

Chapter 2--The Changing Environment of Organizations

Student: _____

1. Which of the following best describes the rate of change of the environment of all organizations?
 - A. Unprecedented
 - B. Slowing
 - C. Decreased
 - D. Moderate
 - E. Inelastic

2. Understanding and addressing the environment of a business has traditionally been the purview of
 - A. supervisors.
 - B. stockholders.
 - C. workers and line managers.
 - D. stakeholders.
 - E. top managers.

3. Which of the following represent the most significant source of change impacting many organizations today?
 - A. Increasing cultural change
 - B. Declining corporate governance
 - C. Increasing globalization
 - D. Stronger drive for a consistent business ethics across organizations
 - E. Declining legislative power

4. All of these statements regarding cross-cultural differences and similarities are true EXCEPT:
 - A. there are profound cultural differences between Southern California and Texas.
 - B. culture is a set of values that is often taken for granted.
 - C. a manager behaves differently in different cultural settings.
 - D. cultures and national boundaries always coincide.
 - E. Japanese and U.S. workers are likely to have different attitudes toward work.

5. ABC International has eight locations across the world. Which of the following is true about employees working at ABC but in different locations?
- A. Their behavior may differ within and across countries.
 - B. Their behavior will be the same regardless of their location.
 - C. Their behavior at work is not important.
 - D. Their behavior will have nothing to do with their location.
 - E. Their behavior will be the same within single countries, but may differ from one country to the next.
6. All of the following are considered cultural values EXCEPT
- A. individualism/collectivism.
 - B. uncertainty avoidance.
 - C. power distance.
 - D. masculinity.
 - E. open-mindedness.
7. Sweden can be classified as a highly individualistic society. Which of the following statements would NOT be true about individualistic culture in Sweden?
- A. It is important to stand out in the crowd.
 - B. It is important to fit in with the group.
 - C. Tasks are more important than relationships.
 - D. Promotion is based on skills and rules.
 - E. People are more concerned with themselves than their work groups.
8. Another term for power distance is ____.
- A. deontology
 - B. teleology
 - C. individualism
 - D. orientation to authority
 - E. collectivism
9. Geert Hofstede's dimension of uncertainty avoidance is the extent to which
- A. workers prefer unambiguous situations.
 - B. workers focus on the future.
 - C. acquisition of money and things is emphasized.
 - D. women are allowed to work in society.
 - E. men maintain a glass ceiling.

10. Which of these best describes Hofstede's masculinity dimension?

- A. It gives employees a sense of autonomy.
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- C. It enhances organizational effectiveness.
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11. The cultural dimensions identified by Hofstede include all of these EXCEPT:

- A. individualism.
- B. uncertainty avoidance.
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12. All of the following are true about stereotypes EXCEPT

- A. they lead to an appreciation of individual differences.
- B. they are based on certain characteristics or traits.
- C. they ignore the specific person.
- D. they are generalizations
- E. they ignore the current situation.

13. Which of these best defines stereotypes?

- A. Favoring people similar to you
- B. Focusing on differences among people
- C. Grouping people into different categories
- D. Judgments about others that reinforce beliefs about superiority and inferiority
- E. Making generalizations about groups of people

14. Which of the following is *not* an example of a primary dimension of diversity?

- A. Age
- B. Gender
- C. Sexual orientation
- D. Mental abilities
- E. Religious beliefs

15. Which of the following is an example of a primary dimension of diversity?

- A. Ethnicity
- B. Work experience
- C. Parental status
- D. Educational background
- E. Religious beliefs

16. Maria's _____ can be described as the secondary dimension of diversity.

- A. education
- B. mental abilities
- C. ethnicity
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17. As a percentage of the total workforce in the United States, which of the following groups of people is *not* increasing?

- A. Hispanics
- B. Blacks
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- D. White males
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18. Which of the following workforce groups has increased the *least* in size between 2000 and 2010?

- A. 12 to 16 year olds
- B. 16 to 24 year olds
- C. 25 to 54 year olds
- D. 50 to 54 year olds
- E. 55 and older

19. When the European Union opened borders in 1992, goods and services moved freely among the member countries. What other change resulted from opening the borders?

- A. Managers practiced a more open leadership style.
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- C. Workers demanded higher wages.
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20. Assimilation occurs when

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- B. a minority group is forced to learn the ways of the majority group.
- C. differences among cultural groups are celebrated.
- D. diversity is truly valued.
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- A. They tend to eat lunch together.
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22. Not paying attention to diversity can be costly to organizations in all of the following ways EXCEPT:

- A. it can decrease turnover.
- B. it can lower productivity.
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23. Roger is interested in learning more about valuing diversity in his company, Toddler Toys, Inc. (TTI). Which of these would NOT be a benefit of valuing diversity at TTI?

- A. Access to more perspectives on a problem
- B. Fresh perspectives
- C. Less interpersonal conflict
- D. Greater homogeneity
- E. Richer ideas

24. ABC can be described as a form of business that combines and transforms resources into tangible outcomes that are then sold to others. ABC is called a(n)

- A. manufacturing organization.
- B. biotechnology firm.
- C. information technology firm.
- D. service organization.
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27. Which of the following statements about technology is NOT true?
- A. Technology is a major driver for organizational change.
 - B. It has widespread effects on the behavior of people in the organization.
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28. Car makers design and produce new model cars much more quickly now than they did in the past. This is an example of
- A. effective leadership.
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30. Which of the following statements about information technology is NOT true?

- A. It has resulted in leaner organizations.
- B. Provides more flexible operations.
- C. Technology increases the financial position of a company.
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31. The downside of information technology includes all of the following EXCEPT:

- A. It has resulted in less personal communication.
- B. Has increased a sense of urgency vis-à-vis decision-making.
- C. It has resulted in more time spent on ethical decision-making for managers.
- D. It has resulted in less down time for managers.
- E. It has resulted in less down time for employees.

32. In framing ethical issues, all of these are areas of concern in how an organization treats its employees EXCEPT:

- A. hiring
- B. firing
- C. privacy
- D. honesty
- E. working condition

33. In framing ethical issues, all of these are areas of concern in how employees treats the organization EXCEPT:

- A. wages
- B. conflict of interest
- C. honesty
- D. secrecy
- E. confidentiality

34. The duty of the board of directors of a public corporation is to

- A. audit the company's financial statements for accuracy.
- B. recommend new products and services.
- C. control the day-to-day operations of the firm.
- D. protect the company from harsh overseas competition and lower labor costs.
- E. ensure decisions by senior managers are in the best interests of the shareholders.

35. Which of these defines the oversight of a public corporation by its board of directors?

- A. Board isolation
- B. Deontological overview
- C. Corporate governance
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36. One way to address privacy concerns on the Internet is to

- A. keep all information collected confidential.
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- D. avoid collecting any private information.
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37. Which of the following statements about knowledge workers is NOT true?

- A. Knowledge workers include computer scientists.
- B. Knowledge workers require highly specialized training.
- C. Compensation is specially tailored for the knowledge worker.
- D. Knowledge workers do not add value to the organization.
- E. Knowledge workers are video game developers.

38. A knowledge worker's career path may run parallel to a management career path. The benefit of this path for the worker is

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39. In the past, Karson Photography Studios directly hired and managed its own custodial staff. Now, Karson contracts this work to a cleaning company. This is an example of

- A. corporate governance.
- B. offshoring.
- C. outsourcing.
- D. nearshoring.
- E. insourcing.

40. Examples of organizational functions to outsource include all of the following EXCEPT

- A. The organization's payroll function.
- B. The organization's human resource training program.
- C. The organization's corporate governance program.
- D. The organization's facility maintenance program.
- E. The organization's food service facility.

41. A set of shared values that help people in a group, organization, or society understand which actions are considered acceptable and which are deemed unacceptable refers to

- A. general observations.
- B. globalization.
- C. diversity.
- D. culture.
- E. ethics.

42. _____ is characterized by tight social frameworks in which people tend to base their identities on the group or organization to which they belong.

- A. Collectivism
- B. Individualism
- C. Power distance
- D. Uncertainty avoidance
- E. Masculinity

43. Which of these is the extent to which people accept as normal an unequal distribution of power?

- A. Collectivism
- B. Individualism
- C. Orientation to authority
- D. Uncertainty avoidance
- E. Masculinity

44. In 2012, the volume of international trade in current dollars was less than 200 times greater than the amount in 1960.

True False

45. More and more firms are moving back to domestic markets to control costs, especially to reduce labor costs.

True False

46. The environment of all organizations is changing at an unprecedented rate.

True False

47. Communication and transportation advances are responsible for some of the growth of international business.

True False

48. Cultural diversity can enhance synergy in an organization.

True False

49. Culture helps a group understand which actions are acceptable and which are unacceptable.

True False

50. Jenna, an employee in a collectivistic culture, would be much more concerned about her work than about her relationships with others.

True False

51. In Mexico, people prefer to be in a situation in which authority is not emphasized and lines of authority are overlooked or deemphasized.

True False

52. Sweden has a culture that is low in masculinity. Such a culture is not aggressive and is not concerned with the acquisition of money and other possessions.

True False

53. Workforce diversity refers to the important similarities and differences among the employees of the organization.

True False

54. A generalization about a person or a group of persons based on certain characteristics or traits is called prejudice.

True False

55. Differences in age, gender, ethnicity, and physical ability are all considered to be components of diversity.

True False

56. Interestingly, over the last three decades, all workforce segments have increased as a percentage of the total workforce.

True False

57. Factors that matter to us as individuals and that to some extent define us to others are called primary dimensions of diversity.

True False

58. Workforce diversity is mostly occurring in the United States, rather than in other countries around the world.

True False

59. Today, the workplace in the United States might be regarded as more of a "tossed salad" made up of a mosaic of different flavors, colors, and textures.

True False

60. Assimilating diverse workers into the culture and values of the dominant group can usually be facilitated very easily.

True False

61. Those who work in dominant groups tend to be less aware of the problems that homogeneity can cause.

True False

62. Appreciating the varying ideas and perspectives that are provided by a heterogeneous workforce refers to valuing diversity.

True False

63. Four Seasons Hotels is an example of a manufacturing organization.

True False

64. The most effective service organizations produce intangible outcomes for their customers.

True False

65. Businesses have found that they can be more competitive if they can greatly decrease cycle times.

True False

66. Advances in information technology have resulted in communication at work that is less personal in nature.

True False

67. Board independence is an issue when a board of directors includes members from related or partner firms.

True False

68. Knowledge workers include scientists, engineers, product designers, and video game developers.

True False

69. Perhaps the most significant source of change for organizations today is _____.

70. The extent to which people in a culture develop tight social frameworks is called _____.

71. Cultural diversity can be an important source of _____ in enhancing organizational effectiveness.

72. Orientation to authority is another name for the cultural value _____.

73. Orientation to authority is the extent to which people accept as normal an unequal distribution of _____.

74. _____ orientation is tied to values that are oriented toward the past and the present and include respect for traditions and social obligations.

75. _____ is the extent to which people feel threatened by unknown situations and prefer to be in clear and unambiguous situations.

76. Kenyatta lives in a society where the focus is on the future, and where persistence and thrift are valued. Kenyatta's culture has a(n) _____ orientation.

77. The culture of the United States has a more _____ orientation than does the culture of Hong Kong or China.

78. Workforce _____ refers to the important similarities and differences among the employees of organizations.

79. Managers in Indonesia, Italy, and Japan strongly believe that the purpose of an organization's structure is to let everyone know who their boss is. This illustrates that these three countries have a _____.

80. Marcos believes men make better managers than women. Marcos's attitude is an example of _____.

81. Management systems built on _____ and _____ do not meet the needs of a diverse workforce.

82. Parental status, religious beliefs, and military experience are _____ dimensions of diversity.

83. The process through which members of a minority group are forced to learn the ways of the majority group is called _____.

84. _____ diversity means putting an end to the assumption that everyone who is not a member of the dominant group must assimilate.

85. Pureflow collects water at a natural spring, filters it, and bottles it for sale. This work process makes Pureflow an example of a(n) _____ organization.

86. Powertrain is a fitness club that offers customers free personal trainers and nutrition consultants. This work process makes Powertrain an example of a(n) _____ organization.

87. Breakthroughs in _____ technology have resulted in leaner organizations and more collaboration across employees, but also in less personal communication and an increased sense of urgency in communications.

88. _____ are a person's beliefs regarding what is right and wrong in a given situation.

89. When it comes to ethical issues with information technology, one way management can address concerns regarding confidentiality of personal information is to post a _____ on their website.

90. The oversight of a public corporation by its board of directors is called corporate _____.

91. A(n) _____ worker is employed in a company on an impermanent or part-time basis.

92. A(n) _____ worker is hired because of what they know.

93. Rather than attempt to manage its own paid parking lot, Vestco, a financial planning services organization, decided to _____ this operation to a parking lot management group.

94. Match the following:

- | | | |
|--------------------------------------|--------------------------------------|-------|
| 1. Geert Hofstede | right and wrong behavior | _____ |
| 2. culture | collectivist culture | _____ |
| 3. knowledge worker | set of shared values | _____ |
| 4. dominant group | oversight of a public corporation | _____ |
| 5. valuing diversity | online advertising network | _____ |
| 6. stereotype | engineer | _____ |
| 7. workforce diversity | methods to create goods and services | _____ |
| | respect for tradition and social | |
| 8. prejudice | obligations | _____ |
| 9. outsourcing | similarities and differences | _____ |
| 10. assimilation | generalization | _____ |
| 11. Japan | judgment of superiority | _____ |
| 12. ethics | race | _____ |
| 13. corporate governance | work experience | _____ |
| 14. secondary dimension of diversity | melting pot | _____ |
| 15. technology | self-perpetuating | _____ |
| 16. service organization | financial and economic benefits | _____ |
| 17. manufacturing | tangible outcome | _____ |
| 18. DoubleClick | time or place utility | _____ |
| 19. primary dimension of diversity | studied workers and managers | _____ |
| 20. short-term orientation | focus on core activity | _____ |

95. Compare, contrast, and discuss the importance of ethics and corporate governance for business.

96. Identify, discuss, and give one example for the each of the five central environmental forces for change faced by today's organizations.

97. Discuss four general observations that can be made regarding similarities and differences across national cultures.

98. Give an overview of Geert Hofstede's five dimensions of cultural values. How can understanding these values help managers?

99. Explain what workforce stereotypes and prejudices are and give an example of each. Discuss how stereotypes and prejudices affect organizations.

100. Discuss what it means to value workforce diversity. What benefits can organizations accrue by valuing diversity?

101. Discuss the reasons for the decline of the manufacturing sector and the reasons for the tremendous growth in the service sector.

102. Explain the impact advances in information technology has had on employees and managers.

103. Discuss the growing presence of knowledge workers in today's workforce. How are knowledge workers different than traditional workers? Explain the special issues managers must deal with when employing knowledge workers.

104. Discuss outsourcing by explaining its purpose, costs and benefits. Give two examples of outsourcing.

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- A. The organization's payroll function.
- B. The organization's human resource training program.
- C.** The organization's corporate governance program.
- D. The organization's facility maintenance program.
- E. The organization's food service facility.

41. A set of shared values that help people in a group, organization, or society understand which actions are considered acceptable and which are deemed unacceptable refers to

- A. general observations.
- B. globalization.
- C. diversity.
- D.** culture.
- E. ethics.

42. _____ is characterized by tight social frameworks in which people tend to base their identities on the group or organization to which they belong.

- A.** Collectivism
- B. Individualism
- C. Power distance
- D. Uncertainty avoidance
- E. Masculinity

43. Which of these is the extent to which people accept as normal an unequal distribution of power?

- A. Collectivism
- B. Individualism
- C.** Orientation to authority
- D. Uncertainty avoidance
- E. Masculinity

44. In 2012, the volume of international trade in current dollars was less than 200 times greater than the amount in 1960.

FALSE

45. More and more firms are moving back to domestic markets to control costs, especially to reduce labor costs.

FALSE

46. The environment of all organizations is changing at an unprecedented rate.

TRUE

47. Communication and transportation advances are responsible for some of the growth of international business.

TRUE

48. Cultural diversity can enhance synergy in an organization.

TRUE

49. Culture helps a group understand which actions are acceptable and which are unacceptable.

TRUE

50. Jenna, an employee in a collectivistic culture, would be much more concerned about her work than about her relationships with others.

FALSE

51. In Mexico, people prefer to be in a situation in which authority is not emphasized and lines of authority are overlooked or deemphasized.

FALSE

52. Sweden has a culture that is low in masculinity. Such a culture is not aggressive and is not concerned with the acquisition of money and other possessions.

TRUE

53. Workforce diversity refers to the important similarities and differences among the employees of the organization.

TRUE

54. A generalization about a person or a group of persons based on certain characteristics or traits is called prejudice.

FALSE

55. Differences in age, gender, ethnicity, and physical ability are all considered to be components of diversity.

TRUE

56. Interestingly, over the last three decades, all workforce segments have increased as a percentage of the total workforce.

FALSE

57. Factors that matter to us as individuals and that to some extent define us to others are called primary dimensions of diversity.

FALSE

58. Workforce diversity is mostly occurring in the United States, rather than in other countries around the world.

FALSE

59. Today, the workplace in the United States might be regarded as more of a "tossed salad" made up of a mosaic of different flavors, colors, and textures.

TRUE

60. Assimilating diverse workers into the culture and values of the dominant group can usually be facilitated very easily.

FALSE

61. Those who work in dominant groups tend to be less aware of the problems that homogeneity can cause.

TRUE

62. Appreciating the varying ideas and perspectives that are provided by a heterogeneous workforce refers to valuing diversity.

TRUE

63. Four Seasons Hotels is an example of a manufacturing organization.

FALSE

64. The most effective service organizations produce intangible outcomes for their customers.

TRUE

65. Businesses have found that they can be more competitive if they can greatly decrease cycle times.

TRUE

66. Advances in information technology have resulted in communication at work that is less personal in nature.

TRUE

67. Board independence is an issue when a board of directors includes members from related or partner firms.

TRUE

68. Knowledge workers include scientists, engineers, product designers, and video game developers.

TRUE

69. Perhaps the most significant source of change for organizations today is _____.

globalization

70. The extent to which people in a culture develop tight social frameworks is called _____.

collectivism

71. Cultural diversity can be an important source of _____ in enhancing organizational effectiveness.

synergy

72. Orientation to authority is another name for the cultural value _____.

power distance

73. Orientation to authority is the extent to which people accept as normal an unequal distribution of _____.

power

74. _____ orientation is tied to values that are oriented toward the past and the present and include respect for traditions and social obligations.

Short-term

75. _____ is the extend to which people feel threatened by unknown situations and prefer to be in clear and unambiguous situations.

Uncertainty avoidance

76. Kenyatta lives in a society where the focus is on the future, and where persistence and thrift are valued. Kenyatta's culture has a(n) _____ orientation.

long-term

77. The culture of the United States has a more _____ orientation than does the culture of Hong Kong or China.

short-term

78. Workforce _____ refers to the important similarities and differences among the employees of organizations.

diversity

79. Managers in Indonesia, Italy, and Japan strongly believe that the purpose of an organization's structure is to let everyone know who their boss is. This illustates that these three countries have a _____.

high power distance

80. Marcos believes men make better managers than women. Marcos's attitude is an example of _____.

prejudice

81. Management systems built on _____ and _____ do not meet the needs of a diverse workforce.

stereotypes, prejudices *or*
prejudices, stereotypes

82. Parental status, religious beliefs, and military experience are _____ dimensions of diversity.

secondary

83. The process through which members of a minority group are forced to learn the ways of the majority group is called _____.

assimilation

84. _____ diversity means putting an end to the assumption that everyone who is not a member of the dominant group must assimilate.

Valuing

85. Pureflow collects water at a natural spring, filters it, and bottles it for sale. This work process makes Pureflow an example of a(n) _____ organization.

manufacturing

86. Powertrain is a fitness club that offers customers free personal trainers and nutrition consultants. This work process makes Powertrain an example of a(n) _____ organization.

service

87. Breakthroughs in _____ technology have resulted in leaner organizations and more collaboration across employees, but also in less personal communication and an increased sense of urgency in communications.

information

88. _____ are a person's beliefs regarding what is right and wrong in a given situation.

Ethics

89. When it comes to ethical issues with information technology, one way management can address concerns regarding confidentiality of personal information is to post a _____ on their website.

privacy policy

90. The oversight of a public corporation by its board of directors is called corporate _____.

governance

91. A(n) _____ worker is employed in a company on an impermanent or part-time basis.

contingent

92. A(n) _____ worker is hired because of what they know.

knowledge

93. Rather than attempt to manage its own paid parking lot, Vestco, a financial planning services organization, decided to _____ this operation to a parking lot management group.

outsource

94. Match the following:

1. Geert Hofstede	right and wrong behavior	<u>12</u>
2. culture	collectivist culture	<u>11</u>
3. knowledge worker	set of shared values	<u>2</u>
4. dominant group	oversight of a public corporation	<u>13</u>
5. valuing diversity	online advertising network	<u>18</u>
6. stereotype	engineer	<u>3</u>
7. workforce diversity	methods to create goods and services	<u>15</u>
	respect for tradition and social	
8. prejudice	obligations	<u>20</u>
9. outsourcing	similarities and differences	<u>7</u>
10. assimilation	generalization	<u>6</u>
11. Japan	judgment of superiority	<u>8</u>
12. ethics	race	<u>19</u>
13. corporate governance	work experience	<u>14</u>
14. secondary dimension of diversity	melting pot	<u>10</u>
15. technology	self-perpetuating	<u>4</u>
16. service organization	financial and economic benefits	<u>5</u>
17. manufacturing	tangible outcome	<u>17</u>
18. DoubleClick	time or place utility	<u>16</u>
19. primary dimension of diversity	studied workers and managers	<u>1</u>
20. short-term orientation	focus on core activity	<u>9</u>

95. Compare, contrast, and discuss the importance of ethics and corporate governance for business.

Answers will vary.

96. Identify, discuss, and give one example for the each of the five central environmental forces for change faced by today's organizations.

Answers will vary.

97. Discuss four general observations that can be made regarding similarities and differences across national cultures.

Answers will vary.

98. Give an overview of Geert Hofstede's five dimensions of cultural values. How can understanding these values help managers?

Answers will vary.

99. Explain what workforce stereotypes and prejudices are and give an example of each. Discuss how stereotypes and prejudices affect organizations.

Answers will vary.

100. Discuss what it means to value workforce diversity. What benefits can organizations accrue by valuing diversity?

Answers will vary.

101. Discuss the reasons for the decline of the manufacturing sector and the reasons for the tremendous growth in the service sector.

Answers will vary.

102. Explain the impact advances in information technology has had on employees and managers.

Answers will vary.

103. Discuss the growing presence of knowledge workers in today's workforce. How are knowledge workers different than traditional workers? Explain the special issues managers must deal with when employing knowledge workers.

Answers will vary.

104. Discuss outsourcing by explaining its purpose, costs and benefits. Give two examples of outsourcing.

Answers will vary.