage of an expiring car warranty, Daniel claimed that his car had broken down a day earlier than the incident actually occurred. Which code of ethics did Daniel violate?

- A) a professional code of ethics
- B) his personal code of ethics
- C) his socio-economic code of ethics
- D) Daniel did not violate a code of ethics.

Answer: B

Diff: 2 Page Ref: 37

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

77) An auto repair technician saw that Susan qualified for a free oil change, but decided not to tell her about it. There is no law requiring the technician to inform customers of this service, but the company prides itself on "looking out for its customers." Which code of ethics did the technician violate?

- A) The technician did not violate a code of ethics.
- B) a personal code of ethics
- C) an organizational code of ethics
- D) a societal code of ethics

Answer: C

Diff: 2 Page Ref: 38

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

78) A beef processing plant makes some of its employees work overtime hours with no compensation. Which code of ethics did the plant violate in this situation?

- A) a societal code of ethics
- B) the technician's code of ethics
- C) a personal code of ethics
- D) an organizational code of ethics

Answer: A

Diff: 3 Page Ref: 39

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

79) Beatriz hires a lawyer to sue a company over its unsafe products. The lawyer does not tell Beatriz that he is also on retainer to the same company. Which code of ethics did the lawyer violate?

- A) an organizational code of ethics
- B) a personal code of ethics
- C) a professional code of ethics
- D) a societal code of ethics

Answer: C

Diff: 3 Page Ref: 38

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

80) When Jason learns that the "new" car he bought is actually a refurbished used model, he puts a stop-payment on the check he wrote to the dealership. Which code of ethics did Jason violate in this situation?

- A) Jason did not violate a code of ethics.
- B) his personal code of ethics
- C) an organizational code of ethics
- D) a societal code of ethics

Answer: A

Diff: 3 Page Ref: 37

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

81) Which of the following statements about leadership in today's business world is NOT true?

- A) Good leaders use power.
- B) Leaders should see change as opportunity.
- C) Employees should adopt an "us" versus "them" attitude toward leaders.
- D) Employees are motivated by leaders who are authentic and real.

Answer: C

Diff: 3 Page Ref: 25

AACSB skills: Analytic skills

Objective: 2.1 Recognize why everyone needs to lead today

82) Which of the following personal characteristics related to competencies is least resistant to refinement?

- A) motives
- B) skills
- C) traits
- D) self-concept

Answer: B

Diff: 2 Page Ref: 27

Objective: 2.2 Understand the characteristics of effective leadership

83) In the Iceberg Model, where would a quality like optimism be located?

- A) Optimism is a trait, so it would be located "below the water line."
- B) Optimism is a skill, so it would be located "above the water line."
- C) Optimism is a trait, so it would be located "above the water line."
- D) Optimism is a motive, so it would be located "below the water line."

Answer: A

Diff: 3 Page Ref: 27

AACSB skills: Analytic skills

Objective: 2.2 Understand the characteristics of effective leadership

84) For a leader at a highly creative and innovative company, would the ability to get workers motivated about their work be considered a threshold or a differentiating competency?

- A) a differentiating competency, because only the best leaders have the ability to get workers motivated about their work
- B) a differentiating competency, because getting workers to be motivated about their work is a requirement at a company that is creative and innovative
- C) a threshold competency, because getting workers to be motivated about their work is a requirement at a company that is creative and innovative
- D) a threshold competency, because only the best leaders have the ability to get workers motivated about their work

Answer: C

Diff: 3 Page Ref: 27

AACSB skills: Analytic skills

Objective: 2.2 Understand the characteristics of effective leadership

85) A candidate for a leadership position in a company seems to have all of the qualifications for the job except self-awareness. Should the company hire this person?

- A) No, because self-awareness is a critical part of social and emotional intelligence and leadership
- B) Yes, because self-awareness is only one of many components of social and emotional intelligence
- C) Yes, because self-awareness and social and emotional intelligence are not critically important to leadership
- D) No, because a self-awareness and social and emotional intelligence indicates dishonesty in a person

Answer: A

Diff: 3 Page Ref: 31

AACSB skills: Analytic skills

Objective: 2.2 Understand the characteristics of effective leadership

86) Dan Nowlin of Sunglass Hut Global Culture believes that effective leadership requires certain kinds of intelligence. Which of the following does NOT fit Nowlin's criteria?

- A) emotional intelligence
- B) common sense
- C) operational intelligence
- D) intellect

Answer: C

Diff: 2 Page Ref: 30

Objective: 2.2 Understand the characteristics of effective leadership

87) A university president offers her men's basketball coach the following deal: If he wins enough games to qualify for the national tournament, he will receive a three-year contract extension. If he fails to make the tournament, he will be fired. What kinds of power is the president exercising?

- A) legitimate power, expert power, and referent power
- B) legitimate power, expert power, and coercive power
- C) legitimate power, reward power, and coercive power
- D) expert power, reward power, and coercive power

Answer: C

Diff: 3 Page Ref: 33

AACSB skills: Analytic skills

Objective: 2.3 Understand the characteristics of influential leadership

88) Which of the following is the most "defensible" case of rationalizing unethical behavior?

- A) failing to report a crime because you don't want to get involved
- B) failing to report a crime because you are too busy
- C) failing to report a crime because you could implicate people you know
- D) failing to report a crime because you fear retaliation from the perpetrator

Answer: D

Diff: 3 Page Ref: 43

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

89) Which of the following statements about trait theories of leadership is most accurate?

- A) All trait theories of leadership have been shown to be flawed and worthless.
- B) All trait theories of leadership have been shown to be superior to other leadership theories.
- C) Though trait theories of leadership are flawed, some traits, like self-awareness, can accurately predict who the best leaders are.
- D) Though trait theories of leadership are flawed, some traits, like extroversion and intelligence, can accurately predict who the best leaders are.

Answer: C

Diff: 3 Page Ref: 45

AACSB skills: Analytic skills

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.5 Assess theories and models of management and leadership

90) What is the biggest drawback to Fiedler's Contingency Theory?

- A) Fiedler suggested that the situation determines which leadership style works best.
- B) Fiedler suggested that leadership styles were permanent, so a leader could not change style depending on the situation.
- C) Fiedler suggested that leadership styles were not permanent, so a leader would not have a consistent style in any given situation.
- D) Fiedler suggested that employees' readiness determines which leadership style works best.

Answer: B

Diff: 3 Page Ref: 47

AACSB skills: Analytic skills

Learning Outcome: 20. Summarize the basic characteristics of major leadership theories

Objective: 2.5 Assess theories and models of management and leadership

91) Are scandals like the one carried out by Bernard Madoff a failure of leadership or a failure of ethics? Explain.

Answer: Sample response: Madoff in many ways was a superb leader. He was able to convince people that he was talented and worth following. He was also able to carry out his scheme for many years without being detected. Rather than a leadership problem, Madoff's flaw was a failure of ethics. He completely failed to realize that his scheme would only end up hurting people and cause him to be punished. In the end, Madoff failed, or refused, to recognize right from wrong.

Diff: 3 Page Ref: 42

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

92) Some people would just prefer to go to work, keep their head down, do their job, and not get "involved." Why is this attitude inappropriate in today's business environment?

Answer: Sample response: Nobody can be an "island" in the modern work environment. Today's organizations are flatter and have less management hierarchy. Employees at all levels have more responsibility than ever before. This requires everyone in an organization to be a leader on some level, because employees need to work together effectively as a team to achieve business goals.

Diff: 3 Page Ref: 24

AACSB skills: Analytic skills

Objective: 2.1 Recognize why everyone needs to lead today

93) Your supervisor tells you to destroy all e-mails involved in a project because it could cause trouble for him and the organization. What would you do?

Answer: Sample response: Destroying the e-mails would violate my personal code of ethics. However, I would fear losing my job if I did not comply with my supervisor's request. So before destroying the e-mails, I would go to a person higher-up in the organization and ask what my options are. I would hope that this person would take over from that point on.

Diff: 3 Page Ref: 41

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

94) As a rookie manager in a video game company, it is your job to give a performance review for an employee who has not been doing a good job. You decide to bring a senior manager to the review; he has been a mentor to many employees at the company and is widely respected in the organization. Is your behavior ethical? Is it likely to be effective? Explain.

Answer: Sample response: Yes, my behavior is both ethical and likely to succeed. An employee is much more likely to accept and believe negative feedback if the feedback comes with the support of a highly respected member of the organization. The move is also ethical because it does not violate the employee's rights and it is designed to make the feedback session more productive.

Diff: 3 Page Ref: 44

AACSB skills: Ethical understanding and reasoning abilities

Objective: 2.4 Understand the characteristics of responsible leadership

95) Is Google's Code of Conduct, "Don't be evil," just a joke or does it have serious implications? In your view, does the company live up to its slogan?

Answer: Sample response: I think the slogan does have serious implications. From the very beginning, Google refused to do such things as put banner ads on its home web page, or sell search rankings to the highest bidder. In doing so, Google earned a loyal following who trusted their searches to be unbiased and their ads to be unobtrusive. Lately, Google has been involved in some moral dilemmas. For example, in China the company initially allowed the government to apply political biases and other types of filters to its searches. Google rationalized these moves by saying it was better to have a limited search ability in China than no search at all. However, later events caused Google to rethink its China operations, and reassess itself with respect to "not doing evil."

Diff: 3 Page Ref: 42

AACSB skills: Ethical understanding and reasoning abilities

Learning Outcome: 06. Discuss the role of ethics and social responsibility in management

Objective: 2.4 Understand the characteristics of responsible leadership

96) In what kind of organization do you think a Path-Goal style of leadership would work best? Explain.

Answer: A Path-Goal style of leadership has the leader spend time removing obstacles and clearing the path for employees to reach their goals. To be successful in this kind of practice, the employees would need to be highly independent, motivated, and talented. The approach assumes that the employees can do the job as long as they aren't slowed down or hindered by bureaucratic or organizational concerns. A company like an engineering firm, with highly educated, autonomous workers, would likely work best using this approach.

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AACSB skills: Analytic skills

Objective: 2.5 Assess theories and models of management and leadership

97) Why are transformational leaders more likely to be successful in today's business climate than transactional leaders?

Answer: Transactional leaders rely on rewards to keep employees motivated. Rewards, however, can only go so far. At a successful organization, what truly motivates people is being passionate about what they do, not what they receive in exchange for their efforts. That is why transformational leaders do best in that kind of situation. They can provide a vision that makes employees want to follow. Employees of a transformational leader don't need to be "bribed" with compensation; they work hard because they believe in their leader and his cause.

Diff: 3 Page Ref: 50

AACSB skills: Analytic skills

Objective: 2.6 Determine the necessity of transformational leadership

98) Why do you think social and emotional intelligence are at the core of the four HR leadership roles in an organization?

Answer: Sample response: The HR function is primarily concerned with supporting the effective performance of an organization's most valuable asset: its employees. HR professionals serve as change agents and strategic business partners in an organization, as well as developing skills of employees from top to bottom. Every aspect of the HR professional's role circles back to people. Without strong social and emotional intelligence, HR would not be able to understand, motivate, support, and develop the people who make an organization successful.

Diff: 3 Page Ref: 53

AACSB skills: Reflective thinking skills

Learning Outcome: 13. Identify and discuss the components of the human resource management process

Objective: 2.7 Describe HR's role in supporting and fostering excellent and ethical leadership

99) What does Jim Hightower's statement, "even a dead fish can go with the flow" mean to you?

Answer: Sample response: Hightower was trying to point out the fact that conformity is, in a sense, a form of not being alive. People who blindly go along with a bad situation are failing to be fully alive. They are less than alive because they don't have the courage to speak out about a wrong or an injustice.

Diff: 3 Page Ref: 56

AACSB skills: Reflective thinking skills

Objective: 2.8 Describe the steps one must take to become a great leader

100) How self-aware are you? What might you do to become more self-aware?

Answer: Sample response: I am fairly self-aware, but I would like to improve my self-awareness. To do this, I can start by asking myself questions such as, *What am I feeling, and how are these feelings affecting my thoughts and actions?* From there, I can go on to adopting, in general, a more reflective way of operating. After a meeting, for example, I might ask myself, *How did I behave in that meeting? What effects did my behavior have on others? Is it possible that someone in the room was upset and I didn't notice it?* Questions like these can help me become more self-aware and a better leader.

Diff: 3 Page Ref: 55

AACSB skills: Reflective thinking skills

Objective: 2.8 Describe the steps one must take to become a great leader