

**Principles of Management
Exam One
Fall 2000**

True/False

1. American work force trends and diversity for the 21st century will include fewer younger workers entering the labor pool and a reduction of immigrants entering the United States.
2. Theory X managers believe that their subordinates dislike work because they would rather be leaders than followers.
3. In well-run organizations, "certainty" exists more often than not.
4. Progressive management practices of empowerment and self managed teams can be traced back to the 1920s where they were first introduced by Mary Parker Follett.
5. Ethical standards should be universal in nature and apply across national boundaries when operating by the cultural relativism view of ethical behavior.
6. Extranets and interorganizational networking systems are responsible for the movement of information and documents between the organization and its external environment.
7. The Deming prize is automatically presented annually to American companies who exhibit excellent quality control.
8. Corrupt practices of MNCs were all but eliminated by the Foreign Corrupt Practices Act of 1977, which was unanimously hailed as a much needed law.
9. Programmed decisions resolve problems that arise on a regular basis and can be addressed through available information from the past.
10. The ability to view a situation broadly and solve problems to the benefit of all concerned is a conceptual skill.
11. Breaking down barriers between departments is one of Deming's 14 points to quality.
12. Frederick Taylor identified four principles of scientific management which are still found in the management of organizations today.
13. Artificial intelligence refers to computer systems with the

capabilities to reason the way people reason.

14. Manager, Pamela Doe, uses a group of workers to meet regularly to discuss ways of improving the quality of their products. Pamela is following the quality circle concept.
15. The four functions of management are production, support, distribution, and administration.
16. The term "ethics" can be defined as the code of moral principles of a person or group by which behavior is judged good or bad.
17. A proactive strategy is a level of socially responsible corporate behavior that takes preventive action to avoid adverse social impact from company activities.
18. To receive the Malcolm Baldrige National Quality Award, companies are required to work with suppliers to improve quality of their goods and/or services to insure that their products are as good as or better than those of its competitors.
19. Geert Hofstede concludes that U.S. management theories can be applied universally abroad because they have been proven to be successful in the United States.
20. Organizations actively pursue international business opportunities to take advantage of lower labor costs.
21. A major assumption of the human resource approaches to management is that people are social and self-actualizing.
22. According to Hofstede's research on national culture, members of a high power distance society display respect for people in authority.
23. Controlling is the process of measuring work performance, comparing results to objectives, and taking corrective action.
24. Henri Fayol did not believe that management principles could be taught, rather each manager must learn proper management techniques by themselves.
25. Through quality management techniques, benchmarking involves systematically measuring the benches of the department to reduce pilferage.
26. An important finding of the Hawthorne studies was the influence of

the social concerns on worker productivity.

27. The economist Milton Friedman asserts that the sole responsibility of management is to maximize profits.
28. A polycentric MNC gives its foreign operations more operating freedom, respects marketing differences among countries, and treats each country as a separate competitive domain.

Multiple Choice

29. Hofstede defined his masculinity dimension of national culture as the degree to which a society
- tolerates risk and situational ambiguity.
 - accepts a hierarchical or unequal distribution of power in organizations.
 - emphasizes individual self-interests, or the collective value of groups.
 - emphasizes assertiveness and material concerns, or concerns with the feelings of others.
 - tolerates government interference in every-day life.
30. Expatriates who work for an organization that strictly controls its foreign operations through highly centralized structures and imposes the company's own philosophy and management style on the workers can be described as a(n) _____.
- ethnocentrism
 - polycentric
 - geocentric
 - technocentric
 - egocentric
31. According to Robert L. Katz, the essential skills of management can be grouped into three categories
- communicative, procedural, and strategic.
 - communicative, technical, and human.
 - human, supervisory, and conceptual.
 - technical, human, and conceptual.
 - procedural, supervisory, and strategic.
32. Don is a manager who reports to the chief executive officer in his organization. Don's duties includes supervision of the computer, information, and telecommunication systems. Don's job title is a(n)
- managing director.
 - chief information officer.
 - chief of personnel.

- d. reports manager.
 - e. executive reporter.
33. A checklist for selecting joint venture partners should include choosing a foreign partner
- a. whose activities relate closely with your firm's major business.
 - b. with a strong local workforce.
 - c. with good profit potential.
 - d. who offers future expansion possibilities.
 - e. all of these.
34. Characteristics of Weber's bureaucracy include
- a. a clear cut division of labor.
 - b. dual authority structures.
 - c. minimal rules and procedures.
 - d. informal communication channels.
 - e. flexible job descriptions.
35. A follower of Frederick Taylor would be LEAST likely to try to
- a. make results-based compensation a performance incentive.
 - b. select workers with the right abilities.
 - c. offer workers proper training and incentives.
 - d. motivate workers by encouraging them to work in small groups.
 - e. support workers by carefully planning their work.
36. Individuals in an organization who depend on the results of the work from others in order to do their own jobs well are called
- a. jobbers.
 - b. internal customers.
 - c. external customers.
 - d. quality experts.
 - e. dependent employees.
37. Deming's 14 points in the "path to quality" include all of the following EXCEPT
- a. abandon slogans.
 - b. adopt a quality philosophy throughout the organization.
 - c. promote education and self-improvement.
 - d. do away with management.
 - e. stop awarding business solely on the basis of price.
38. Continuous improvement is the attempt to
- a. continually watch quality control to detect errors.
 - b. maintain the quality advantage by always looking for new ways to improve current performance.
 - c. look for ways to confirm current production methods.

- d. seek competitive marketing opportunities.
 - e. monitor future production.
39. One major conclusion of the Hawthorne studies is that
- a. workers should be carefully selected and trained for their jobs.
 - b. supervisors with good human relations skills will increase productivity through better employee morale.
 - c. high pay is the key to employee productivity.
 - d. better physical work conditions are the keys to productivity.
 - e. productivity depends on the interdependency of the organization and its environment.
40. Manufacturing plants allowed to operate in Mexico with special privileges in return for employing Mexican labor are called
- a. Mexican firms.
 - b. free-trade organizations.
 - c. privileged.
 - d. canamericos.
 - e. maquiladoras.
41. To qualify for the Malcolm Baldrige National Quality Award, a company must demonstrate commitment that is essential to gaining competitive advantage through which of the following?
- a. product standardization within the United States
 - b. environmental management systems in all departments
 - c. cooperation with suppliers to improve the quality of goods and services
 - d. product consolidation and employee work teams
 - e. none of these
42. The existence of an invisible barrier that prevents women and minority workers from rising above a certain level of organizational responsibility is called the
- a. sexual harassment effect.
 - b. glass ceiling effect.
 - c. mirror wall effect.
 - d. limited ceiling effect.
 - e. ceiling to floor effect.
43. The electronic commerce, a new business development, is also called the
- a. information commerce.
 - b. e-business.
 - c. computer commerce.
 - d. economic commerce.
 - e. expert business.

44. The Moca System used by American Airlines to assist in scheduling maintenance for planes combines the knowledge and insights associated with aircraft landing schedules of 30 aircraft routing specialists. Moca, which uses 500 decision rules to "reason" on behalf of the users to handle various maintenance scheduling problems, is
- designed to handle programmed decisions.
 - an old-fashioned idea in the computer field.
 - an expert system.
 - not likely ever to be feasible.
 - likely to replace the judgments of new managers.
45. According to Mintzberg, the manager's day is
- slow paced and filled with employee problems.
 - unforgiving in intensity and pace.
 - filled with too much spare time.
 - straightforward with little uncertainties.
 - spent solving nonrelated work problems.
46. Which of the following is NOT one of Hofstede's dimensions of national culture?
- power distance
 - masculinity-femininity
 - uncertainty avoidance
 - individualism-collectivism
 - ethnocentrism
47. Expert systems are computer programs designed to
- electronically communicate and transfer data to and from other computers.
 - assist managers with recordkeeping and filing functions.
 - perform a variety of inventory control functions.
 - give management experts the ability to create charts and graphs from numerical data.
 - mimic the thinking of human experts and offer decision-making advice to the user.
48. An ethical manager is one whose behavior is
- legal.
 - not legal.
 - acceptable to the majority of people.
 - both in conformance with law and a broader set of moral principles common to the society.
 - consistent with the concept of equal employment opportunity.

49. Managers who have responsibility for work activities that make a direct contribution to production of the organization's product or service are called
- a. middle managers.
 - b. staff managers.
 - c. line managers.
 - d. general managers.
 - e. administrators.
50. A manager who tends to be directive, and control-oriented is considered a(n)
- a. follower of Max Weber.
 - b. Theory X manager.
 - c. Theory Y manager.
 - d. administrative-principles manager.
 - e. quantitative analyst.

Please use Blue Books.

Identify and Define. 2 points each; answer any 15—additional for extra credit.

Carly Fiorina

Kaizen

Mary Parker Follett

E.I.S.

Espirit de Corp

Joint Venture

High Power Distance

Whistleblower

Corporate Social Responsibility

Intranet

ISO 9001

Philip Crosby

Benchmarking

Ringi

Genichi Taguchi

E-Commerce

The Learning Organization

Operations Research

William Ouchi

Infrastructure

Essays 4 points each; answer any 5

1. Some workers would not like to be managers. Identify four reasons why.
2. Contrast Peter Drucker's definition of *effectiveness* with that of *efficiency*. Which is more important? Why?
3. Prominent teachers of TQM include Ed Deming and Philip Crosby. Identify at least two principles from each theorist.
4. Define Theories X, Y, and Z.
5. Identify four ways technology is impacting a manager's job.
6. Identify at least two contributions and two criticisms of scientific management.
7. Compare and contrast Japanese management approaches with those of the U.S.
8. What management challenges are faced by global concerns. Identify at least four.