

**Chapter 2—History of Management**  
**MGMT6****TRUE/FALSE**

1. Management ideas and practices have been used from the earliest times of recorded history.

ANS: T                      PTS: 1                      DIF: Easy                      REF: 2.1

2. For most of humankind's history, people have commuted to and from their place of work.

ANS: F

For most of history, people have worked in or near their homes and have not commuted.

PTS: 1                      DIF: Easy                      REF: 2.1a

3. After the Industrial Revolution, jobs mostly occurred in large, formal organizations where hundreds of people worked under one roof.

ANS: T                      PTS: 1                      DIF: Easy                      REF: 2.1b

4. Frederick Taylor was the father of systems management.

ANS: F

Frederick Taylor was the father of scientific management.

PTS: 1                      DIF: Moderate                      REF: 2.2a

5. One of Taylor's scientific management principles concerned how workers should be selected.

ANS: T

The second principle of scientific management was to scientifically select, train, teach, and develop workers to help them reach their full potential.

PTS: 1                      DIF: Easy                      REF: 2.2a

6. According to the principles of scientific management, work and responsibility for the work, should be divided equally between workers and management.

ANS: T

See Exhibit 2.2--Taylor's Four Principles of Scientific Management.

PTS: 1                      DIF: Moderate                      REF: 2.2a

7. Frank and Lillian Gilbreth studied the psychology of groups.

ANS: F

The Gilbreth's are noted for their time and motion studies.

PTS: 1                      DIF: Moderate                      REF: 2.2b

8. A time study allows each task or job to be broken down into separate motions. Once this is done, then unnecessary or repetitive motions can be eliminated.

ANS: F

This is the definition for a motion study.

PTS: 1 DIF: Easy REF: 2.2b

9. A Gantt chart can be used to track informal communication paths.

ANS: F

A Gantt chart shows which tasks must be completed at which times in order to complete a project or task.

PTS: 1 DIF: Moderate REF: 2.2c

10. Weber's concept of bureaucratic management supported qualification-based hiring and merit-based promotion.

ANS: T

See Exhibit 2.4--, Elements of Bureaucratic Organizations.

PTS: 1 DIF: Easy REF: 2.3a

11. According to Weber's bureaucratic management, people should lead by virtue of their rational-legal authority.

ANS: T PTS: 1 DIF: Moderate REF: 2.3a

12. According to bureaucratic management principles, those higher in the chain of command do not have the right to give commands, take action, and make decisions concerning activities occurring anywhere below them in the chain.

ANS: F

According to bureaucratic management principles, those higher in the chain of command do have the right to give commands, take action, and make decisions concerning activities occurring anywhere below them in the chain.

PTS: 1 DIF: Moderate REF: 2.3a

13. One of the limitations of bureaucratic management is the resistance of bureaucracies to change.

ANS: T PTS: 1 DIF: Easy REF: 2.3a

14. Henri Fayol classified management functions into five categories.

ANS: T PTS: 1 DIF: Easy REF: 2.3b

15. According to Fayol's 14 principles of management, esprit de corps is a source of major organizational conflict.

ANS: F

The development of esprit de corps among workers encourages coordination of effort. See Exhibit 2.5—Fayol's Fourteen Principles of Management..

PTS: 1                      DIF: Moderate                      REF: 2.3b

16. Mary Parker Follett believed that managers could best deal with conflict through compromise.

ANS: F

Mary Parker Follett believed that managers could best deal with conflict through integration.

PTS: 1                      DIF: Easy                      REF: 2.4a

17. The point of integrative conflict resolution is to have both parties indicate their preferences and then work together to find an alternative that meets the needs of both.

ANS: T                      PTS: 1                      DIF: Moderate                      REF: 2.4a

18. Elton Mayo was one of the first researchers to focus on studying human relations management.

ANS: T                      PTS: 1                      DIF: Easy                      REF: 2.4b

19. The Hawthorne Studies proved that financial incentives were not necessarily the most important motivator for workers.

ANS: T                      PTS: 1                      DIF: Moderate                      REF: 2.4b

20. According to Chester Barnard, for many managerial requests or directives, there is a zone of indifference in which managers don't really care if the request is met or the directive is performed.

ANS: F

According to Chester Barnard, for many managerial requests or directives there is a zone of indifference in which acceptance of managerial authority by workers is automatic.

PTS: 1                      DIF: Easy                      REF: 2.4c

21. Technological management involves managing the production of goods and services.

ANS: F

Operations management involves managing the daily production of goods and services.

PTS: 1                      DIF: Moderate                      REF: 2.5a

22. One of the most commonly used operations management tools is cognitive mapping which is used to better understand the psychology of the workers.

ANS: F

Tools for operations management include quality control, forecasting techniques, capacity planning, productivity measurement and improvement, linear programming, scheduling systems, inventory systems, work measurement techniques, project management, and cost-benefit analysis.

PTS: 1                      DIF: Moderate                      REF: 2.5a

23. Because of Eli Whitney's ideas for increasing production in a gun-manufacturing operation, most products are manufactured today using standardized, interchangeable parts.

ANS: T                      PTS: 1                      DIF: Easy                      REF: 2.5a

24. A systems approach to management encourages managers to view each division as a separate, vital organism.

ANS: F

A systems approach to management encourages managers to complicate their thinking by looking for connections between the different parts of the organization.

PTS: 1                      DIF: Moderate                      REF: 2.5c

25. According to the systems approach to management, an open system can function without interacting with its environment.

ANS: F

According to the systems approach to management, a closed system can function without interacting with its environment.

PTS: 1                      DIF: Easy                      REF: 2.5c

26. One of the advantages of a systems view of management is that it forces managers to be aware of how the environment affects specific parts of the organization.

ANS: T                      PTS: 1                      DIF: Moderate                      REF: 2.5c

27. The contingency approach to management holds that there is not one best way to manage an organization.

ANS: T                      PTS: 1                      DIF: Moderate                      REF: 2.5d

## **MULTIPLE CHOICE**

1. Which of the following statements about the beginnings of management is true?
- a. Job enrichment was developed during the last half of the twentieth century.
  - b. Management as a field of study is only about 125 years old.
  - c. Information management appeared with the first computers.
  - d. The use of management functions would have made the building of the Egyptian pyramids more efficient.
  - e. All of the above statements about the origin of management are true.

ANS: B

The Greeks used job enrichment. An early form of information management was used by the Sumerians. The Egyptians did use management functions.

PTS: 1                      DIF: Moderate                      REF: 2.1

2. How did the Industrial Revolution change jobs and organizations?
- a. Managers realized the importance of synergistic tasks.
  - b. Managers realized the importance of customer relations.
  - c. Low-paid, unskilled workers running machines began to replace high-paid, skilled artisans.
  - d. Skilled jobs were performed in homes rather than in factories.
  - e. Managers learned to use delegation.

ANS: C

Instead of being performed in fields and homes, jobs occurred in large, formal organizations where hundreds of people worked under one roof.

PTS: 1 DIF: Difficult REF: 2.1b

3. Prior to the introduction of \_\_\_\_, five workers each given an identical task could use five different methods to perform the task with some methods being significantly more efficient than others.
- contingency management
  - scientific management
  - bureaucratic management
  - information management
  - systems management

ANS: B

Scientific management is thoroughly studying and testing different work methods to identify the best, most efficient way to complete a job.

PTS: 1 DIF: Moderate REF: 2.2a

4. \_\_\_\_ occurs when workers deliberately slow down their pace or restrict their work outputs.
- Job loitering
  - Chugging
  - Roadblocking
  - Lagging
  - Soldiering

ANS: E PTS: 1 DIF: Moderate REF: 2.2a

5. Frederick Taylor is famous for \_\_\_\_.
- developing time and motion studies
  - first defining the functions of managers
  - developing the fourteen principles of management
  - creating the principles of scientific management
  - doing all of these

ANS: D

Taylor developed four principles of scientific management (see Exhibit 2.2); Henri Fayol is responsible for the fourteen principles of management (see Exhibit 2.5). Although Taylor did some time studies, Frank and Lillian Gilbreth are best known for time and motion studies.

PTS: 1 DIF: Moderate REF: 2.2a

6. Prior to the development of scientific management principles, workers whose work pace was significantly faster than the normal pace in their work group were known as \_\_\_\_ and were often unpopular with their fellow workers.
- pace-setters
  - managerial accommodators
  - actualizers
  - rate busters
  - halo workers

ANS: D PTS: 1 DIF: Difficult REF: 2.2a

7. The goal of scientific management is to \_\_\_\_.
- make sure workers did not consider their work boring or repetitive

- b. decreased wages for individual workers
- c. eliminate conflict between workers and management
- d. find the one best way to perform each task
- e. find different ways to motivate workers

ANS: D

Scientific management is thoroughly studying and testing different work methods to identify the best, most efficient way to complete a job.

PTS: 1                      DIF: Moderate                      REF: 2.2a

8. Which of the following is NOT part of the principles of scientific management?
- a. Use group dynamics to ensure organizational goals are met.
  - b. Give employees rest breaks throughout the day.
  - c. Find the one best way for doing each task.
  - d. Divide the work and the responsibility equally between management and workers.
  - e. Scientifically select, train, teach, and develop workers to help them reach their potential.

ANS: A

The importance of group dynamics was not realized until the Hawthorne Studies.

PTS: 1                      DIF: Difficult                      REF: 2.2a

9. Frank and Lillian Gilbreth are important to management because they \_\_\_\_.
- a. used motion studies to eliminate unnecessary or repetitive motions from the work process
  - b. proved the effectiveness of nonfinancial motivators in convincing workers to strive for organizational goals
  - c. realized how the principles of sociology applied to worker performance
  - d. viewed the organization as a system that influenced its environment and that was influenced by its environment
  - e. identified the four functions managers perform

ANS: A                      PTS: 1                      DIF: Moderate                      REF: 2.2b

10. In the past, battlefield surgery was crude and often ineffective. Which of the following management theorists would most likely have used their understanding of how work is done to help surgeons eliminate unnecessary motions, operate more efficiently, and save more lives by closely studying how surgeries were performed?
- a. Henri Fayol
  - b. Chester Barnard
  - c. Mary Parker Follett
  - d. Frederick Taylor
  - e. Frank and Lillian Gilbreth

ANS: E

The Gilbreths developed motion study to eliminate unnecessary motions in work.

PTS: 1                      DIF: Moderate                      REF: 2.2b

11. Which management theorist would most likely have said, "The greatest waste in the world comes from needless, ill-directed, and ineffective motions"?
- a. Frederick Taylor
  - b. Frank and Lillian Gilbreth
  - c. Elton Mayo
  - d. Henri Fayol

e. Chester Barnard

ANS: B

The Gilbreth's are famous for using motion studies to reduce or eliminate unnecessary and repetitive motions.

PTS: 1                      DIF: Moderate                      REF: 2.2b

12. A contractor was feeling defeated because the job he was working on was so far behind schedule. As he looked at the job site, he saw one worker moving bricks by carrying two at a time from where they were unloaded to where they were needed. He saw another climbing up a ladder with a few shingles, climbing back down to get more, and then repeating the process. Which management process could be used to determine how the workers could perform their tasks more efficiently?
- a. Time and motion studies
  - b. Resource assessments
  - c. Workload analyses
  - d. Systems analyses
  - e. Cost-benefit analyses

ANS: A

Time studies would show how long it takes a good worker to finish a task. Motion studies would identify which motions are unnecessary and repetitive.

PTS: 1                      DIF: Moderate                      REF: 2.2b

13. The Gantt chart \_\_\_\_.
- a. was a precursor to the organizational chart
  - b. is a chart that shows when and where tasks need to be completed so that a job can be completed in a timely fashion
  - c. was an early method for breaking jobs down into their smallest common denominator
  - d. was a major tool of scientific managers and is not widely used today
  - e. is a method for continuous training of front-line employees

ANS: B                      PTS: 1                      DIF: Easy                      REF: 2.2c

14. In which of the following situations would a Gantt chart be appropriate to use?
- a. building a bridge
  - b. installing a local area network for a computer system
  - c. rebuilding communities destroyed by hurricane
  - d. planning a Mardi Gras parade
  - e. all of these

ANS: E

A Gantt chart would be appropriate for any of the activities because it would allow planners to see which tasks needed to be completed at which time in order to complete a project.

PTS: 1                      DIF: Easy                      REF: 2.2c

15. At about the same time as management theorists were developing scientific management principles in the United States, Max Weber was in Europe developing \_\_\_\_.
- a. human relations management
  - b. group dynamics theory
  - c. systems management
  - d. contingency management
  - e. bureaucratic management

ANS: E                      PTS: 1                      DIF: Moderate                      REF: 2.3a

16. According to Weber, a bureaucracy \_\_\_\_.
- a. should be based on the theory of behavioral reinforcement
  - b. allows political connections to determine an individual's power base within organizations
  - c. is the exercise of control on the basis of knowledge, expertise, or experience
  - d. is the exercise of control by virtue of family connections
  - e. relies on scheduled, periodic corrective actions to operate at its most efficient

ANS: C                      PTS: 1                      DIF: Moderate                      REF: 2.3a

17. Which of the following is NOT associated with Max Weber's bureaucratic management?
- a. merit-based promotion
  - b. span of management
  - c. division of labor
  - d. chain of command
  - e. qualification-based hiring

ANS: B

Bureaucratic management is also identified with the impartial application of rules and procedures that are recorded in writing and the use of professional managers.

PTS: 1                      DIF: Easy                      REF: 2.3a

18. \_\_\_\_ is best known for developing the five functions of managers and the fourteen principles of management.
- a. Henri Fayol
  - b. Max Weber
  - c. Frank Gilbreth
  - d. Elton Mayo
  - e. Mary Parker Follett

ANS: A                      PTS: 1                      DIF: Easy                      REF: 2.3b

19. Which of the following management theorists used his own personal experiences as a CEO to create his theory of management?
- a. Elton Mayo
  - b. Frederick Taylor
  - c. Henri Fayol
  - d. Max Weber
  - e. Frank Gilbreth

ANS: C                      PTS: 1                      DIF: Easy                      REF: 2.3b

20. Henri Fayol is responsible for developing \_\_\_\_.
- a. bureaucratic management
  - b. administrative management
  - c. operations management
  - d. contingency management
  - e. human relations management

ANS: B                      PTS: 1                      DIF: Moderate                      REF: 2.3b

21. Which management theorist would most likely have said, "The success of an enterprise generally depends much more on the administrative ability of its leaders than on their technical ability"?



- a. Henri Fayol
- b. Mary Parker Follett
- c. Max Weber
- d. Chester Barnard
- e. Lillian Gilbreth

ANS: A

Note the statement's emphasis on the importance of administrative management.

PTS: 1                      DIF: Moderate                      REF: 2.3b

22. According to Henri Fayol's fourteen principles of management, \_\_\_\_ requires that each employee should report to and receive orders from just one boss.
- a. unity of direction
  - b. centralization
  - c. vertical authority
  - d. span of management
  - e. unity of command

ANS: E

See Exhibit 2.5.

PTS: 1                      DIF: Moderate                      REF: 2.3b

23. The \_\_\_\_ approach to management focuses on the psychological and social aspects of work.
- a. employee
  - b. human relations
  - c. reinforcement theory
  - d. systems
  - e. operations

ANS: B                      PTS: 1                      DIF: Easy                      REF: 2.4

24. According to human relations management \_\_\_\_.
- a. success follows from strict adherence to the chain of command principle
  - b. effective managers must be able to perform all four managerial functions simultaneously
  - c. success depends on treating workers well
  - d. efficiency equals organizational success
  - e. people are simply extensions of the machines they operate

ANS: C                      PTS: 1                      DIF: Easy                      REF: 2.4

25. Which of the following management theorists helped develop human relations management?
- a. Max Weber
  - b. Mary Parker Follett
  - c. Henri Fayol
  - d. Frederick Taylor
  - e. Henry Gantt

ANS: B                      PTS: 1                      DIF: Moderate                      REF: 2.4a

26. According to Mary Parker Follett, \_\_\_\_ is an approach for dealing with conflict in which one party satisfies its desires and objectives at the expense of the other party's desires and objectives.
- a. resolution
  - b. integration

- c. domination
- d. coercion
- e. negotiation

ANS: C

Follett described domination as one management approach to conflict. But she believed that the best way to deal with conflict was neither domination, where one side won and the other lost, nor compromise, where each side gave up some of what they wanted, but integration.

PTS: 1                      DIF: Easy                      REF: 2.4a

27. According to Mary Parker Follett, if managers use \_\_\_\_ to settle or reduce conflict, each of the parties involved give up some of what they want.
- a. reallocation
  - b. mediation
  - c. arbitration
  - d. negotiation
  - e. compromise

ANS: E                      PTS: 1                      DIF: Easy                      REF: 2.4a

28. In a departure from mainstream management thinking, Mary Parker Follett believed \_\_\_\_.
- a. rules and procedures should be applied without favoritism
  - b. group dynamics produces positive peer pressure
  - c. conflict could be beneficial
  - d. work specialization was the key to efficiency
  - e. pay should be performance-based

ANS: C                      PTS: 1                      DIF: Moderate                      REF: 2.4a

29. Mary Parker Follett believed managers typically deal with conflict in one of three ways:\_\_\_\_\_.
- a. domination, compromise, and integration
  - b. accommodation, mediation, and coercion
  - c. coercion, mediation, and integration
  - d. administration, coercion, and negotiation
  - e. facilitation, mediation, and coercion

ANS: A                      PTS: 1                      DIF: Moderate                      REF: 2.4a

30. According to Mary Parker Follett, \_\_\_\_ is the easiest way to deal with conflict for the moment, but it is not usually successful in the long run.
- a. coercion
  - b. domination
  - c. mediation
  - d. arbitration
  - e. compromise

ANS: B                      PTS: 1                      DIF: Moderate                      REF: 2.4a

31. With integrative conflict resolution \_\_\_\_.
- a. a third party's decision settles the conflict
  - b. both parties work together to create an alternative solution that includes shared preferences and integrates interests
  - c. both parties involved agree to give up something
  - d. both parties in the conflict are coerced into accepting a less-than-optimal solution

e. peer pressure determines the settlement of the conflict

ANS: B                      PTS: 1                      DIF: Difficult                      REF: 2.4a

32. According to Mary Parker Follett \_\_\_\_.
- a. most things that occur in organizations are interrelated
  - b. coordination is a continuing process
  - c. conflict can be beneficial
  - d. integration is the most effective approach to conflict resolution
  - e. all of these are true

ANS: E                      PTS: 1                      DIF: Moderate                      REF: 2.4a

33. \_\_\_\_ was the management theorist who said, "As conflict is here in this world, as we cannot avoid it, we should, I think, use it to work for us. Instead of condemning it, we should set it to work for us."
- a. Frederick Taylor
  - b. Henri Fayol
  - c. Lillian Gilbreth
  - d. Henry Gantt
  - e. Mary Parker Follett

ANS: E  
See Exhibit 2.6.

PTS: 1                      DIF: Moderate                      REF: 2.4a

34. Management theorist \_\_\_\_ is best known for his role in the Hawthorne Studies.
- a. Elton Mayo
  - b. Chester Barnard
  - c. Mary Parker Follett
  - d. Henry Gantt
  - e. Frank Gilbreth

ANS: A                      PTS: 1                      DIF: Easy                      REF: 2.4b

35. The Hawthorne Studies showed how \_\_\_\_ can influence work group performance, for better or worse.
- a. organizational codes of ethics
  - b. group cohesiveness
  - c. realistic work quotas
  - d. important work
  - e. merit-based promotion

ANS: B                      PTS: 1                      DIF: Moderate                      REF: 2.4b

36. During the Bank Wiring Room phase of his Hawthorne Studies, Elton Mayo witnessed behavior reminiscent of the \_\_\_\_ Frederick Taylor observed.
- a. positive effects of employee empowerment
  - b. group dissonance
  - c. soldiering
  - d. rate busting
  - e. lagging behavior

ANS: C  
Soldiering occurs when workers deliberately slow down their pace or restrict their work outputs.

PTS: 1                      DIF: Moderate                      REF: 2.4b

37. Which management theorist provided managers with a better understanding of the effect group social interactions and employee satisfaction have on individual and group performance?
- a. Elton Mayo
  - b. Chester Barnard
  - c. Henri Fayol
  - d. Max Weber
  - e. Frederick Taylor

ANS: A                      PTS: 1                      DIF: Easy                      REF: 2.4b

38. Chester Barnard defined a(n) \_\_\_\_\_ as “a system of consciously coordinated activities or forces of two or more persons.”
- a. bureaucracy
  - b. department
  - c. work unit
  - d. organization
  - e. administration

ANS: D                      PTS: 1                      DIF: Moderate                      REF: 2.4c

39. According to Chester Barnard, which of the following is an example of an organization?
- a. the four authors who co-authored a principles of management textbook
  - b. a basketball team
  - c. the crew working on the construction of a new church
  - d. AT&T
  - e. all of the above

ANS: E

An organization is a system of consciously coordinated activities or forces of two or more persons.

PTS: 1                      DIF: Moderate                      REF: 2.4c

40. According to Chester Barnard, for many managerial requests or directives, there is a zone of indifference. A zone of indifference means \_\_\_\_\_.
- a. needs to be monitored to make sure it does not grow
  - b. can create apathy
  - c. requires few resources
  - d. derives from the concept of personal space
  - e. appears when the acceptance of managerial authority is automatic

ANS: E                      PTS: 1                      DIF: Moderate                      REF: 2.4c

41. In general, people will be indifferent to managerial directives or orders if they \_\_\_\_\_.
- a. are understood
  - b. are consistent with the purpose of the organization
  - c. can actually be carried out by those people
  - d. are compatible with the people’s personal interests
  - e. meet all of the above qualifications

ANS: E                      PTS: 1                      DIF: Moderate                      REF: 2.4c

42. Which of the following management theorists believed that workers ultimately grant managers their authority?
- a. Chester Barnard

- b. Max Weber
- c. Mary Parker Follett
- d. Elton Mayo
- e. Frank and Lillian Gilbreth

ANS: A                      PTS: 1                      DIF: Easy                      REF: 2.4c

43. \_\_\_\_\_ involves managing the daily production of goods and services.
- a. Operations management
  - b. Resource management
  - c. Systems management
  - d. Contingency management
  - e. Bureaucratic management

ANS: A                      PTS: 1                      DIF: Easy                      REF: 2.5a

44. Which of the following is NOT an example of a commonly used operations management tool?
- a. capacity planning
  - b. linear programming
  - c. scheduling systems
  - d. target marketing
  - e. Gantt charts

ANS: D                      PTS: 1                      DIF: Easy                      REF: 2.5a

45. Who is responsible for the fact that most products are manufactured using standardized, interchangeable parts.
- a. Henri Fayol
  - b. Eli Whitney
  - c. Chester Barnard
  - d. Frederick Taylor
  - e. Elton Mayo

ANS: B                      PTS: 1                      DIF: Difficult                      REF: 2.5a

46. In general, this management theory uses a quantitative approach to find ways to increase productivity, improve quality, and manage or reduce costly inventories.
- a. administrative management
  - b. management science
  - c. information management
  - d. communications management
  - e. operations management

ANS: E                      PTS: 1                      DIF: Difficult                      REF: 2.5a

47. What is the term used for the amount and number of raw materials, parts, and finished products that a company has in its possession?
- a. supplies
  - b. material resources
  - c. distributed materials
  - d. inventory
  - e. physical resources

ANS: D                      PTS: 1                      DIF: Easy                      REF: 2.5a

48. Which of the following statements about information management is true?

- a. It is a form of management that appeared with the introduction of computers.
- b. Two types of information technology are the cash register and the typewriter.
- c. Throughout history, organizations have been reticent to adopt new information technologies.
- d. Businesses are not typically interested in information technologies that offer speed.
- e. All of these statement about information management are true.

ANS: B

Information management has existed since before writing was invented (in fact, information management led to the development of writing). Organizations have quickly adopted new information technologies. Speedy information technologies are essential for business success.

PTS: 1                      DIF: Easy                      REF: 2.5b

49. A systems view of management allows managers to \_\_\_\_.
- a. deal with the complex environment in which their companies operate
  - b. manage employee attendance
  - c. communicate efficiently
  - d. store and retrieve all types of information
  - e. eliminate production bottlenecks

ANS: A                      PTS: 1                      DIF: Easy                      REF: 2.5c

50. A(n) \_\_\_\_ is a set of interrelated elements or parts that function as a whole.
- a. synergistic graph
  - b. dependency
  - c. relationship
  - d. organism
  - e. system

ANS: E                      PTS: 1                      DIF: Easy                      REF: 2.5c

51. This type of system functions without interacting with their environment.
- a. covert systems
  - b. entropic systems
  - c. closed systems
  - d. synergistic subsystems
  - e. open systems

ANS: C                      PTS: 1                      DIF: Easy                      REF: 2.5c

52. Nearly all organizations that interact with their environments and depend on them for survival are viewed as \_\_\_\_.
- a. covert systems
  - b. open systems
  - c. synergistic subsystems
  - d. closed systems
  - e. entropic subsystems

ANS: B                      PTS: 1                      DIF: Easy                      REF: 2.5c

53. \_\_\_\_ occurs when  $1 + 1 = 3$ .
- a. An open system
  - b. Synergy
  - c. Entropy

- d. Reciprocity
- e. A closed system

ANS: B                      PTS: 1                      DIF: Easy                      REF: 2.5c

54. Synergy occurs when \_\_\_\_.
- a. workers deliberately slow down their pace or restrict their work outputs
  - b. productivity increases as a result of workers' belief that management really cares about them
  - c. two or more subsystems working together can produce more than they can working apart
  - d. a system deteriorates
  - e. a system of consciously coordinated activities or forces is created by an organization

ANS: C                      PTS: 1                      DIF: Moderate                      REF: 2.5c

55. Which of the following is an example of a closed system?
- a. an isolated ranch in Montana
  - b. Buckingham Palace
  - c. the Metropolitan Museum of Art
  - d. United States Postal System
  - e. none of the above

ANS: E

Closed systems can function without interacting with their environments. None of these organizations can.

PTS: 1                      DIF: Easy                      REF: 2.5c

56. Kraft Foods has created five global product divisions (beverages, snacks, cheese and dairy, convenience meals, and grocery) and two marketing divisions (one for North America and the other for everything else). According to the systems approach to management, these seven divisions are examples of \_\_\_\_.
- a. work units
  - b. functional systems
  - c. entropic systems
  - d. closed systems
  - e. subsystems

ANS: E

Subsystems are smaller systems that operate within the context of a larger system.

PTS: 1                      DIF: Moderate                      REF: 2.5c

57. Organizations operate in two kinds of complex environments. These are \_\_\_\_.
- a. covert and overt environments
  - b. general and specific environments
  - c. synergistic and entropic environments
  - d. centralized and decentralized environments
  - e. interrelated and intrarelated environments

ANS: B

See Figure 2.7.

PTS: 1                      DIF: Moderate                      REF: 2.5c

58. Which of the following would be a part of an organization's general environment?
- a. its customers
  - b. the economy in which it operates
  - c. its competitors
  - d. its suppliers
  - e. advocacy groups

ANS: B

Changes in any component of the general environment eventually influence most organizations. See Exhibit 2.7.

PTS: 1                      DIF: Moderate                      REF: 2.5c

59. Which of the following would be a part of an organization's specific environment?
- a. the technology it uses to make its product
  - b. new laws controlling its product's exportation
  - c. the economy in which it operates
  - d. its competitors
  - e. all of the above

ANS: D

See Exhibit 2.7.

PTS: 1                      DIF: Moderate                      REF: 2.5c

60. Which of the following statements describes an advantage of the systems approach to management?
- a. It forces managers to be aware of how the environment affects specific parts of the organization.
  - b. It makes managers acutely aware that good internal management of the organization may not be enough to ensure survival.
  - c. It encourages managers to focus on better communication and cooperation within the organization.
  - d. It forces managers to view their organization as part of a whole.
  - e. All of these describe advantages of the systems approach to management.

ANS: E                      PTS: 1                      DIF: Moderate                      REF: 2.5c

61. Which of the following statements describes an advantage of the systems approach to management?
- a. It simplifies the management process by supporting the principle of unity of command.
  - b. It allows managers to reward workers on the basis of their performance.
  - c. It allows managers to move comfortably in and out of the various managerial roles.
  - d. It forces managers to create coordinated communication.
  - e. It forces managers to view their organization as part of a whole.

ANS: E                      PTS: 1                      DIF: Moderate                      REF: 2.5c

62. According to \_\_\_\_, the most effective management theory or idea depends on the kinds of problems or situations that managers are facing at a particular time and place.
- a. scientific management
  - b. the human relations approach
  - c. administrative management
  - d. the contingency approach
  - e. bureaucratic management

ANS: D                      PTS: 1                      DIF: Moderate                      REF: 2.5d



63. On Saturday, the manager of Tony's Pizza had to deal with an employee with a hangover, a missing server, and an unusually large number of customers. Monday was a slow day, and another employee fell asleep behind the prep table. Both employees came to work not ready to work their hardest. According to what management principle should the manager be expected to have treated these two workers?
- a. principles of bureaucratic management
  - b. contingency approach to management
  - c. principles of administrative management
  - d. systems approach to management
  - e. human relations approach to management

ANS: B

According to the contingency approach, the most effective management theory or idea depends on the kinds of problems or situations that managers are facing at a particular time and place.

PTS: 1

DIF: Difficult

REF: 2.5d

### **International Steel Group (ISG)**

As the day shift supervisor at the steel plant, you summon the six college students who are working for you this summer doing whatever you need done (sweeping up, sandblasting the inside of boilers that are down for maintenance, running errands, etc.). You walk them across the plant to a field where the company stores scrap metal "leftovers." The area, about the size of a football field, is stacked with organized piles of metal. You explain that everything they see has just been sold. Metal prices, which have been depressed, have finally risen enough that the company can earn a small profit by selling its scrap.

You point out that railroad tracks divide the field into parallel sectors, like the lines on a football field, so that each stack of metal is no more than 15 feet from a track. Each stack contains 390 pieces of metal. Each piece weighs 92 pounds and is about a yard long and just over 4 inches high and 4 inches wide. You tell the students that, working as a team, they are to pick up each piece, walk up a ramp to a railroad car positioned next to each stack, and then neatly position and stack the metal for shipment. That's right, you repeat, 92 pounds, walk up the ramp, and carry the metal onto the rail car. Anticipating their questions, you explain that a forklift could be used only if the metal was stored on wooden pallets (it isn't), if the pallets could withstand the weight of the metal (they would be crushed), and if you, as their supervisor, had forklifts and people trained to run them (you don't). In other words, the only way to get the metal into the rail cars is for the students to carry it.

Based on an old report from the last time the company sold some of the metal, you know that over an eight-hour shift workers typically loaded about 30 to 31 pieces of metal parts per hour. At that pace, though, it will take your six students six weeks to load all of the metal, and the purchasing manager who sold it says it must be shipped in two weeks. So, without more workers (there's a hiring freeze) and without forklifts, all of the metal has to be loaded by hand by these six workers in two weeks.

64. Refer to ISG. What advice should the shift supervisor at the steel plant in charge of the six college students take from the teachings of Frederick Taylor?
- a. Look at how the task assigned influences the organizational goals.
  - b. Scientifically train, teach, and develop these employees to help them reach their full potential.
  - c. Use time and motion studies to create the most efficient work methodology.
  - d. Rely on qualification-based hiring.
  - e. Ask to be taught how to manage.

ANS: B

PTS: 1

DIF: Difficult

REF: 2.2a

65. Refer to ISG. The shift supervisor needs to motivate the students to work much, much harder than they have been all summer, and they've gotten used to the leisurely pace and job assignments. One of the stated beliefs of \_\_\_\_\_ was that it was management's responsibility to pay workers fairly for their work, "a fair day's pay for a fair day's work."
- a. Max Weber
  - b. Elton Mayo
  - c. Frederick Taylor
  - d. Mary Parker Follett
  - e. Frank Gilbreth

ANS: C                      PTS: 1                      DIF: Easy                      REF: 2.2a

66. Refer to ISG. What advice should the shift supervisor, who is in charge of the six college students, take from the teachings of Henri Fayol that is most likely to improve productivity?
- a. Eliminating bottlenecks is the key to job effectiveness.
  - b. Coordination is the key to job effectiveness.
  - c. Integrative conflict resolution is preferable to compromise or domination.
  - d. Division of work will get the job done more efficiently.
  - e. Always follow the chain of command.

ANS: D                      PTS: 1                      DIF: Moderate                      REF: 2.3b

67. Refer to ISG. What advice should the shift supervisor at the steel plant in charge of the six college students take from the teachings of Mary Parker Follett?
- a. Deal with the conflict the students may feel when asked to do the extra work.
  - b. Use group dynamics to make the task easier.
  - c. Rely on scheduling to eliminate bottlenecks.
  - d. Soldiering is a disruptive practice.
  - e. There is no one best way to handle this situation.

ANS: A                      PTS: 1                      DIF: Moderate                      REF: 2.4a

68. Refer to ISG. Which of the following approaches to management that have influenced how today's managers produce goods and services would be most applicable to the shift supervisor's problem?
- a. contingency management
  - b. systems management
  - c. operations management
  - d. administrative management
  - e. information management

ANS: C                      PTS: 1                      DIF: Moderate                      REF: 2.5a

## SHORT ANSWER

1. How did the Industrial Revolution change jobs and organizations?

ANS:

First, thanks to the availability of power and numerous inventions, low-paid, unskilled laborers began to replace high-paid, skilled artisans. Whereas artisans made entire goods by themselves by hand, this new production system was based on a division of labor. Secondly, instead of being performed in fields, homes, or small shops, jobs occurred in large formal organizations where hundreds of people worked under one roof.

PTS: 1                      DIF: Moderate                      REF: 2.1b

2. Describe how managers approached management before the development of the theory of scientific management.

ANS:

It can best be described as “seat of the pants” management. Decisions were made haphazardly without any systematic study, thought, or collection of information.

PTS: 1                      DIF: Moderate              REF: 2.2a

3. List the four principles of scientific management.

ANS:

(1) “Develop a science” for each element of work. Study it. Analyze it. Determine the “one best way” to do the work. (2) Scientifically select, train, teach, and develop workers to help them reach their full potential. (3) Cooperate with employees to ensure implementation of the scientific principles. (4) Divide the work and the responsibility equally between management and workers.

PTS: 1                      DIF: Moderate              REF: 2.2a

4. What did Henri Fayol mean when he argued that “the success of an enterprise generally depends much more on the administrative ability of its leaders than on their technical ability”?

ANS:

Fayol was referring to the need of managers to perform the five functions of management in order to be successful. They needed to be able to plan, organize, lead, control, and coordinate (a function that has been folded into “leading” by management texts today). How a manager performs these functions determines how successful the manager is, not his or her technical skills.

PTS: 1                      DIF: Difficult              REF: 2.3b

5. What principles did the Hawthorne Studies demonstrate to be true?

ANS:

Elton Mayo is best known for his role in the Hawthorne Studies at the Western Electric Company. In the first stage of the Hawthorne Studies, production went up because the increased attention paid to the workers in the study and their development into a cohesive work group led to significantly higher levels of job satisfaction and productivity. In the second stage, productivity dropped because the workers had already developed strong negative norms, in which individual rate busters who worked faster than the rest of the team or cooperated with management were ostracized or “binged.” The Hawthorne Studies demonstrated that workers’ feelings and attitudes affected their work, that financial incentives weren’t necessarily the most important motivator for workers, and that group norms and behavior play a critical role in behavior at work.

PTS: 1                      DIF: Difficult              REF: 2.4b

6. When will people generally be indifferent to managerial directives or orders?

ANS:

People will generally be indifferent to managerial directives or orders if they (1) are understood, (2) are consistent with the purpose of the organization, (3) are compatible with the people’s personal interests, and (4) can actually be carried out by those people.

PTS: 1                      DIF: Easy              REF: 2.4c

7. Differentiate between closed systems and open systems.

ANS:

Whereas closed systems function without interacting with their environment, nearly all organizations should be viewed as open systems that interact with their environments and depend on them for survival.

PTS: 1

DIF: Easy

REF: 2.5c

## ESSAY

1. Discuss Mary Parker Follett's methods of dealing with conflict. What did she say about the value of each method?

ANS:

Follett believed that managers typically dealt with conflict in three ways. They were domination, compromise, and integration. Domination is an approach in which one party deals with the conflict by satisfying its desires and objectives at the expense of the other party's desires and objectives. Compromise is an approach in which both parties deal with the conflict by giving up some of what they want in order to reach agreement on a plan to reduce or settle the conflict. Integrative conflict resolution is an approach in which both parties deal with the conflict by indicating their preferences and then working together to find an alternative that meets the needs of both. Domination is the easiest approach, but it is not usually successful in the long run. No one really wants to compromise. With the integration approach, two ideas are integrated. Integration involves invention. It makes people think outside their normal boundaries.

PTS: 1

DIF: Moderate

REF: 2.4a

2. What did the Hawthorne Studies prove about groups? What kind of experiment can you create to prove that Mayo's results are true?

ANS:

The Hawthorne Studies proved the importance of understanding group dynamics. Students' answers to the second part of this question will vary. Their answers should describe the creation of two different work groups. One group will be given lots of attention, and the other group will be ignored. They should record the behaviors of members of both groups to show how important group norms are to work efficiency.

PTS: 1

DIF: Moderate

REF: 2.4b

3. What advantages does the systems approach to management offer that other approaches do not?

ANS:

A systems view of management prompts managers to view their organizations as part of and subject to the competitive, economic, social, technological, legal/regulatory forces in their environments. Second, it prompts managers to be aware of how the environment affects specific parts of the organization. Third, because of the complexity and difficulty of trying to achieve synergies between different parts of the organization, the systems view encourages managers to focus on better communication and cooperation within the organization. Finally, it makes managers acutely aware that good internal management of the organization may not be enough to ensure survival. Survival also depends on making sure that the organization continues to satisfy critical environmental stakeholders such as shareholders, employees, customers, suppliers, governments, and local communities.

PTS: 1                      DIF: Difficult                      REF: 2.5c

4. How is your ability to be a manager influenced by acceptance of the contingency approach to management as the most effective way to manage?

ANS:

The contingency approach to management precisely states that there are no universal management theories and that the most effective management theory depends on the kinds of problems or situations that managers or organizations are facing at a particular time. One of the practical implications of the contingency approach is that management is much harder than it looks. A second implication of the contingency approach is that managers need to spend more time analyzing problems, situations, and employees before taking action to fix them. Finally, it means that as you learn about management ideas and practices, you need to pay attention to qualifying phrases such as “usually,” “in most situations,” and “under these circumstances.”

PTS: 1                      DIF: Moderate                      REF: 2.5d