Chapter 01

Managing and Performing

**True / False Questions**

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| 1. | Technological change is one of the ongoing challenges that characterize the current business landscape.  True    False |

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| 2. | A global company can be headquartered anywhere, but usually most of its employees come from the organization's home country.  True    False |

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| 3. | Collaboration occurs within companies and between companies, but it cannot occur between a company and a customer.  True    False |

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| 4. | Globalization has reduced the need for innovation by equalizing production costs.  True    False |

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| 5. | Done properly, sustainability encourages people to live in ways that can be maintained for a short period without harming environmental resources.  True    False |

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| 6. | In today's world, planning is a top-down function in which top executives establish business plans and tell others to implement them.  True    False |

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| 7. | It is sufficient for a manager to pay attention to one of the four management functions as long as he or she is very skillful at it.  True    False |

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| 8. | Top-level managers are also known as tactical managers because they translate general goals into specific objectives.  True    False |

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| 9. | The need for interpersonal and communication skills fades as a manager moves from the lower levels of an organization into the upper management arena.  True    False |

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| 10. | Emotional intelligence should be viewed as something you inherit and cannot change.   True    False |

**Multiple Choice Questions**

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| 11. | Which of the following types of companies are affected by globalization?

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| --- | --- |
| A.  | Primarily large companies |

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| --- | --- |
| B.  | Primarily small companies |

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| --- | --- |
| C.  | Both large and small companies |

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| --- | --- |
| D.  | Only companies with overseas factories |

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| --- | --- |
| E.  | Only companies with immigrant workers |

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| 12. | Which of the following statements about international markets is true?

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| A.  | Incomes are rising but demand is stagnant. |

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| --- | --- |
| B.  | Incomes are rising and demand is increasing. |

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| --- | --- |
| C.  | Incomes are rising but demand is decreasing. |

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| --- | --- |
| D.  | Incomes are dropping and demand is decreasing. |

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| --- | --- |
| E.  | Incomes are dropping but demand is increasing. |

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| 13. | Knowledge management concerns developing which of the following resources of an organization?

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| --- | --- |
| A.  | Its members' expertise, skills, wisdom, and relations |

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| --- | --- |
| B.  | Its loyal customer base |

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| --- | --- |
| C.  | Its property, such as factories and administrative buildings |

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| --- | --- |
| D.  | Its store of both resources and manufactured goods |

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| --- | --- |
| E.  | Its equipment, such as vehicles, tools, and machines |

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| 14. | What is Web 2.0?

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| A.  | Social networking sites that allow users to publish and share information |

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| --- | --- |
| B.  | An advanced type of search engine that disregards most unusable data |

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| --- | --- |
| C.  | A type of Internet platform that displays information but does not have interactivity |

|  |  |
| --- | --- |
| D.  | A program that allows businesses to sell merchandise on the Internet more securely |

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| --- | --- |
| E.  | A new form of web-based video communications technology |

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| 15. | The set of practices aimed at discovering and harnessing an organization's intellectual resources is known as \_\_\_\_\_.

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| A.  | Web 2.0 |

|  |  |
| --- | --- |
| B.  | competitive advantage |

|  |  |
| --- | --- |
| C.  | cost competitiveness |

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| --- | --- |
| D.  | knowledge management |

|  |  |
| --- | --- |
| E.  | quality |

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| 16. | Which of the following is an example of collaboration across boundaries?

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| A.  | Allie, a bookkeeper, has an idea for keeping more efficient records of outstanding invoices, and she clears the idea with her accounting manager before implementation. |

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| B.  | While working out in the company gym, Jamal comes up with an idea that might help his team member Ursula with the ad campaign she is working on. |

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| C.  | Before deciding on the trim size of the book his editorial team is producing, Hector asks the shipping department how the various choices will affect packing costs. |

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| D.  | Mei stays late to stuff an important mailing in envelopes because her boss, an executive, needs the mailing to go out in the next morning's mail. |

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| E.  | After listening to the complaints of the other technicians in the IT Department, Gregor devises a standard form for company employees to use for service requests. |

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| 17. | Clydea has a coffee shop in Washington, D.C. One thing that attracts busy people to her shop is that she has perfected a way to make lattes and cappuccinos in half the time her competitors take. Which fundamental driver of success has Clydea emphasized?

|  |  |
| --- | --- |
| A.  | Knowledge |

|  |  |
| --- | --- |
| B.  | Quality |

|  |  |
| --- | --- |
| C.  | Cost Competitiveness |

|  |  |
| --- | --- |
| D.  | Speed |

|  |  |
| --- | --- |
| E.  | Sustainability |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 18. | Which of the following is an example of innovation?

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| --- | --- |
| A.  | A company that redecorates its stores to look up to date |

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| --- | --- |
| B.  | A company that charges fees for late returns of rentals |

|  |  |
| --- | --- |
| C.  | A company that lowers the price of its traditional product |

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| --- | --- |
| D.  | A company that invents a new way to deliver digital content |

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| --- | --- |
| E.  | A company that reduces its staff to cut operating costs |

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| 19. | An approach to achieving \_\_\_\_\_ includes preventing defects before they occur.

|  |  |
| --- | --- |
| A.  | total quality |

|  |  |
| --- | --- |
| B.  | cost competitiveness |

|  |  |
| --- | --- |
| C.  | sustainability |

|  |  |
| --- | --- |
| D.  | innovation |

|  |  |
| --- | --- |
| E.  | efficiency |

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| 20. | Which of the following economic sectors has become increasingly important to the U.S. economy?

|  |  |
| --- | --- |
| A.  | Agriculture |

|  |  |
| --- | --- |
| B.  | Manufacturing |

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| --- | --- |
| C.  | Fishing |

|  |  |
| --- | --- |
| D.  | Service |

|  |  |
| --- | --- |
| E.  | Forestry |

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| 21. | Which of the following involves keeping costs low enough so that a company can realize profits while pricing its products at levels that are attractive to consumers?

|  |  |
| --- | --- |
| A.  | Total quality |

|  |  |
| --- | --- |
| B.  | Cost competitiveness |

|  |  |
| --- | --- |
| C.  | Sustainability |

|  |  |
| --- | --- |
| D.  | Innovation |

|  |  |
| --- | --- |
| E.  | Efficiency |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 22. | In what way has the Internet made cost competitiveness a more important consideration for businesses?

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| --- | --- |
| A.  | Retailers have more shipping options than before. |

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| --- | --- |
| B.  | Advertising has become less effective because of online ads. |

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| --- | --- |
| C.  | Consumers have more information about production processes. |

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| D.  | Producers have more information about what competitors are doing. |

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| E.  | Consumers can more easily compare prices online. |

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| 23. | Done properly, sustainability encourages people to live in ways that can be maintained for the \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | most profit |

|  |  |
| --- | --- |
| B.  | long term |

|  |  |
| --- | --- |
| C.  | individual |

|  |  |
| --- | --- |
| D.  | wealthy |

|  |  |
| --- | --- |
| E.  | present |

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| 24. | To be \_\_\_\_\_ is to achieve organizational goals.

|  |  |
| --- | --- |
| A.  | efficient |

|  |  |
| --- | --- |
| B.  | effective |

|  |  |
| --- | --- |
| C.  | innovative |

|  |  |
| --- | --- |
| D.  | sustainable |

|  |  |
| --- | --- |
| E.  | strategic |

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| 25. | Which of the following statements about managers is true?

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| --- | --- |
| A.  | It is more important for managers to be efficient than to be effective. |

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| --- | --- |
| B.  | It is more important for managers to be effective than to be efficient. |

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| --- | --- |
| C.  | Low-level managers should be efficient, while high-level managers should be effective. |

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| --- | --- |
| D.  | Low-level managers should be effective, while high-level managers should be efficient. |

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| --- | --- |
| E.  | The best managers maintain a clear focus on both effectiveness and efficiency. |

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| 26. | Adam focuses on assembling and coordinating the people, equipment, and supplies that his company needs to achieve its goals. What management function does Adam emphasize in his work?

|  |  |
| --- | --- |
| A.  | Planning |

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| --- | --- |
| B.  | Leading |

|  |  |
| --- | --- |
| C.  | Controlling |

|  |  |
| --- | --- |
| D.  | Sustaining |

|  |  |
| --- | --- |
| E.  | Organizing |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 27. | In today's business climate, what is the recommended way to do planning?

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| --- | --- |
| A.  | As a top-down process in which the highest-level executives decide what to do |

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| --- | --- |
| B.  | As a continual process that uses the input of people throughout the organization |

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| --- | --- |
| C.  | As a process in which middle managers and top executive collaborate in decision making |

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| --- | --- |
| D.  | As a process by which top executives make proposals and all levels of the company vote on them |

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| --- | --- |
| E.  | As a bottom-up process in which all proposals must come from frontline employees or managers |

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| 28. | In the future, the most effective business organizations will be \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | hierarchical |

|  |  |
| --- | --- |
| B.  | closed |

|  |  |
| --- | --- |
| C.  | flexible |

|  |  |
| --- | --- |
| D.  | bureaucratic |

|  |  |
| --- | --- |
| E.  | traditional |

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| 29. | For her job, Bettina is expected to look ahead at the company's future and devise strategies for the company's long-term success and growth. Judging from this description, Bettina is a \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| A.  | top-level |

|  |  |
| --- | --- |
| B.  | frontline |

|  |  |
| --- | --- |
| C.  | middle |

|  |  |
| --- | --- |
| D.  | tactical |

|  |  |
| --- | --- |
| E.  | operational |

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| 30. | Which of the following job titles indicates that a person is a frontline manager?

|  |  |
| --- | --- |
| A.  | Vice President |

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| --- | --- |
| B.  | Chief Financial Officer |

|  |  |
| --- | --- |
| C.  | Human Resources Manager |

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| --- | --- |
| D.  | Floor Supervisor |

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| --- | --- |
| E.  | Executive Assistant |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 31. | Pedro is on the fast track to become an executive in his company. As he advances, he will most likely have less and less need of his \_\_\_\_\_ skills.

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| --- | --- |
| A.  | communication |

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| --- | --- |
| B.  | technical |

|  |  |
| --- | --- |
| C.  | interpersonal |

|  |  |
| --- | --- |
| D.  | conceptual |

|  |  |
| --- | --- |
| E.  | decision |

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| 32. | Which of the following statements about job skills is true?

|  |  |
| --- | --- |
| A.  | Communication skills are needed only by top managers. |

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| --- | --- |
| B.  | Technical skills are equally important at all levels of management. |

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| --- | --- |
| C.  | Interpersonal skills are equally important at all levels of management. |

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| D.  | Decision skills are more important for frontline managers than top managers. |

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| E.  | Conceptual skills are more important for frontline managers than top managers. |

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| 33. | Elisa understands her own strengths and limitations, she manages her feelings and decisions well, and she deals effectively with other people. Elisa has \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | verbal intelligence  |

|  |  |
| --- | --- |
| B.  | business intelligence  |

|  |  |
| --- | --- |
| C.  | cultural intelligence  |

|  |  |
| --- | --- |
| D.  | leadership intelligence  |

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| --- | --- |
| E.  | emotional intelligence  |

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| 34. | Social capital is the

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| --- | --- |
| A.  | goodwill stemming from your social relationships.  |

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| --- | --- |
| B.  | understanding of how to behave in social situations.  |

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| --- | --- |
| C.  | cost of socializing with business colleagues.  |

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| --- | --- |
| D.  | cost to employers of workers socializing on the job.  |

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| E.  | network of favors exchanged by social equals.  |

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| 35. | Which of the following statements best describes the contemporary work environment?

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| --- | --- |
| A.  | People can show up, do an OK job, and have a good career.  |

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| --- | --- |
| B.  | More than ever, people are held accountable for getting results.  |

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| --- | --- |
| C.  | Managers must be numbers-oriented to succeed.  |

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| --- | --- |
| D.  | Visionaries are considered disruptive in today's work climate.  |

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| E.  | If a manager is not charismatic, he or she cannot advance.  |

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| 36. | Which of the following is one of the ongoing challenges that characterize the current business landscape?

|  |  |
| --- | --- |
| A.  | Uniformity of offerings |

|  |  |
| --- | --- |
| B.  | Technological change |

|  |  |
| --- | --- |
| C.  | Quality |

|  |  |
| --- | --- |
| D.  | Cost competitiveness |

|  |  |
| --- | --- |
| E.  | Speed |

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| 37. | The change from a local to a global marketplace is

|  |  |
| --- | --- |
| A.  | irrelevant to today's business environment.  |

|  |  |
| --- | --- |
| B.  | irreversible.  |

|  |  |
| --- | --- |
| C.  | not necessary to remain competitive.  |

|  |  |
| --- | --- |
| D.  | slowing down.  |

|  |  |
| --- | --- |
| E.  | eliminating business challenges.  |

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| 38. | Which of the following is true of globalization?

|  |  |
| --- | --- |
| A.  | The pace of change is slowing down.  |

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| --- | --- |
| B.  | Only large companies are affected by globalization.  |

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| --- | --- |
| C.  | Globalization is decreasing competition among companies.  |

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| D.  | A company's talent can come from anywhere.  |

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| E.  | The global marketplace is stable and unchanging.  |

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| 39. | Which of the following statements is true about the Internet?

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| --- | --- |
| A.  | It has reduced threats to most businesses. |

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| --- | --- |
| B.  | It drives down costs. |

|  |  |
| --- | --- |
| C.  | It does not influence globalization. |

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| --- | --- |
| D.  | It slows down globalization. |

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| --- | --- |
| E.  | It slows down decision making. |

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| 40. | Anna excels at identifying the talents of employees and finding the jobs where they can best use those talents to benefit the organization. Anna excels at \_\_\_\_\_ management.

|  |  |
| --- | --- |
| A.  | Knowledge |

|  |  |
| --- | --- |
| B.  | Scientific |

|  |  |
| --- | --- |
| C.  | Project |

|  |  |
| --- | --- |
| D.  | Service |

|  |  |
| --- | --- |
| E.  | Quality |

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| 41. | Which of the following statements is true of collaboration?

|  |  |
| --- | --- |
| A.  | Collaboration occurs only within the boundaries of an organization. |

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| --- | --- |
| B.  | A sole focus on unit performance spurs collaboration. |

|  |  |
| --- | --- |
| C.  | It is unrealistic to think that a company can collaborate with its customers. |

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| D.  | Companies should capitalize on ideas generated within the organization alone. |

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| E.  | Collaboration is an important process of knowledge management. |

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| 42. | \_\_\_\_\_ is the introduction of new goods and services.

|  |  |
| --- | --- |
| A.  | Collaboration |

|  |  |
| --- | --- |
| B.  | Efficiency |

|  |  |
| --- | --- |
| C.  | Innovation |

|  |  |
| --- | --- |
| D.  | Adaptation |

|  |  |
| --- | --- |
| E.  | Introspection |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 43. | \_\_\_\_\_ is defined as the excellence of a product.

|  |  |
| --- | --- |
| A.  | Innovation |

|  |  |
| --- | --- |
| B.  | Quality |

|  |  |
| --- | --- |
| C.  | Demand |

|  |  |
| --- | --- |
| D.  | Value |

|  |  |
| --- | --- |
| E.  | Reliability |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 44. | Which of the following is true of services?

|  |  |
| --- | --- |
| A.  | They include intangible products like medical care. |

|  |  |
| --- | --- |
| B.  | They include manufacturing high-quality goods. |

|  |  |
| --- | --- |
| C.  | They focus on establishing short-term relationships. |

|  |  |
| --- | --- |
| D.  | Jobs based on services have been declining in recent years. |

|  |  |
| --- | --- |
| E.  | Insurance and haircuts are examples of tangible products. |

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| 45. | Which of the following is true of speed as a success driver of organizational performance?

|  |  |
| --- | --- |
| A.  | It is defined as the excellence of a product. |

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| --- | --- |
| B.  | The requirement for speed has decreased with time. |

|  |  |
| --- | --- |
| C.  | Faster companies are more likely to be losers. |

|  |  |
| --- | --- |
| D.  | It separates the winners from the losers. |

|  |  |
| --- | --- |
| E.  | It is no longer considered as a strategic imperative. |

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| 46. | Cost competitiveness involves

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| A.  | sacrificing quality to keep costs low.  |

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| --- | --- |
| B.  | increasing prices to boost profits.  |

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| --- | --- |
| C.  | pricing products at a level attractive to consumers.  |

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| --- | --- |
| D.  | managing costs by being effective.  |

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| --- | --- |
| E.  | offering high-quality products at higher prices.  |

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| 47. | Sustainability is defined as the

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| A.  | fast and timely execution, response, and delivery of results.  |

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| --- | --- |
| B.  | speed and dependability with which an organization delivers what customers want.  |

|  |  |
| --- | --- |
| C.  | introduction of new goods and services into the market.  |

|  |  |
| --- | --- |
| D.  | effort to minimize the use of resources, especially those that are polluting and non-renewable.  |

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| --- | --- |
| E.  | minimization of costs to achieve profits and be able to offer prices that are attractive to consumers.  |

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| 48. | A large part of Oscar's job is to help his company use more recycled products, reduce pollution, and switch to renewable sources of energy. Which of the following does Oscar's job focus on?

|  |  |
| --- | --- |
| A.  | Sustainability  |

|  |  |
| --- | --- |
| B.  | Total quality  |

|  |  |
| --- | --- |
| C.  | Innovation  |

|  |  |
| --- | --- |
| D.  | Collaboration  |

|  |  |
| --- | --- |
| E.  | Cost competitiveness  |

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| 49. | Which of the following statements is true of the sources of competitive advantage?

|  |  |
| --- | --- |
| A.  | The best companies choose one source of competitive advantage and perfect it. |

|  |  |
| --- | --- |
| B.  | When companies improve one source of competitive advantage, others suffer. |

|  |  |
| --- | --- |
| C.  | It is possible to improve quality and also enhance speed. |

|  |  |
| --- | --- |
| D.  | Trade-offs do not occur among the six sources of competitive advantage. |

|  |  |
| --- | --- |
| E.  | It is possible to improve more than one source, but they should be tackled one at a time. |

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| 50. | In terms of good management, efficiency differs from effectiveness primarily in the former's focus on

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| --- | --- |
| A.  | customer satisfaction.  |

|  |  |
| --- | --- |
| B.  | shareholder profits.  |

|  |  |
| --- | --- |
| C.  | customer retention.  |

|  |  |
| --- | --- |
| D.  | employee turnover.  |

|  |  |
| --- | --- |
| E.  | resource utilization.  |

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| 51. | Which of the following is one of the four fundamental traditional management functions?

|  |  |
| --- | --- |
| A.  | Planning |

|  |  |
| --- | --- |
| B.  | Contracting |

|  |  |
| --- | --- |
| C.  | Outsourcing |

|  |  |
| --- | --- |
| D.  | Distributing |

|  |  |
| --- | --- |
| E.  | Innovating |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 52. | Leann and her top managers are choosing the goals that Leann's company should achieve and deciding in advance the appropriate actions needed to achieve those goals. What are they doing?

|  |  |
| --- | --- |
| A.  | Staffing |

|  |  |
| --- | --- |
| B.  | Forecasting |

|  |  |
| --- | --- |
| C.  | Organizing |

|  |  |
| --- | --- |
| D.  | Planning |

|  |  |
| --- | --- |
| E.  | Reporting |

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| 53. | Planning involves

|  |  |
| --- | --- |
| A.  | analyzing current situations.  |

|  |  |
| --- | --- |
| B.  | determining rewards for goals achievement.  |

|  |  |
| --- | --- |
| C.  | attracting people to the organization.  |

|  |  |
| --- | --- |
| D.  | motivating employees.  |

|  |  |
| --- | --- |
| E.  | implementing necessary changes.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 54. | The managers at Sonic SmartPhones are currently developing strategies for the company's new products and setting objectives for its business units. These managers are engaging in the management function of

|  |  |
| --- | --- |
| A.  | forecasting.  |

|  |  |
| --- | --- |
| B.  | planning.  |

|  |  |
| --- | --- |
| C.  | staffing.  |

|  |  |
| --- | --- |
| D.  | organizing.  |

|  |  |
| --- | --- |
| E.  | outsourcing.  |

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| 55. | The planning function in the new business environment can also be described more dynamically as

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| --- | --- |
| A.  | building a dynamic organization.  |

|  |  |
| --- | --- |
| B.  | delivering strategic value.  |

|  |  |
| --- | --- |
| C.  | stimulating people to be high performers.  |

|  |  |
| --- | --- |
| D.  | monitoring performance and implementing needed changes.  |

|  |  |
| --- | --- |
| E.  | motivating workers to do their jobs effectively.  |

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| 56. | Which of the following functions of management is described as building a dynamic organization?

|  |  |
| --- | --- |
| A.  | Planning  |

|  |  |
| --- | --- |
| B.  | Organizing  |

|  |  |
| --- | --- |
| C.  | Leading  |

|  |  |
| --- | --- |
| D.  | Controlling  |

|  |  |
| --- | --- |
| E.  | Organizational staffing  |

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| 57. | \_\_\_\_\_ is assembling and coordinating the human, financial, physical, informational, and other resources needed to achieve goals.

|  |  |
| --- | --- |
| A.  | Benchmarking |

|  |  |
| --- | --- |
| B.  | Planning |

|  |  |
| --- | --- |
| C.  | Organizing |

|  |  |
| --- | --- |
| D.  | Optimizing |

|  |  |
| --- | --- |
| E.  | Quantifying |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 58. | Peerless Press has recently started operations as a business. The managers have already determined their objectives and have decided on the type of publications they will specialize in. They have now started to attract people to work for them and have started determining the responsibilities of workers. Which of the following management functions are Peerless Press's managers performing?

|  |  |
| --- | --- |
| A.  | Planning |

|  |  |
| --- | --- |
| B.  | Organizing |

|  |  |
| --- | --- |
| C.  | Leading |

|  |  |
| --- | --- |
| D.  | Controlling |

|  |  |
| --- | --- |
| E.  | Budgeting |

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| 59. | Leon is a general manager for Sur-Seal Corp., a gasket manufacturing firm. He is considering some changes to the production floor, which include layout adjustments and the purchase of new equipment to improve efficiency. He also wants to promote one of his employees to team leader. Which of the following functions of management is Lorenzo performing?

|  |  |
| --- | --- |
| A.  | Planning |

|  |  |
| --- | --- |
| B.  | Training |

|  |  |
| --- | --- |
| C.  | Leading |

|  |  |
| --- | --- |
| D.  | Organizing |

|  |  |
| --- | --- |
| E.  | Controlling |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 60. | Bill has the knack of inspiring the people in his department to learn new skills and to perform better than expected on the job. As a manager, what is Bill especially good at doing?

|  |  |
| --- | --- |
| A.  | planning |

|  |  |
| --- | --- |
| B.  | staffing |

|  |  |
| --- | --- |
| C.  | leading |

|  |  |
| --- | --- |
| D.  | controlling |

|  |  |
| --- | --- |
| E.  | monitoring |

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| 61. | As one of the key management functions, leading focuses on a manager's efforts to

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| --- | --- |
| A.  | mobilize people to contribute their ideas.  |

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| --- | --- |
| B.  | build organizations that are flexible and adaptive.  |

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| --- | --- |
| C.  | make sure goals are met.  |

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| --- | --- |
| D.  | identify opportunities for sustainable advantage.  |

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| --- | --- |
| E.  | build a dynamic organization.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 62. | \_\_\_\_\_ involves monitoring performance and making necessary changes.

|  |  |
| --- | --- |
| A.  | Budgeting  |

|  |  |
| --- | --- |
| B.  | Planning  |

|  |  |
| --- | --- |
| C.  | Organizing  |

|  |  |
| --- | --- |
| D.  | Leading  |

|  |  |
| --- | --- |
| E.  | Controlling  |

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| 63. | When Elena, manager of the sales department for Eversharp Knives, realized that her plan to increase her associates' sales levels was not producing the desired results, she instituted a refresher training course that helped the associates achieve better results. Which of the following management functions is illustrated in this scenario?

|  |  |
| --- | --- |
| A.  | Planning |

|  |  |
| --- | --- |
| B.  | Organizing |

|  |  |
| --- | --- |
| C.  | Leading |

|  |  |
| --- | --- |
| D.  | Controlling |

|  |  |
| --- | --- |
| E.  | Budgeting |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 64. | Through careful monitoring of the financial budgets of a firm, managers can detect potential problems in reaching their financial goals and take actions to reverse the problem. This is an example of the \_\_\_\_\_ function of management.

|  |  |
| --- | --- |
| A.  | planning |

|  |  |
| --- | --- |
| B.  | controlling |

|  |  |
| --- | --- |
| C.  | leading |

|  |  |
| --- | --- |
| D.  | organizing |

|  |  |
| --- | --- |
| E.  | staffing |

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| 65. | The three levels of managers within large organizations are

|  |  |
| --- | --- |
| A.  | authoritative, permissive, and submissive.  |

|  |  |
| --- | --- |
| B.  | managerial, functional, and direct.  |

|  |  |
| --- | --- |
| C.  | technical, functional, and departmental.  |

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| --- | --- |
| D.  | upper level, top management, and functional.  |

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| --- | --- |
| E.  | top, middle, and frontline.  |

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| 66. | Senior executives responsible for the overall management and effectiveness of the organization are known as

|  |  |
| --- | --- |
| A.  | frontline managers.  |

|  |  |
| --- | --- |
| B.  | middle managers.  |

|  |  |
| --- | --- |
| C.  | strategic managers.  |

|  |  |
| --- | --- |
| D.  | tactical managers.  |

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| --- | --- |
| E.  | short-run managers.  |

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| 67. | Fred is the CEO of an international shipping company. Fred is most likely to focus on

|  |  |
| --- | --- |
| A.  | long-term survival of the organization.  |

|  |  |
| --- | --- |
| B.  | translating goals and objectives into specific activities.  |

|  |  |
| --- | --- |
| C.  | managing frontline managers.  |

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| --- | --- |
| D.  | supervising nonmanagement employees.  |

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| --- | --- |
| E.  | initiating new daily activities.  |

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| 68. | \_\_\_\_\_ managers are typically concerned with the interaction between the organization and its external environment.

|  |  |
| --- | --- |
| A.  | Operational  |

|  |  |
| --- | --- |
| B.  | Top-level  |

|  |  |
| --- | --- |
| C.  | Middle-level  |

|  |  |
| --- | --- |
| D.  | Frontline  |

|  |  |
| --- | --- |
| E.  | Tactical  |

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| 69. | The chief executive officer, company president, and the chief operating officer are all examples of \_\_\_\_\_ managers.

|  |  |
| --- | --- |
| A.  | strategic |

|  |  |
| --- | --- |
| B.  | tactical |

|  |  |
| --- | --- |
| C.  | operational |

|  |  |
| --- | --- |
| D.  | frontline |

|  |  |
| --- | --- |
| E.  | regional |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 70. | Cara is responsible for studying the general goals and plans developed for her company and translating them into more specific objectives and activities for the employees in her department. Cara is a(n) \_\_\_\_\_\_ manager.

|  |  |
| --- | --- |
| A.  | Operational |

|  |  |
| --- | --- |
| B.  | Frontline |

|  |  |
| --- | --- |
| C.  | Top-level |

|  |  |
| --- | --- |
| D.  | Strategic |

|  |  |
| --- | --- |
| E.  | Tactical |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 71. | Tactical managers are often referred to as

|  |  |
| --- | --- |
| A.  | frontline managers.  |

|  |  |
| --- | --- |
| B.  | middle-level managers.  |

|  |  |
| --- | --- |
| C.  | lower-level managers.  |

|  |  |
| --- | --- |
| D.  | operational managers.  |

|  |  |
| --- | --- |
| E.  | top-level managers.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 72. | As a regional manager for Optasia Digital Cameras, Deirdre spends most of her time training new sales managers and making sure that information coming from headquarters reaches the company's branches. In this case, Deirdre would best be described as a(n) \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| A.  | frontline  |

|  |  |
| --- | --- |
| B.  | tactical  |

|  |  |
| --- | --- |
| C.  | operational  |

|  |  |
| --- | --- |
| D.  | top-level  |

|  |  |
| --- | --- |
| E.  | strategic  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 73. | Jorge supervises the shipping department of a manufacturing company in Chicago. He contacts trucking companies to arrange pickups, and he makes sure that his team members load cartons onto the correct trucks. Jorge is a

|  |  |
| --- | --- |
| A.  | frontline manager.  |

|  |  |
| --- | --- |
| B.  | middle manager.  |

|  |  |
| --- | --- |
| C.  | top-level manager.  |

|  |  |
| --- | --- |
| D.  | tactical manager.  |

|  |  |
| --- | --- |
| E.  | strategic manager.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 74. | Which of the following is a characteristic of operational managers?

|  |  |
| --- | --- |
| A.  | They bridge the gap between higher and lower levels of management. |

|  |  |
| --- | --- |
| B.  | They focus on long-term issues of the business. |

|  |  |
| --- | --- |
| C.  | They develop on goals and plans that have been formulated by top-level managers. |

|  |  |
| --- | --- |
| D.  | They are directly involved with nonmanagement employees. |

|  |  |
| --- | --- |
| E.  | They break down the business' objectives into business units. |

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| 75. | Operational managers play a crucial role in an organization because they provide

|  |  |
| --- | --- |
| A.  | the link between management and nonmanagement personnel.  |

|  |  |
| --- | --- |
| B.  | overall direction by formulating strategy and controlling resources.  |

|  |  |
| --- | --- |
| C.  | the key plans for an organization's success.  |

|  |  |
| --- | --- |
| D.  | feedback on top management performance.  |

|  |  |
| --- | --- |
| E.  | direction and strategy for the organization.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 76. | Zian supervises employees who work on the floor of the Nature's Secret Organic Snack Food factory. He cooperates closely with his manager in determining ways to improve the efficiency of the manufacturing process and then works to implement those plans. In this case, Zian would be considered a \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| A.  | frontline |

|  |  |
| --- | --- |
| B.  | tactical |

|  |  |
| --- | --- |
| C.  | middle-level |

|  |  |
| --- | --- |
| D.  | top-level |

|  |  |
| --- | --- |
| E.  | strategic |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 77. | Titles such as assistant manager and supervisor typically belong to the \_\_\_\_\_ level of management.

|  |  |
| --- | --- |
| A.  | strategic |

|  |  |
| --- | --- |
| B.  | middle |

|  |  |
| --- | --- |
| C.  | primary |

|  |  |
| --- | --- |
| D.  | operational |

|  |  |
| --- | --- |
| E.  | tactical |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 78. | Which of the following is one of the three essential categories of skills that managers need?

|  |  |
| --- | --- |
| A.  | Study skills |

|  |  |
| --- | --- |
| B.  | Technical skills |

|  |  |
| --- | --- |
| C.  | Negotiation skills |

|  |  |
| --- | --- |
| D.  | Counseling skills |

|  |  |
| --- | --- |
| E.  | Manipulative skills |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 79. | A(n) \_\_\_\_\_ skill is the ability to perform a specialized task that involves a certain method or process.

|  |  |
| --- | --- |
| A.  | conceptual |

|  |  |
| --- | --- |
| B.  | administration |

|  |  |
| --- | --- |
| C.  | interpersonal |

|  |  |
| --- | --- |
| D.  | communication |

|  |  |
| --- | --- |
| E.  | technical |

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| 80. | Compilation of an accounting statement can be categorized under \_\_\_\_\_ skills.

|  |  |
| --- | --- |
| A.  | technical |

|  |  |
| --- | --- |
| B.  | communication |

|  |  |
| --- | --- |
| C.  | conceptual |

|  |  |
| --- | --- |
| D.  | interpersonal |

|  |  |
| --- | --- |
| E.  | decision-making |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 81. | Which of the following roles involves searching for new business opportunities and initiating new projects to create change?

|  |  |
| --- | --- |
| A.  | Leader |

|  |  |
| --- | --- |
| B.  | Figurehead |

|  |  |
| --- | --- |
| C.  | Entrepreneur |

|  |  |
| --- | --- |
| D.  | Disseminator |

|  |  |
| --- | --- |
| E.  | Monitor |

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|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 82. | Rhonda attends the groundbreaking ceremony of a new children's hospital as the representative of her corporation, which gave a large donation toward the construction of the hospital. What role is Rhonda fulfilling?

|  |  |
| --- | --- |
| A.  | Disseminator |

|  |  |
| --- | --- |
| B.  | Spokesperson |

|  |  |
| --- | --- |
| C.  | Liaison |

|  |  |
| --- | --- |
| D.  | Figurehead |

|  |  |
| --- | --- |
| E.  | Disturbance handler |

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|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 83. | Which of the following roles is a decisional role?

|  |  |
| --- | --- |
| A.  | Spokesperson |

|  |  |
| --- | --- |
| B.  | Liaison |

|  |  |
| --- | --- |
| C.  | Leader |

|  |  |
| --- | --- |
| D.  | Disturbance handler |

|  |  |
| --- | --- |
| E.  | Monitor |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 84. | Edgar, the vice president of Lopez Construction LLC, attended a trade show to make additional supplier contacts for the business. Which of the following roles was Edgar fulfilling in this situation?

|  |  |
| --- | --- |
| A.  | Leader |

|  |  |
| --- | --- |
| B.  | Liaison |

|  |  |
| --- | --- |
| C.  | Figurehead |

|  |  |
| --- | --- |
| D.  | Disturbance handler |

|  |  |
| --- | --- |
| E.  | Resource allocator |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 85. | Which of the following roles is performed by a customer service manager who works to defuse a situation with an angry customer?

|  |  |
| --- | --- |
| A.  | Liaison |

|  |  |
| --- | --- |
| B.  | Disturbance handler |

|  |  |
| --- | --- |
| C.  | Negotiator |

|  |  |
| --- | --- |
| D.  | Disseminator |

|  |  |
| --- | --- |
| E.  | Figurehead |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 86. | \_\_\_\_\_ skills influence a manager's ability to work well with people.

|  |  |
| --- | --- |
| A.  | Decision making |

|  |  |
| --- | --- |
| B.  | Technical |

|  |  |
| --- | --- |
| C.  | Interpersonal |

|  |  |
| --- | --- |
| D.  | Professional |

|  |  |
| --- | --- |
| E.  | Conceptual |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 87. | Listening to employee suggestions, gaining support for organizational objectives, and fostering an atmosphere of teamwork are all considered

|  |  |
| --- | --- |
| A.  | technical skills.  |

|  |  |
| --- | --- |
| B.  | interpersonal and communication skills.  |

|  |  |
| --- | --- |
| C.  | diagnostic and relational skills.  |

|  |  |
| --- | --- |
| D.  | statistical and analytical skills.  |

|  |  |
| --- | --- |
| E.  | conceptual and decision skills.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 88. | Which of the following skills are more important during the beginning of a person's career?

|  |  |
| --- | --- |
| A.  | Conceptual skills |

|  |  |
| --- | --- |
| B.  | Decision skills |

|  |  |
| --- | --- |
| C.  | Technical skills |

|  |  |
| --- | --- |
| D.  | Entrepreneurial skills |

|  |  |
| --- | --- |
| E.  | Statistical skills |

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|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 89. | No one at Daring Interiors liked the company's new website, which was a serious problem because the firm marketed itself as an expert in design. The president, Alma, assembled the team, solicited feedback, and found help in making improvements. The ability to identify this problem and resolve it is an effective use of \_\_\_\_\_ skills.

|  |  |
| --- | --- |
| A.  | conceptual and decision |

|  |  |
| --- | --- |
| B.  | informational |

|  |  |
| --- | --- |
| C.  | technical |

|  |  |
| --- | --- |
| D.  | intellectual and language |

|  |  |
| --- | --- |
| E.  | negotiation |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 90. | Individuals' conceptual and decision-making skills

|  |  |
| --- | --- |
| A.  | are most important early in their career.  |

|  |  |
| --- | --- |
| B.  | involve the ability to perform a specialized task using a specific method.  |

|  |  |
| --- | --- |
| C.  | are often referred to as people skills.  |

|  |  |
| --- | --- |
| D.  | become less important to them as they rise higher in the company.  |

|  |  |
| --- | --- |
| E.  | become more important to them as they grow in the company.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 91. | Emotional intelligence can best be defined as

|  |  |
| --- | --- |
| A.  | the ability to perform a specialized task involving a particular method or process.  |

|  |  |
| --- | --- |
| B.  | the ability to identify and resolve problems for the benefit of the organization and its members.  |

|  |  |
| --- | --- |
| C.  | the skills of understanding oneself, managing oneself, and dealing effectively with others.  |

|  |  |
| --- | --- |
| D.  | the skill of monitoring efforts and making the necessary changes.  |

|  |  |
| --- | --- |
| E.  | the skill to lead, motivate, and communicate effectively with others.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 92. | A common complaint about leaders, especially those who are newly appointed, is that they lack

|  |  |
| --- | --- |
| A.  | self-acceptance.  |

|  |  |
| --- | --- |
| B.  | empathy.  |

|  |  |
| --- | --- |
| C.  | technical skills.  |

|  |  |
| --- | --- |
| D.  | decision-making skills.  |

|  |  |
| --- | --- |
| E.  | self-control.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 93. | Being self-reliant means individuals should

|  |  |
| --- | --- |
| A.  | take full responsibility for themselves and their actions.  |

|  |  |
| --- | --- |
| B.  | be open minded and responsive when others have innovative ideas.  |

|  |  |
| --- | --- |
| C.  | always wait for orders from higher management in the organization.  |

|  |  |
| --- | --- |
| D.  | trust that the organization will manage their career.  |

|  |  |
| --- | --- |
| E.  | not work in partnership with fellow employees.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 94. | Goodwill stemming from social relationships is called

|  |  |
| --- | --- |
| A.  | social empathy.  |

|  |  |
| --- | --- |
| B.  | social capital.  |

|  |  |
| --- | --- |
| C.  | emotional intelligence.  |

|  |  |
| --- | --- |
| D.  | emotional capital.  |

|  |  |
| --- | --- |
| E.  | social value.  |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 95. | When individuals view themselves as employees and expect their employers to tell them what to do and give them pay and benefits, those individuals are acting as

|  |  |
| --- | --- |
| A.  | self-reliant employees.  |

|  |  |
| --- | --- |
| B.  | agents for social capital.  |

|  |  |
| --- | --- |
| C.  | passive employees.  |

|  |  |
| --- | --- |
| D.  | emotionally intelligent employees.  |

|  |  |
| --- | --- |
| E.  | connected team members.  |

 |

|  |  |
| --- | --- |
|  | Scenario A. Pizzazz is a manufacturer of fashion jewelry. The company has been operating for the past decade and is well known. When the CEO, Francesca, was asked by a local newspaper during an interview about the secret to her success, she stated that there were several reasons. She makes sure that the company always introduces new styles of jewelry to suit changes in tastes and stay a step ahead of her competitors, and the company offers its customers the best by using fine-quality semiprecious stones in artful settings. She also stated that the company's salespersons cater to customers individually to help them purchase jewelry appropriate for their personal style. Pizzazz has its own exclusive website, which can be accessed anywhere in the world, and customers are promised that they will get what they order within 36 hours.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 96. | Which of the following success drivers of performance is Francesca using by constantly changing and introducing new jewelry styles to match the changing trends in the market and stay a step ahead of competitors?

|  |  |
| --- | --- |
| A.  | Speed |

|  |  |
| --- | --- |
| B.  | Innovation |

|  |  |
| --- | --- |
| C.  | Quality |

|  |  |
| --- | --- |
| D.  | Service |

|  |  |
| --- | --- |
| E.  | Cost competitiveness |

 |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 97. | Which of the following fundamental success drivers of performance has Francesca achieved by ensuring that every customer has a salesperson to advise him or her while choosing jewelry?

|  |  |
| --- | --- |
| A.  | Sustainability |

|  |  |
| --- | --- |
| B.  | Service |

|  |  |
| --- | --- |
| C.  | Quality |

|  |  |
| --- | --- |
| D.  | Cost competitiveness |

|  |  |
| --- | --- |
| E.  | Innovation |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 98. | From Scenario A, it can be understood that Francesca is an example of a(n)

|  |  |
| --- | --- |
| A.  | strategic manager.  |

|  |  |
| --- | --- |
| B.  | frontline manager.  |

|  |  |
| --- | --- |
| C.  | operational manager.  |

|  |  |
| --- | --- |
| D.  | tactical manager.  |

|  |  |
| --- | --- |
| E.  | middle-level manager.  |

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|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 99. | Which of the following skills is Francesca showing by taking the time to talk with the person interviewing her for the local newspaper?

|  |  |
| --- | --- |
| A.  | Conceptual and decision skills  |

|  |  |
| --- | --- |
| B.  | Monitoring skills  |

|  |  |
| --- | --- |
| C.  | Interpersonal skills  |

|  |  |
| --- | --- |
| D.  | Technical skills  |

|  |  |
| --- | --- |
| E.  | Negotiating skills  |

 |

|  |  |
| --- | --- |
|  | Scenario B. Green Zoom Corp., a company that manufacturers fuel-efficient scooters, has been operating as a business for a year. The CEO, Halim, started his venture by deciding on the activities that would be involved and what his goals and objectives for the business were. He then started to recruit professional engineers and other personnel and grouped them according to their responsibilities. Every month Halim conducts a meeting where he brings attention to those who are doing good work and motivates everyone to achieve organizational goals. He also checks the daily productivity of each of the workers, monitoring them and providing training to those with low productivity. |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 100. | When Halim was deciding on the activities that would be involved in the business and establishing the goals and objectives, he was performing the \_\_\_\_\_ function of management.

|  |  |
| --- | --- |
| A.  | planning |

|  |  |
| --- | --- |
| B.  | organizing |

|  |  |
| --- | --- |
| C.  | leading |

|  |  |
| --- | --- |
| D.  | controlling |

|  |  |
| --- | --- |
| E.  | staffing |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 101. | Halim monitors his employees and provides training to those who are performing poorly. In this case, which of the following functions of management is Halim performing?

|  |  |
| --- | --- |
| A.  | Planning |

|  |  |
| --- | --- |
| B.  | Organizing |

|  |  |
| --- | --- |
| C.  | Leading |

|  |  |
| --- | --- |
| D.  | Controlling |

|  |  |
| --- | --- |
| E.  | Decision making |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 102. | By recognizing good performers and motivating them toward achieving organizational goals, Halim performs the \_\_\_\_\_ function of management.

|  |  |
| --- | --- |
| A.  | planning |

|  |  |
| --- | --- |
| B.  | organizing |

|  |  |
| --- | --- |
| C.  | leading |

|  |  |
| --- | --- |
| D.  | controlling |

|  |  |
| --- | --- |
| E.  | decision making |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 103. | When Halim started recruiting professionals and other personnel and grouped them according to their job responsibilities, he was performing the \_\_\_\_\_ function of management.

|  |  |
| --- | --- |
| A.  | planning |

|  |  |
| --- | --- |
| B.  | organizing |

|  |  |
| --- | --- |
| C.  | leading |

|  |  |
| --- | --- |
| D.  | controlling |

|  |  |
| --- | --- |
| E.  | budgeting |

 |

|  |  |
| --- | --- |
|  | Scenario C. Gus is the manager of Companion Treats, a bakery that specializes in cookies for cats and dog. As the manager of the bakery, he has many responsibilities. On one day he holds a meeting where he informs the employees that the company must freeze wages for the next year. An agitated employee threatens to "make the company regret this," so Gus asks the employee to leave immediately and makes sure that security personnel escort the employee off the premises. After the meeting, Gus goes to meet one of the bakery's distributors to obtain information about possible new markets for the company's products. Then he represents the company at a dinner for the retiring bank officer who handled Companion's account for many years. These are some of the roles that Gus performs as a manager. |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 104. | Which of the following roles was Gus performing when he notified the employees of the upcoming wage freeze?

|  |  |
| --- | --- |
| A.  | Negotiator |

|  |  |
| --- | --- |
| B.  | Liaison |

|  |  |
| --- | --- |
| C.  | Disseminator |

|  |  |
| --- | --- |
| D.  | Spokesperson |

|  |  |
| --- | --- |
| E.  | Entrepreneur |

 |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 105. | Which of the following roles was Gus performing when he dealt with the angry employee?

|  |  |
| --- | --- |
| A.  | Monitor |

|  |  |
| --- | --- |
| B.  | Negotiator |

|  |  |
| --- | --- |
| C.  | Disturbance handler |

|  |  |
| --- | --- |
| D.  | Resource allocator |

|  |  |
| --- | --- |
| E.  | Liaison |

 |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 106. | Which of the following roles Gus performing when he attended the retirement dinner for the bank officer?

|  |  |
| --- | --- |
| A.  | Liaison |

|  |  |
| --- | --- |
| B.  | Figurehead |

|  |  |
| --- | --- |
| C.  | Spokesperson |

|  |  |
| --- | --- |
| D.  | Entrepreneur |

|  |  |
| --- | --- |
| E.  | Disturbance handler |

 |

|  |  |
| --- | --- |
|  | Scenario D. Rainbow Dream Corp. is a company that produces high-quality sheets and towels. Charles, the CEO, makes all the business deals for the company. He negotiates with suppliers and gets new customers and business for the company. Charles communicates his vision for the company and what he would like it to achieve to Angela, who lays out plans to make possible the execution of that vision. Angela delegates the work accordingly by communicating to the sales and production managers Charles's vision and what he requires of them. Manny, a floor manager, makes sure that the workers do their jobs at the required pace to meet the targets and goals of the company. |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 107. | From Scenario D, it can be understood that Charles is a \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| A.  | strategic |

|  |  |
| --- | --- |
| B.  | frontline |

|  |  |
| --- | --- |
| C.  | tactical |

|  |  |
| --- | --- |
| D.  | operations |

|  |  |
| --- | --- |
| E.  | administrative |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 108. | By creating objectives and communicating them to the rest of the organization, Angela is performing the function of a(n) \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| A.  | strategic |

|  |  |
| --- | --- |
| B.  | operations |

|  |  |
| --- | --- |
| C.  | frontline |

|  |  |
| --- | --- |
| D.  | tactical |

|  |  |
| --- | --- |
| E.  | top-level |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 109. | In Scenario D, Manny, the floor manager, is a \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| A.  | strategic |

|  |  |
| --- | --- |
| B.  | tactical |

|  |  |
| --- | --- |
| C.  | middle |

|  |  |
| --- | --- |
| D.  | top-level |

|  |  |
| --- | --- |
| E.  | frontline |

 |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 110. | Which of the following management skills does Angela implement by communicating with the rest of the organization?

|  |  |
| --- | --- |
| A.  | Interpersonal skills |

|  |  |
| --- | --- |
| B.  | Conceptual skills |

|  |  |
| --- | --- |
| C.  | Technical skills |

|  |  |
| --- | --- |
| D.  | Tactical skills |

|  |  |
| --- | --- |
| E.  | Decision making skills |

 |

**Essay Questions**

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| --- | --- |
| 111. | What are the four ongoing challenges that characterize the current business landscape? What is the potential impact of these challenges on business?      |

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| --- | --- |
| 112. | Write an essay on knowledge management. Give a suitable example.      |

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| 113. | List and explain each of the six fundamental success drivers of performance.      |

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| --- | --- |
| 114. | Explain cost competitiveness and give reasons as to why a company has to worry about its cost competitiveness. Provide a suitable example.      |

|  |  |
| --- | --- |
| 115. | Write an essay explaining why businesses are becoming increasingly concerned with sustainability.      |

|  |  |
| --- | --- |
| 116. | Briefly describe each of the four key management functions.      |

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| --- | --- |
| 117. | Discuss how you can use social capital in your future career.      |

|  |  |
| --- | --- |
| 118. | Differentiate between the various management levels in an organization.      |

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| --- | --- |
| 119. | What is a frontline manager? List out the tasks, duties, and responsibilities of a frontline manager.      |

|  |  |
| --- | --- |
| 120. | Identify and describe one decisional role, one informational role, and one interpersonal role that managers fulfill.      |

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| --- | --- |
| 121. | Discuss the various management skills in relation to their requirement at the various management levels.      |

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| --- | --- |
| 122. | Explain the importance of emotional intelligence.      |

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| --- | --- |
| 123. | What does it mean to be self-reliant? What are the ways in which a person can be self-reliant? Give examples of professions that contain a large number of self-reliant people.      |

|  |  |
| --- | --- |
| 124. | State the two possible relationships an individual can have with his or her employer.      |

|  |  |
| --- | --- |
| 125. | State some of the common practices of successful executives.      |

|  |  |
| --- | --- |
| 126. | Explain why you should aim to be both a specialist and a generalist in your future career.      |

Chapter 01 Managing and Performing Answer Key

**True / False Questions**

|  |  |
| --- | --- |
| 1. | Technological change is one of the ongoing challenges that characterize the current business landscape.  **TRUE**The four ongoing challenges that characterize the current business landscape are: globalization, technological change, the importance of knowledge and ideas, and collaboration across organizational boundaries. |

|  |
| --- |
| *AACSB: TechnologyAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

|  |  |
| --- | --- |
| 2. | A global company can be headquartered anywhere, but usually most of its employees come from the organization's home country.  **FALSE**Globalization means that a company's talent can come from anywhere. For example, more than half of GE's employees live outside the United States. |

|  |
| --- |
| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

|  |  |
| --- | --- |
| 3. | Collaboration occurs within companies and between companies, but it cannot occur between a company and a customer.  **FALSE**Customers can be collaborators. Companies must realize that the need to serve the customer drives everything else. |

|  |
| --- |
| *AACSB: TeamworkAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

|  |  |
| --- | --- |
| 4. | Globalization has reduced the need for innovation by equalizing production costs.  **FALSE**The need for innovation is driven in part by globalization. One obvious reason is that facilities in other countries can manufacture appliances or write software code at a lower cost than facilities in the United States. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 5. | Done properly, sustainability encourages people to live in ways that can be maintained for a short period without harming environmental resources.  **FALSE**Sustainability is about protecting our options. Done properly, sustainability allows people to live and work in ways that can be maintained over the long term (generations) without depleting or harming our environmental, social, and economic resources. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 6. | In today's world, planning is a top-down function in which top executives establish business plans and tell others to implement them.  **FALSE**Delivering strategic value is a continual process in which people throughout the organization use their intelligence and the input of customers, suppliers, and other stakeholders to identify opportunities to create, seize, strengthen, and sustain competitive advantage. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 7. | It is sufficient for a manager to pay attention to one of the four management functions as long as he or she is very skillful at it.  **FALSE**Some managers are particularly interested in, devoted to, or skilled in one or two of the four functions but not in the others. But all managers should devote adequate attention and resources to all four functions. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 8. | Top-level managers are also known as tactical managers because they translate general goals into specific objectives.  **FALSE**Top-level managers, often referred to as strategic managers, are supposed to focus on long-term issues and emphasize the survival, growth, and overall effectiveness of the organization. Middle-level managers are otherwise called tactical managers. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 9. | The need for interpersonal and communication skills fades as a manager moves from the lower levels of an organization into the upper management arena.  **FALSE**The importance of skills varies by managerial level. Technical skills are most important early in one's career. Conceptual and decision skills become more important than technical skills as a person rises higher in the company. But interpersonal skills are important throughout one's career, at every level of management. |

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| *AACSB: CommunicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 10. | Emotional intelligence should be viewed as something you inherit and cannot change.   **FALSE**The common phrase "emotional intelligence" is controversial. For instance, individuals should not consider it as a type of intelligence but as a set of skills that they can learn and develop—but these skills do matter in many ways. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

**Multiple Choice Questions**

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| 11. | Which of the following types of companies are affected by globalization?

|  |  |
| --- | --- |
| A.  | Primarily large companies |

|  |  |
| --- | --- |
| B.  | Primarily small companies |

|  |  |
| --- | --- |
| **C.**  | Both large and small companies |

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| --- | --- |
| D.  | Only companies with overseas factories |

|  |  |
| --- | --- |
| E.  | Only companies with immigrant workers |

Globalization affects small companies as well as large. Many small companies export their goods. Many domestic firms assemble their products in other countries. Globalization means that a company's talent can come from anywhere. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 12. | Which of the following statements about international markets is true?

|  |  |
| --- | --- |
| A.  | Incomes are rising but demand is stagnant. |

|  |  |
| --- | --- |
| **B.**  | Incomes are rising and demand is increasing. |

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| --- | --- |
| C.  | Incomes are rising but demand is decreasing. |

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| --- | --- |
| D.  | Incomes are dropping and demand is decreasing. |

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| E.  | Incomes are dropping but demand is increasing. |

Companies that want to grow often need to tap international markets, where incomes are rising and demand is increasing. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 13. | Knowledge management concerns developing which of the following resources of an organization?

|  |  |
| --- | --- |
| **A.**  | Its members' expertise, skills, wisdom, and relations |

|  |  |
| --- | --- |
| B.  | Its loyal customer base |

|  |  |
| --- | --- |
| C.  | Its property, such as factories and administrative buildings |

|  |  |
| --- | --- |
| D.  | Its store of both resources and manufactured goods |

|  |  |
| --- | --- |
| E.  | Its equipment, such as vehicles, tools, and machines |

Knowledge management is about finding, unlocking, sharing, and capitalizing on the most precious resources of an organization: people's expertise, skills, wisdom, and relationships. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 14. | What is Web 2.0?

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| --- | --- |
| **A.**  | Social networking sites that allow users to publish and share information |

|  |  |
| --- | --- |
| B.  | An advanced type of search engine that disregards most unusable data |

|  |  |
| --- | --- |
| C.  | A type of Internet platform that displays information but does not have interactivity |

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| --- | --- |
| D.  | A program that allows businesses to sell merchandise on the Internet more securely |

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| --- | --- |
| E.  | A new form of web-based video communications technology |

In 2003 tech guru Tim O'Reilly coined the term "Web 2.0" to describe the exciting new wave of social networking start-ups that allow users to publish and share information. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 15. | The set of practices aimed at discovering and harnessing an organization's intellectual resources is known as \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | Web 2.0 |

|  |  |
| --- | --- |
| B.  | competitive advantage |

|  |  |
| --- | --- |
| C.  | cost competitiveness |

|  |  |
| --- | --- |
| **D.**  | knowledge management |

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| --- | --- |
| E.  | quality |

Knowledge management is the set of practices aimed at discovering and harnessing an organization's intellectual resources, fully utilizing the intellects of the organization's people. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 16. | Which of the following is an example of collaboration across boundaries?

|  |  |
| --- | --- |
| A.  | Allie, a bookkeeper, has an idea for keeping more efficient records of outstanding invoices, and she clears the idea with her accounting manager before implementation. |

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| B.  | While working out in the company gym, Jamal comes up with an idea that might help his team member Ursula with the ad campaign she is working on. |

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| **C.**  | Before deciding on the trim size of the book his editorial team is producing, Hector asks the shipping department how the various choices will affect packing costs. |

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| D.  | Mei stays late to stuff an important mailing in envelopes because her boss, an executive, needs the mailing to go out in the next morning's mail. |

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| E.  | After listening to the complaints of the other technicians in the IT Department, Gregor devises a standard form for company employees to use for service requests. |

One of the most important processes of knowledge management is to ensure that people in different parts of the organization collaborate effectively with one another. This requires productive communications among different departments, divisions, or other subunits of the organization. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 17. | Clydea has a coffee shop in Washington, D.C. One thing that attracts busy people to her shop is that she has perfected a way to make lattes and cappuccinos in half the time her competitors take. Which fundamental driver of success has Clydea emphasized?

|  |  |
| --- | --- |
| A.  | Knowledge |

|  |  |
| --- | --- |
| B.  | Quality |

|  |  |
| --- | --- |
| C.  | Cost Competitiveness |

|  |  |
| --- | --- |
| **D.**  | Speed |

|  |  |
| --- | --- |
| E.  | Sustainability |

To succeed, managers must deliver performance. The fundamental success drivers of performance are innovation, quality, service, speed, cost competitiveness, and sustainability. Speed is rapid execution, response, and delivery. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: ApplyDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 18. | Which of the following is an example of innovation?

|  |  |
| --- | --- |
| A.  | A company that redecorates its stores to look up to date |

|  |  |
| --- | --- |
| B.  | A company that charges fees for late returns of rentals |

|  |  |
| --- | --- |
| C.  | A company that lowers the price of its traditional product |

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| --- | --- |
| **D.**  | A company that invents a new way to deliver digital content |

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| E.  | A company that reduces its staff to cut operating costs |

Innovation is the introduction of new goods and services, such as a new way to deliver digital content. A firm must adapt to changes in consumer demands and to new competitors. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 19. | An approach to achieving \_\_\_\_\_ includes preventing defects before they occur.

|  |  |
| --- | --- |
| **A.**  | total quality |

|  |  |
| --- | --- |
| B.  | cost competitiveness |

|  |  |
| --- | --- |
| C.  | sustainability |

|  |  |
| --- | --- |
| D.  | innovation |

|  |  |
| --- | --- |
| E.  | efficiency |

Total quality includes preventing defects before they occur, achieving zero defects in manufacturing, and designing products for quality. The goal is to solve and eradicate from the beginning all quality-related problems and to live a philosophy of continuous improvement in the way the company operates. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 20. | Which of the following economic sectors has become increasingly important to the U.S. economy?

|  |  |
| --- | --- |
| A.  | Agriculture |

|  |  |
| --- | --- |
| B.  | Manufacturing |

|  |  |
| --- | --- |
| C.  | Fishing |

|  |  |
| --- | --- |
| **D.**  | Service |

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| --- | --- |
| E.  | Forestry |

Service means giving customers what they want or need, when they want it. So service is focused on continually meeting the needs of customers to establish mutually beneficial long-term relationships. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 21. | Which of the following involves keeping costs low enough so that a company can realize profits while pricing its products at levels that are attractive to consumers?

|  |  |
| --- | --- |
| A.  | Total quality |

|  |  |
| --- | --- |
| **B.**  | Cost competitiveness |

|  |  |
| --- | --- |
| C.  | Sustainability |

|  |  |
| --- | --- |
| D.  | Innovation |

|  |  |
| --- | --- |
| E.  | Efficiency |

Cost competitiveness means keeping costs low enough so that the company can realize profits and price its products (goods or services) at levels that are attractive to consumers. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 22. | In what way has the Internet made cost competitiveness a more important consideration for businesses?

|  |  |
| --- | --- |
| A.  | Retailers have more shipping options than before. |

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| --- | --- |
| B.  | Advertising has become less effective because of online ads. |

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| --- | --- |
| C.  | Consumers have more information about production processes. |

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| --- | --- |
| D.  | Producers have more information about what competitors are doing. |

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| **E.**  | Consumers can more easily compare prices online. |

One reason every company must worry about cost is that consumers can easily compare prices on the Internet from thousands of competitors. Consumers looking to buy popular items, such as cameras, printers, and plane fares, can go online to research the best models and the best deals. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 23. | Done properly, sustainability encourages people to live in ways that can be maintained for the \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | most profit |

|  |  |
| --- | --- |
| **B.**  | long term |

|  |  |
| --- | --- |
| C.  | individual |

|  |  |
| --- | --- |
| D.  | wealthy |

|  |  |
| --- | --- |
| E.  | present |

Sustainability is about protecting our options. Done properly, sustainability allows people to live and work in ways that can be maintained over the long term (generations) without depleting or harming our environmental, social, and economic resources. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 24. | To be \_\_\_\_\_ is to achieve organizational goals.

|  |  |
| --- | --- |
| A.  | efficient |

|  |  |
| --- | --- |
| **B.**  | effective |

|  |  |
| --- | --- |
| C.  | innovative |

|  |  |
| --- | --- |
| D.  | sustainable |

|  |  |
| --- | --- |
| E.  | strategic |

Good managers work both effectively and efficiently. To be effective is to achieve organizational goals. To be efficient is to achieve goals with minimal waste of resources—that is, to make the best possible use of money, time, materials, and people. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 25. | Which of the following statements about managers is true?

|  |  |
| --- | --- |
| A.  | It is more important for managers to be efficient than to be effective. |

|  |  |
| --- | --- |
| B.  | It is more important for managers to be effective than to be efficient. |

|  |  |
| --- | --- |
| C.  | Low-level managers should be efficient, while high-level managers should be effective. |

|  |  |
| --- | --- |
| D.  | Low-level managers should be effective, while high-level managers should be efficient. |

|  |  |
| --- | --- |
| **E.**  | The best managers maintain a clear focus on both effectiveness and efficiency. |

Some managers fail at being either efficient or effective, or focus on one at the expense of the other. The best managers maintain a clear focus on both effectiveness and efficiency. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 26. | Adam focuses on assembling and coordinating the people, equipment, and supplies that his company needs to achieve its goals. What management function does Adam emphasize in his work?

|  |  |
| --- | --- |
| A.  | Planning |

|  |  |
| --- | --- |
| B.  | Leading |

|  |  |
| --- | --- |
| C.  | Controlling |

|  |  |
| --- | --- |
| D.  | Sustaining |

|  |  |
| --- | --- |
| **E.**  | Organizing |

Organizing is assembling and coordinating the human, financial, physical, informational, and other resources needed to achieve goals. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 27. | In today's business climate, what is the recommended way to do planning?

|  |  |
| --- | --- |
| A.  | As a top-down process in which the highest-level executives decide what to do |

|  |  |
| --- | --- |
| **B.**  | As a continual process that uses the input of people throughout the organization |

|  |  |
| --- | --- |
| C.  | As a process in which middle managers and top executive collaborate in decision making |

|  |  |
| --- | --- |
| D.  | As a process by which top executives make proposals and all levels of the company vote on them |

|  |  |
| --- | --- |
| E.  | As a bottom-up process in which all proposals must come from frontline employees or managers |

In today's business climate, delivering strategic value, or planning, is a continual process in which people throughout the organization use their intelligence and the input of customers, suppliers, and other stakeholders to identify opportunities to create, seize, strengthen, and sustain competitive advantage. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 28. | In the future, the most effective business organizations will be \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | hierarchical |

|  |  |
| --- | --- |
| B.  | closed |

|  |  |
| --- | --- |
| **C.**  | flexible |

|  |  |
| --- | --- |
| D.  | bureaucratic |

|  |  |
| --- | --- |
| E.  | traditional |

Historically, organizing involved creating an organization chart and having traditional HR functions. In the future, effective managers will build organizations that are flexible and adaptive, particularly in response to competitive threats and customer needs. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 29. | For her job, Bettina is expected to look ahead at the company's future and devise strategies for the company's long-term success and growth. Judging from this description, Bettina is a \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| **A.**  | top-level |

|  |  |
| --- | --- |
| B.  | frontline |

|  |  |
| --- | --- |
| C.  | middle |

|  |  |
| --- | --- |
| D.  | tactical |

|  |  |
| --- | --- |
| E.  | operational |

Top-level managers, often referred to as strategic managers, are supposed to focus on long-term issues and emphasize the survival, growth, and overall effectiveness of the organization. They are the senior executives of an organization and are responsible for its overall management. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 30. | Which of the following job titles indicates that a person is a frontline manager?

|  |  |
| --- | --- |
| A.  | Vice President |

|  |  |
| --- | --- |
| B.  | Chief Financial Officer |

|  |  |
| --- | --- |
| C.  | Human Resources Manager |

|  |  |
| --- | --- |
| **D.**  | Floor Supervisor |

|  |  |
| --- | --- |
| E.  | Executive Assistant |

Frontline managers, or operational managers, are lower-level managers who supervise the operations of an organization. These managers often have titles such as supervisor or assistant manager. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 31. | Pedro is on the fast track to become an executive in his company. As he advances, he will most likely have less and less need of his \_\_\_\_\_ skills.

|  |  |
| --- | --- |
| A.  | communication |

|  |  |
| --- | --- |
| **B.**  | technical |

|  |  |
| --- | --- |
| C.  | interpersonal |

|  |  |
| --- | --- |
| D.  | conceptual |

|  |  |
| --- | --- |
| E.  | decision |

Technical skills are most important early in your career. Conceptual and decision skills become more important than technical skills as you rise higher in the company. But interpersonal skills are important throughout your career, at every level of management. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 32. | Which of the following statements about job skills is true?

|  |  |
| --- | --- |
| A.  | Communication skills are needed only by top managers. |

|  |  |
| --- | --- |
| B.  | Technical skills are equally important at all levels of management. |

|  |  |
| --- | --- |
| **C.**  | Interpersonal skills are equally important at all levels of management. |

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| D.  | Decision skills are more important for frontline managers than top managers. |

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| E.  | Conceptual skills are more important for frontline managers than top managers. |

The importance of skills varies by managerial level. Technical skills are most important early in a person's career. Conceptual and decision skills become more important than technical skills as a person rises higher in the company. But interpersonal skills are important throughout a person's career, at every level of management. |

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| *AACSB: CommunicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 33. | Elisa understands her own strengths and limitations, she manages her feelings and decisions well, and she deals effectively with other people. Elisa has \_\_\_\_\_.

|  |  |
| --- | --- |
| A.  | verbal intelligence  |

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| --- | --- |
| B.  | business intelligence  |

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| --- | --- |
| C.  | cultural intelligence  |

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| --- | --- |
| D.  | leadership intelligence  |

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| --- | --- |
| **E.**  | emotional intelligence  |

Businesspeople often talk about emotional intelligence (or "EQ"), the skills of understanding oneself (including strengths and limitations), managing oneself (dealing with emotions, making good decisions, seeking and using feedback, and exercising self-control), and dealing effectively with others (listening, showing empathy, motivating, and leading).  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 34. | Social capital is the

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| **A.**  | goodwill stemming from your social relationships.  |

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| B.  | understanding of how to behave in social situations.  |

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| --- | --- |
| C.  | cost of socializing with business colleagues.  |

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| --- | --- |
| D.  | cost to employers of workers socializing on the job.  |

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| --- | --- |
| E.  | network of favors exchanged by social equals.  |

Social capital is the goodwill stemming from your social relationships, and you can mobilize it on your behalf. It aids career success, compensation, employment, team effectiveness, successful entrepreneurship, and relationships with suppliers and other outsiders.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 35. | Which of the following statements best describes the contemporary work environment?

|  |  |
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| A.  | People can show up, do an OK job, and have a good career.  |

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| **B.**  | More than ever, people are held accountable for getting results.  |

|  |  |
| --- | --- |
| C.  | Managers must be numbers-oriented to succeed.  |

|  |  |
| --- | --- |
| D.  | Visionaries are considered disruptive in today's work climate.  |

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| --- | --- |
| E.  | If a manager is not charismatic, he or she cannot advance.  |

Now—more than ever—individuals will be accountable for their actions and for results. In the past, people at many companies could show up, do an OK job, get a decent evaluation, and get a raise equal to the cost of living and maybe higher. Today managers must do more, better. Eminent management scholar Peter Drucker, in considering what makes managers effective, noted that some are charismatic whereas some are not, and some are visionary whereas others are more numbers-oriented. But they all ask what needs to be done, write action plans, take responsibility for decisions, and focus on opportunities, not problems.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 36. | Which of the following is one of the ongoing challenges that characterize the current business landscape?

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| --- | --- |
| A.  | Uniformity of offerings |

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| --- | --- |
| **B.**  | Technological change |

|  |  |
| --- | --- |
| C.  | Quality |

|  |  |
| --- | --- |
| D.  | Cost competitiveness |

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| --- | --- |
| E.  | Speed |

Four ongoing challenges that characterize current business landscapes are: globalization, technological change, the importance of knowledge and ideas, and collaboration across organizational boundaries. |

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| *AACSB: TechnologyAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 37. | The change from a local to a global marketplace is

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| --- | --- |
| A.  | irrelevant to today's business environment.  |

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| --- | --- |
| **B.**  | irreversible.  |

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| --- | --- |
| C.  | not necessary to remain competitive.  |

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| D.  | slowing down.  |

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| --- | --- |
| E.  | eliminating business challenges.  |

Companies that want to grow often need to tap international markets, where incomes are rising and demand is increasing. The change from a local to a global marketplace is gaining momentum and is irreversible.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 38. | Which of the following is true of globalization?

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| --- | --- |
| A.  | The pace of change is slowing down.  |

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| --- | --- |
| B.  | Only large companies are affected by globalization.  |

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| --- | --- |
| C.  | Globalization is decreasing competition among companies.  |

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| **D.**  | A company's talent can come from anywhere.  |

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| --- | --- |
| E.  | The global marketplace is stable and unchanging.  |

Globalization affects small companies as well as large. Many small companies export their goods. Many domestic firms assemble their products in other countries. Globalization means that a company's talent can come from anywhere.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 39. | Which of the following statements is true about the Internet?

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| --- | --- |
| A.  | It has reduced threats to most businesses. |

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| --- | --- |
| **B.**  | It drives down costs. |

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| --- | --- |
| C.  | It does not influence globalization. |

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| D.  | It slows down globalization. |

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| E.  | It slows down decision making. |

The Internet is important to business because it is a marketplace, a means for manufacturing goods and services, a distribution channel, an information service, and more. It drives down costs and speeds up globalization. It improves efficiency of decision making. Managers can watch and learn what other companies are doing on the other side of the world. |

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| *AACSB: TechnologyAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 40. | Anna excels at identifying the talents of employees and finding the jobs where they can best use those talents to benefit the organization. Anna excels at \_\_\_\_\_ management.

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| --- | --- |
| **A.**  | Knowledge |

|  |  |
| --- | --- |
| B.  | Scientific |

|  |  |
| --- | --- |
| C.  | Project |

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| --- | --- |
| D.  | Service |

|  |  |
| --- | --- |
| E.  | Quality |

Knowledge management is the set of practices aimed at discovering and harnessing an organization's intellectual resources, fully utilizing the intellects of the organization's people. It is about finding, unlocking, sharing, and altogether capitalizing on the most precious resources of an organization. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 41. | Which of the following statements is true of collaboration?

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| --- | --- |
| A.  | Collaboration occurs only within the boundaries of an organization. |

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| --- | --- |
| B.  | A sole focus on unit performance spurs collaboration. |

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| --- | --- |
| C.  | It is unrealistic to think that a company can collaborate with its customers. |

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| D.  | Companies should capitalize on ideas generated within the organization alone. |

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| **E.**  | Collaboration is an important process of knowledge management. |

One of the most important processes of knowledge management is to ensure that people in different parts of the organization collaborate effectively with one another. This requires productive communications among different departments, divisions, or other subunits of the organization. |

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| *AACSB: TeamworkAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 42. | \_\_\_\_\_ is the introduction of new goods and services.

|  |  |
| --- | --- |
| A.  | Collaboration |

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| --- | --- |
| B.  | Efficiency |

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| --- | --- |
| **C.**  | Innovation |

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| --- | --- |
| D.  | Adaptation |

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| --- | --- |
| E.  | Introspection |

Innovation is the introduction of new goods and services. A firm must adapt to changes in consumer demands and to new competitors. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 43. | \_\_\_\_\_ is defined as the excellence of a product.

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| --- | --- |
| A.  | Innovation |

|  |  |
| --- | --- |
| **B.**  | Quality |

|  |  |
| --- | --- |
| C.  | Demand |

|  |  |
| --- | --- |
| D.  | Value |

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| --- | --- |
| E.  | Reliability |

In general, quality is the excellence of a product. The importance of quality and the standards for acceptable quality have increased dramatically in recent years. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 44. | Which of the following is true of services?

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| --- | --- |
| **A.**  | They include intangible products like medical care. |

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| --- | --- |
| B.  | They include manufacturing high-quality goods. |

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| C.  | They focus on establishing short-term relationships. |

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| D.  | Jobs based on services have been declining in recent years. |

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| E.  | Insurance and haircuts are examples of tangible products. |

Service means giving customers what they want or need, when they want it. Services include intangible products such as insurance, hotel accommodations, medical care, and haircuts. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 45. | Which of the following is true of speed as a success driver of organizational performance?

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| --- | --- |
| A.  | It is defined as the excellence of a product. |

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| --- | --- |
| B.  | The requirement for speed has decreased with time. |

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| --- | --- |
| C.  | Faster companies are more likely to be losers. |

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| --- | --- |
| **D.**  | It separates the winners from the losers. |

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| E.  | It is no longer considered as a strategic imperative. |

In the modern business environment, speed—the rapid execution, response, and delivery of results—often separates the winners from the losers. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 1 EasyLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 46. | Cost competitiveness involves

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| A.  | sacrificing quality to keep costs low.  |

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| --- | --- |
| B.  | increasing prices to boost profits.  |

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| --- | --- |
| **C.**  | pricing products at a level attractive to consumers.  |

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| --- | --- |
| D.  | managing costs by being effective.  |

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| --- | --- |
| E.  | offering high-quality products at higher prices.  |

Cost competitiveness means keeping costs low enough so that the company can realize profits and price its products (goods or services) at levels that are attractive to consumers. Needless to say, if a company offers a desirable product at a lower price, it is more likely to sell.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 47. | Sustainability is defined as the

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| A.  | fast and timely execution, response, and delivery of results.  |

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| --- | --- |
| B.  | speed and dependability with which an organization delivers what customers want.  |

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| --- | --- |
| C.  | introduction of new goods and services into the market.  |

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| --- | --- |
| **D.**  | effort to minimize the use of resources, especially those that are polluting and non-renewable.  |

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| --- | --- |
| E.  | minimization of costs to achieve profits and be able to offer prices that are attractive to consumers.  |

Sustainability is the effort to minimize the use of resources, especially those that are polluting and nonrenewable. Done properly, sustainability allows people to live and work in ways that can be maintained over the long term without depleting the environmental, social, and economic resources.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 48. | A large part of Oscar's job is to help his company use more recycled products, reduce pollution, and switch to renewable sources of energy. Which of the following does Oscar's job focus on?

|  |  |
| --- | --- |
| **A.**  | Sustainability  |

|  |  |
| --- | --- |
| B.  | Total quality  |

|  |  |
| --- | --- |
| C.  | Innovation  |

|  |  |
| --- | --- |
| D.  | Collaboration  |

|  |  |
| --- | --- |
| E.  | Cost competitiveness  |

Sustainability is the effort to minimize the use of resources, especially those that are polluting and nonrenewable. Done properly, sustainability allows people to live and work in ways that can be maintained over the long term without depleting or harming our environmental, social, and economic resources.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: ApplyDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 49. | Which of the following statements is true of the sources of competitive advantage?

|  |  |
| --- | --- |
| A.  | The best companies choose one source of competitive advantage and perfect it. |

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| --- | --- |
| B.  | When companies improve one source of competitive advantage, others suffer. |

|  |  |
| --- | --- |
| **C.**  | It is possible to improve quality and also enhance speed. |

|  |  |
| --- | --- |
| D.  | Trade-offs do not occur among the six sources of competitive advantage. |

|  |  |
| --- | --- |
| E.  | It is possible to improve more than one source, but they should be tackled one at a time. |

The best managers and companies deliver on all six sources of competitive advantage. For example, Virginia Mason Medical Center improved quality through measures that enhance speed. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 50. | In terms of good management, efficiency differs from effectiveness primarily in the former's focus on

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| --- | --- |
| A.  | customer satisfaction.  |

|  |  |
| --- | --- |
| B.  | shareholder profits.  |

|  |  |
| --- | --- |
| C.  | customer retention.  |

|  |  |
| --- | --- |
| D.  | employee turnover.  |

|  |  |
| --- | --- |
| **E.**  | resource utilization.  |

Good managers accomplish organizational goals by working both effectively and efficiently. To be effective is to achieve organizational goals. To be efficient is to achieve goals with minimal waste of resources—that is, to make the best possible use of money, time, materials, and people.  |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 51. | Which of the following is one of the four fundamental traditional management functions?

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| --- | --- |
| **A.**  | Planning |

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| --- | --- |
| B.  | Contracting |

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| --- | --- |
| C.  | Outsourcing |

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| --- | --- |
| D.  | Distributing |

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| --- | --- |
| E.  | Innovating |

The four traditional functions of management are planning, organizing, leading, and controlling. They remain as relevant as ever, and they still provide the fundamentals that are needed in start-ups as much as in established corporations. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 52. | Leann and her top managers are choosing the goals that Leann's company should achieve and deciding in advance the appropriate actions needed to achieve those goals. What are they doing?

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| --- | --- |
| A.  | Staffing |

|  |  |
| --- | --- |
| B.  | Forecasting |

|  |  |
| --- | --- |
| C.  | Organizing |

|  |  |
| --- | --- |
| **D.**  | Planning |

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| --- | --- |
| E.  | Reporting |

Planning is specifying the goals to be achieved and deciding in advance the appropriate actions needed to achieve those goals. Plans set the stage for action and for major achievements. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 53. | Planning involves

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| --- | --- |
| **A.**  | analyzing current situations.  |

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| --- | --- |
| B.  | determining rewards for goals achievement.  |

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| --- | --- |
| C.  | attracting people to the organization.  |

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| --- | --- |
| D.  | motivating employees.  |

|  |  |
| --- | --- |
| E.  | implementing necessary changes.  |

Planning activities include analyzing current situations, anticipating the future, determining objectives, deciding in what types of activities the company will engage, choosing corporate and business strategies, and determining the resources needed to achieve the organization's goals.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 54. | The managers at Sonic SmartPhones are currently developing strategies for the company's new products and setting objectives for its business units. These managers are engaging in the management function of

|  |  |
| --- | --- |
| A.  | forecasting.  |

|  |  |
| --- | --- |
| **B.**  | planning.  |

|  |  |
| --- | --- |
| C.  | staffing.  |

|  |  |
| --- | --- |
| D.  | organizing.  |

|  |  |
| --- | --- |
| E.  | outsourcing.  |

Planning activities include analyzing current situations, anticipating the future, determining objectives, deciding in what types of activities the company will engage, choosing corporate and business strategies, and determining resources needed to achieve goals.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: ApplyDifficulty: 2 MediumLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 55. | The planning function in the new business environment can also be described more dynamically as

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| --- | --- |
| A.  | building a dynamic organization.  |

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| --- | --- |
| **B.**  | delivering strategic value.  |

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| --- | --- |
| C.  | stimulating people to be high performers.  |

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| --- | --- |
| D.  | monitoring performance and implementing needed changes.  |

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| --- | --- |
| E.  | motivating workers to do their jobs effectively.  |

The planning function for the new business environment is more dynamically described as delivering strategic value. Value describes the monetary amount associated with how well a job, task, good, or service meets users' needs. That value is strategic when it contributes to meeting the organization's goals.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 56. | Which of the following functions of management is described as building a dynamic organization?

|  |  |
| --- | --- |
| A.  | Planning  |

|  |  |
| --- | --- |
| **B.**  | Organizing  |

|  |  |
| --- | --- |
| C.  | Leading  |

|  |  |
| --- | --- |
| D.  | Controlling  |

|  |  |
| --- | --- |
| E.  | Organizational staffing  |

The organizing function can be described as building a dynamic organization. Now and in the future, effective managers will build organizations that are flexible and adaptive, particularly in response to competitive threats and customer needs.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 57. | \_\_\_\_\_ is assembling and coordinating the human, financial, physical, informational, and other resources needed to achieve goals.

|  |  |
| --- | --- |
| A.  | Benchmarking |

|  |  |
| --- | --- |
| B.  | Planning |

|  |  |
| --- | --- |
| **C.**  | Organizing |

|  |  |
| --- | --- |
| D.  | Optimizing |

|  |  |
| --- | --- |
| E.  | Quantifying |

Organizing is assembling and coordinating the human, financial, physical, informational, and other resources needed to achieve goals. Organizing activities include attracting people to the organization and specifying job responsibilities. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 58. | Peerless Press has recently started operations as a business. The managers have already determined their objectives and have decided on the type of publications they will specialize in. They have now started to attract people to work for them and have started determining the responsibilities of workers. Which of the following management functions are Peerless Press's managers performing?

|  |  |
| --- | --- |
| A.  | Planning |

|  |  |
| --- | --- |
| **B.**  | Organizing |

|  |  |
| --- | --- |
| C.  | Leading |

|  |  |
| --- | --- |
| D.  | Controlling |

|  |  |
| --- | --- |
| E.  | Budgeting |

Organizing is assembling and coordinating the human, financial, physical, informational, and other resources needed to achieve goals. Organizing activities include attracting people to the organization, specifying job responsibilities, grouping jobs into work units, marshaling and allocating resources, and creating conditions so that people and things work together to achieve maximum success. |

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| 59. | Leon is a general manager for Sur-Seal Corp., a gasket manufacturing firm. He is considering some changes to the production floor, which include layout adjustments and the purchase of new equipment to improve efficiency. He also wants to promote one of his employees to team leader. Which of the following functions of management is Lorenzo performing?

|  |  |
| --- | --- |
| A.  | Planning |

|  |  |
| --- | --- |
| B.  | Training |

|  |  |
| --- | --- |
| C.  | Leading |

|  |  |
| --- | --- |
| **D.**  | Organizing |

|  |  |
| --- | --- |
| E.  | Controlling |

Organizing is assembling and coordinating the human, financial, physical, informational, and other resources needed to achieve goals. Organizing activities include specifying job responsibilities, grouping jobs into work units, marshaling and allocating resources, and creating conditions so that people and things work together to achieve maximum success. |

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| 60. | Bill has the knack of inspiring the people in his department to learn new skills and to perform better than expected on the job. As a manager, what is Bill especially good at doing?

|  |  |
| --- | --- |
| A.  | planning |

|  |  |
| --- | --- |
| B.  | staffing |

|  |  |
| --- | --- |
| **C.**  | leading |

|  |  |
| --- | --- |
| D.  | controlling |

|  |  |
| --- | --- |
| E.  | monitoring |

Leading is stimulating people to be high performers. It includes motivating and communicating with employees, individually and in groups. |

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| 61. | As one of the key management functions, leading focuses on a manager's efforts to

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| --- | --- |
| **A.**  | mobilize people to contribute their ideas.  |

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| --- | --- |
| B.  | build organizations that are flexible and adaptive.  |

|  |  |
| --- | --- |
| C.  | make sure goals are met.  |

|  |  |
| --- | --- |
| D.  | identify opportunities for sustainable advantage.  |

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| --- | --- |
| E.  | build a dynamic organization.  |

Leading is stimulating people to be high performers. Today and in the future, managers must be good at mobilizing people to contribute their ideas and to use their brains in ways never needed or dreamed of in the past.  |

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| 62. | \_\_\_\_\_ involves monitoring performance and making necessary changes.

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| --- | --- |
| A.  | Budgeting  |

|  |  |
| --- | --- |
| B.  | Planning  |

|  |  |
| --- | --- |
| C.  | Organizing  |

|  |  |
| --- | --- |
| D.  | Leading  |

|  |  |
| --- | --- |
| **E.**  | Controlling  |

The fourth function of management, controlling, monitors performance and implements necessary changes. By controlling, managers make sure the organization's resources are being used as planned and the organization is meeting its goals such as quality and safety.  |

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| 63. | When Elena, manager of the sales department for Eversharp Knives, realized that her plan to increase her associates' sales levels was not producing the desired results, she instituted a refresher training course that helped the associates achieve better results. Which of the following management functions is illustrated in this scenario?

|  |  |
| --- | --- |
| A.  | Planning |

|  |  |
| --- | --- |
| B.  | Organizing |

|  |  |
| --- | --- |
| C.  | Leading |

|  |  |
| --- | --- |
| **D.**  | Controlling |

|  |  |
| --- | --- |
| E.  | Budgeting |

The fourth function of management, controlling, monitors performance and implements necessary changes. By controlling, managers make sure that the organization's resources are being used as planned and that the organization is meeting its goals, such as quality and safety. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 64. | Through careful monitoring of the financial budgets of a firm, managers can detect potential problems in reaching their financial goals and take actions to reverse the problem. This is an example of the \_\_\_\_\_ function of management.

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| --- | --- |
| A.  | planning |

|  |  |
| --- | --- |
| **B.**  | controlling |

|  |  |
| --- | --- |
| C.  | leading |

|  |  |
| --- | --- |
| D.  | organizing |

|  |  |
| --- | --- |
| E.  | staffing |

The fourth function of management, controlling, monitors performance and implements necessary changes. By controlling, managers make sure the organization's resources are being used as planned and the organization is meeting its goals, including financial ones. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 65. | The three levels of managers within large organizations are

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| --- | --- |
| A.  | authoritative, permissive, and submissive.  |

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| --- | --- |
| B.  | managerial, functional, and direct.  |

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| --- | --- |
| C.  | technical, functional, and departmental.  |

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| --- | --- |
| D.  | upper level, top management, and functional.  |

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| **E.**  | top, middle, and frontline.  |

Organizations—particularly large organizations—have many levels. The types of managers found at three different organizational levels are top level, middle level, and frontline.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 66. | Senior executives responsible for the overall management and effectiveness of the organization are known as

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| --- | --- |
| A.  | frontline managers.  |

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| --- | --- |
| B.  | middle managers.  |

|  |  |
| --- | --- |
| **C.**  | strategic managers.  |

|  |  |
| --- | --- |
| D.  | tactical managers.  |

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| --- | --- |
| E.  | short-run managers.  |

Top-level managers, often referred to as strategic managers, are supposed to focus on long-term issues and emphasize the survival, growth, and overall effectiveness of the organization. They are the senior executives of an organization and are responsible for its overall management.  |

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| 67. | Fred is the CEO of an international shipping company. Fred is most likely to focus on

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| --- | --- |
| **A.**  | long-term survival of the organization.  |

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| --- | --- |
| B.  | translating goals and objectives into specific activities.  |

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| --- | --- |
| C.  | managing frontline managers.  |

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| --- | --- |
| D.  | supervising nonmanagement employees.  |

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| --- | --- |
| E.  | initiating new daily activities.  |

Top-level managers, often referred to as strategic managers, are supposed to focus on long-term issues and emphasize the survival, growth, and overall effectiveness of the organization.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 68. | \_\_\_\_\_ managers are typically concerned with the interaction between the organization and its external environment.

|  |  |
| --- | --- |
| A.  | Operational  |

|  |  |
| --- | --- |
| **B.**  | Top-level  |

|  |  |
| --- | --- |
| C.  | Middle-level  |

|  |  |
| --- | --- |
| D.  | Frontline  |

|  |  |
| --- | --- |
| E.  | Tactical  |

Top managers are concerned not only with the organization as a whole but also with the interaction between the organization and its external environment. This interaction often requires managers to work extensively with outside individuals and organizations.  |

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| 69. | The chief executive officer, company president, and the chief operating officer are all examples of \_\_\_\_\_ managers.

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| --- | --- |
| **A.**  | strategic |

|  |  |
| --- | --- |
| B.  | tactical |

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| --- | --- |
| C.  | operational |

|  |  |
| --- | --- |
| D.  | frontline |

|  |  |
| --- | --- |
| E.  | regional |

The chief executive officer, chief operating officer, company presidents, and vice presidents are all strategic-level members of the top management team. Top-level managers are the senior executives of an organization and are responsible for its overall management. |

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| 70. | Cara is responsible for studying the general goals and plans developed for her company and translating them into more specific objectives and activities for the employees in her department. Cara is a(n) \_\_\_\_\_\_ manager.

|  |  |
| --- | --- |
| A.  | Operational |

|  |  |
| --- | --- |
| B.  | Frontline |

|  |  |
| --- | --- |
| C.  | Top-level |

|  |  |
| --- | --- |
| D.  | Strategic |

|  |  |
| --- | --- |
| **E.**  | Tactical |

Middle-level managers are located in the organization's hierarchy below top-level management and above the frontline managers. Sometimes called tactical managers, they are responsible for translating the general goals and plans developed by strategic managers into more specific objectives and activities. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 71. | Tactical managers are often referred to as

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| A.  | frontline managers.  |

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| --- | --- |
| **B.**  | middle-level managers.  |

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| --- | --- |
| C.  | lower-level managers.  |

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| --- | --- |
| D.  | operational managers.  |

|  |  |
| --- | --- |
| E.  | top-level managers.  |

Middle-level managers are located in the organization's hierarchy below top-level management and above the frontline managers. Sometimes called tactical managers, they are responsible for translating the general goals and plans developed by strategic managers into more specific objectives and activities.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 72. | As a regional manager for Optasia Digital Cameras, Deirdre spends most of her time training new sales managers and making sure that information coming from headquarters reaches the company's branches. In this case, Deirdre would best be described as a(n) \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| A.  | frontline  |

|  |  |
| --- | --- |
| **B.**  | tactical  |

|  |  |
| --- | --- |
| C.  | operational  |

|  |  |
| --- | --- |
| D.  | top-level  |

|  |  |
| --- | --- |
| E.  | strategic  |

Tactical, or middle-level, managers are responsible for translating the general goals and plans developed by strategic managers into more specific objectives and activities. The role of the middle manager is to be an administrator who bridges the gap between higher and lower levels.  |

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| 73. | Jorge supervises the shipping department of a manufacturing company in Chicago. He contacts trucking companies to arrange pickups, and he makes sure that his team members load cartons onto the correct trucks. Jorge is a

|  |  |
| --- | --- |
| **A.**  | frontline manager.  |

|  |  |
| --- | --- |
| B.  | middle manager.  |

|  |  |
| --- | --- |
| C.  | top-level manager.  |

|  |  |
| --- | --- |
| D.  | tactical manager.  |

|  |  |
| --- | --- |
| E.  | strategic manager.  |

Frontline managers, or operational managers, are lower-level managers who supervise the operations of an organization. These managers often have titles such as supervisor or assistant manager.  |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 74. | Which of the following is a characteristic of operational managers?

|  |  |
| --- | --- |
| A.  | They bridge the gap between higher and lower levels of management. |

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| --- | --- |
| B.  | They focus on long-term issues of the business. |

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| --- | --- |
| C.  | They develop on goals and plans that have been formulated by top-level managers. |

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| --- | --- |
| **D.**  | They are directly involved with nonmanagement employees. |

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| --- | --- |
| E.  | They break down the business' objectives into business units. |

Frontline managers, or operational managers, are lower-level managers who supervise the operations of the organization. They are directly involved with nonmanagement employees, implementing the specific plans developed with middle managers. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 75. | Operational managers play a crucial role in an organization because they provide

|  |  |
| --- | --- |
| **A.**  | the link between management and nonmanagement personnel.  |

|  |  |
| --- | --- |
| B.  | overall direction by formulating strategy and controlling resources.  |

|  |  |
| --- | --- |
| C.  | the key plans for an organization's success.  |

|  |  |
| --- | --- |
| D.  | feedback on top management performance.  |

|  |  |
| --- | --- |
| E.  | direction and strategy for the organization.  |

Frontline managers, or operational managers, are lower-level managers who supervise the operations of the organization. Their role is critical in an organization because they are the link between management and nonmanagement personnel.  |

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| 76. | Zian supervises employees who work on the floor of the Nature's Secret Organic Snack Food factory. He cooperates closely with his manager in determining ways to improve the efficiency of the manufacturing process and then works to implement those plans. In this case, Zian would be considered a \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| **A.**  | frontline |

|  |  |
| --- | --- |
| B.  | tactical |

|  |  |
| --- | --- |
| C.  | middle-level |

|  |  |
| --- | --- |
| D.  | top-level |

|  |  |
| --- | --- |
| E.  | strategic |

Frontline managers are lower-level managers who supervise the operations of the organization. They are directly involved with nonmanagement employees and implementing the specific plans developed with middle managers. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 77. | Titles such as assistant manager and supervisor typically belong to the \_\_\_\_\_ level of management.

|  |  |
| --- | --- |
| A.  | strategic |

|  |  |
| --- | --- |
| B.  | middle |

|  |  |
| --- | --- |
| C.  | primary |

|  |  |
| --- | --- |
| **D.**  | operational |

|  |  |
| --- | --- |
| E.  | tactical |

Front-level or operational managers often have titles such as supervisor, team leader, or assistant manager and are lower-level managers who supervise the operations of the organization. |

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| 78. | Which of the following is one of the three essential categories of skills that managers need?

|  |  |
| --- | --- |
| A.  | Study skills |

|  |  |
| --- | --- |
| **B.**  | Technical skills |

|  |  |
| --- | --- |
| C.  | Negotiation skills |

|  |  |
| --- | --- |
| D.  | Counseling skills |

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| --- | --- |
| E.  | Manipulative skills |

Although managers need many individual skills, there are three essential categories: technical skills, interpersonal and communication skills, and conceptual and decision skills. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 79. | A(n) \_\_\_\_\_ skill is the ability to perform a specialized task that involves a certain method or process.

|  |  |
| --- | --- |
| A.  | conceptual |

|  |  |
| --- | --- |
| B.  | administration |

|  |  |
| --- | --- |
| C.  | interpersonal |

|  |  |
| --- | --- |
| D.  | communication |

|  |  |
| --- | --- |
| **E.**  | technical |

A technical skill is the ability to perform a specialized task that involves a certain method or process. Most people develop a set of technical skills to complete the activities that are part of their daily work lives. |

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| 80. | Compilation of an accounting statement can be categorized under \_\_\_\_\_ skills.

|  |  |
| --- | --- |
| **A.**  | technical |

|  |  |
| --- | --- |
| B.  | communication |

|  |  |
| --- | --- |
| C.  | conceptual |

|  |  |
| --- | --- |
| D.  | interpersonal |

|  |  |
| --- | --- |
| E.  | decision-making |

A technical skill is the ability to perform a specialized task that involves a certain method or process. For example, accounting and finance courses will help individuals develop the technical skills they need to understand and manage the financial resources of an organization. |

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| 81. | Which of the following roles involves searching for new business opportunities and initiating new projects to create change?

|  |  |
| --- | --- |
| A.  | Leader |

|  |  |
| --- | --- |
| B.  | Figurehead |

|  |  |
| --- | --- |
| **C.**  | Entrepreneur |

|  |  |
| --- | --- |
| D.  | Disseminator |

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| --- | --- |
| E.  | Monitor |

The entrepreneur role is responsible for searching for new business opportunities and initiating new projects to create change. It is one of the decisional roles played by managers. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 82. | Rhonda attends the groundbreaking ceremony of a new children's hospital as the representative of her corporation, which gave a large donation toward the construction of the hospital. What role is Rhonda fulfilling?

|  |  |
| --- | --- |
| A.  | Disseminator |

|  |  |
| --- | --- |
| B.  | Spokesperson |

|  |  |
| --- | --- |
| C.  | Liaison |

|  |  |
| --- | --- |
| **D.**  | Figurehead |

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| --- | --- |
| E.  | Disturbance handler |

The figurehead role is responsible for performing symbolic duties (ceremonies and serving other social and legal demands). It is one of the interpersonal roles played by managers. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 83. | Which of the following roles is a decisional role?

|  |  |
| --- | --- |
| A.  | Spokesperson |

|  |  |
| --- | --- |
| B.  | Liaison |

|  |  |
| --- | --- |
| C.  | Leader |

|  |  |
| --- | --- |
| **D.**  | Disturbance handler |

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| --- | --- |
| E.  | Monitor |

The decisional roles of managers are entrepreneur, disturbance handler, resource allocator, and negotiator. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 84. | Edgar, the vice president of Lopez Construction LLC, attended a trade show to make additional supplier contacts for the business. Which of the following roles was Edgar fulfilling in this situation?

|  |  |
| --- | --- |
| A.  | Leader |

|  |  |
| --- | --- |
| **B.**  | Liaison |

|  |  |
| --- | --- |
| C.  | Figurehead |

|  |  |
| --- | --- |
| D.  | Disturbance handler |

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| --- | --- |
| E.  | Resource allocator |

The liaison role is responsible for maintaining a network of outside contacts who provide information and favors. It is one of the interpersonal roles played by managers. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 85. | Which of the following roles is performed by a customer service manager who works to defuse a situation with an angry customer?

|  |  |
| --- | --- |
| A.  | Liaison |

|  |  |
| --- | --- |
| **B.**  | Disturbance handler |

|  |  |
| --- | --- |
| C.  | Negotiator |

|  |  |
| --- | --- |
| D.  | Disseminator |

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| --- | --- |
| E.  | Figurehead |

The disturbance handler role involves taking corrective action during crises or other conflicts, such as dealing with an angry customer. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: ApplyDifficulty: 2 MediumLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 86. | \_\_\_\_\_ skills influence a manager's ability to work well with people.

|  |  |
| --- | --- |
| A.  | Decision making |

|  |  |
| --- | --- |
| B.  | Technical |

|  |  |
| --- | --- |
| **C.**  | Interpersonal |

|  |  |
| --- | --- |
| D.  | Professional |

|  |  |
| --- | --- |
| E.  | Conceptual |

Interpersonal and communication skills influence a manager's ability to work well with people. These skills are often called people skills. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 87. | Listening to employee suggestions, gaining support for organizational objectives, and fostering an atmosphere of teamwork are all considered

|  |  |
| --- | --- |
| A.  | technical skills.  |

|  |  |
| --- | --- |
| **B.**  | interpersonal and communication skills.  |

|  |  |
| --- | --- |
| C.  | diagnostic and relational skills.  |

|  |  |
| --- | --- |
| D.  | statistical and analytical skills.  |

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| --- | --- |
| E.  | conceptual and decision skills.  |

Interpersonal and communication skills are people skills; they are the ability to lead, motivate, and communicate effectively with others.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: ApplyDifficulty: 2 MediumLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 88. | Which of the following skills are more important during the beginning of a person's career?

|  |  |
| --- | --- |
| A.  | Conceptual skills |

|  |  |
| --- | --- |
| B.  | Decision skills |

|  |  |
| --- | --- |
| **C.**  | Technical skills |

|  |  |
| --- | --- |
| D.  | Entrepreneurial skills |

|  |  |
| --- | --- |
| E.  | Statistical skills |

Technical skills are most important early in one's career. Conceptual and decision skills become more important than technical skills as individuals rise higher in the company. But interpersonal skills are important throughout one's career, at every level of management. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 89. | No one at Daring Interiors liked the company's new website, which was a serious problem because the firm marketed itself as an expert in design. The president, Alma, assembled the team, solicited feedback, and found help in making improvements. The ability to identify this problem and resolve it is an effective use of \_\_\_\_\_ skills.

|  |  |
| --- | --- |
| **A.**  | conceptual and decision |

|  |  |
| --- | --- |
| B.  | informational |

|  |  |
| --- | --- |
| C.  | technical |

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| --- | --- |
| D.  | intellectual and language |

|  |  |
| --- | --- |
| E.  | negotiation |

Conceptual and decision skills involve the ability to identify and resolve problems for the benefit of an organization and everyone concerned. Managers use these skills when they consider the overall objectives and strategy of the firm, the interactions among different parts of the organization, and the role of the business in its external environment. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 90. | Individuals' conceptual and decision-making skills

|  |  |
| --- | --- |
| A.  | are most important early in their career.  |

|  |  |
| --- | --- |
| B.  | involve the ability to perform a specialized task using a specific method.  |

|  |  |
| --- | --- |
| C.  | are often referred to as people skills.  |

|  |  |
| --- | --- |
| D.  | become less important to them as they rise higher in the company.  |

|  |  |
| --- | --- |
| **E.**  | become more important to them as they grow in the company.  |

Technical skills are most important early in your career. Conceptual and decision skills become more important than technical skills as you rise higher in the company. Interpersonal skills are important throughout your career, at every level of management.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 91. | Emotional intelligence can best be defined as

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| A.  | the ability to perform a specialized task involving a particular method or process.  |

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| --- | --- |
| B.  | the ability to identify and resolve problems for the benefit of the organization and its members.  |

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| --- | --- |
| **C.**  | the skills of understanding oneself, managing oneself, and dealing effectively with others.  |

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| --- | --- |
| D.  | the skill of monitoring efforts and making the necessary changes.  |

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| --- | --- |
| E.  | the skill to lead, motivate, and communicate effectively with others.  |

Emotional intelligence, or "EQ," includes the skills of understanding oneself, managing oneself (dealing with emotions, making good decisions, seeking and using feedback, and exercising self-control), and dealing effectively with others (listening, showing empathy, motivating, and leading).  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 92. | A common complaint about leaders, especially those who are newly appointed, is that they lack

|  |  |
| --- | --- |
| A.  | self-acceptance.  |

|  |  |
| --- | --- |
| **B.**  | empathy.  |

|  |  |
| --- | --- |
| C.  | technical skills.  |

|  |  |
| --- | --- |
| D.  | decision-making skills.  |

|  |  |
| --- | --- |
| E.  | self-control.  |

A common complaint about leaders, especially newly promoted ones who had been outstanding individual performers, is that they lack what is perhaps the most fundamental of EQ skills: empathy. The issue is not lack of ability to change, but the lack of motivation to change.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 93. | Being self-reliant means individuals should

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| **A.**  | take full responsibility for themselves and their actions.  |

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| --- | --- |
| B.  | be open minded and responsive when others have innovative ideas.  |

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| --- | --- |
| C.  | always wait for orders from higher management in the organization.  |

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| --- | --- |
| D.  | trust that the organization will manage their career.  |

|  |  |
| --- | --- |
| E.  | not work in partnership with fellow employees.  |

To be self-reliant means to take full responsibility for oneself, one's actions, and one's career. Individuals cannot count on their bosses to take care of them.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 94. | Goodwill stemming from social relationships is called

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| --- | --- |
| A.  | social empathy.  |

|  |  |
| --- | --- |
| **B.**  | social capital.  |

|  |  |
| --- | --- |
| C.  | emotional intelligence.  |

|  |  |
| --- | --- |
| D.  | emotional capital.  |

|  |  |
| --- | --- |
| E.  | social value.  |

Social capital is the goodwill stemming from one's social relationships, and it can be mobilized on a person's behalf. It aids career success, compensation, employment, team effectiveness, successful entrepreneurship, and relationships with suppliers and other outsiders.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 95. | When individuals view themselves as employees and expect their employers to tell them what to do and give them pay and benefits, those individuals are acting as

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| --- | --- |
| A.  | self-reliant employees.  |

|  |  |
| --- | --- |
| B.  | agents for social capital.  |

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| --- | --- |
| **C.**  | passive employees.  |

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| --- | --- |
| D.  | emotionally intelligent employees.  |

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| --- | --- |
| E.  | connected team members.  |

When individuals view themselves as employees and expect their employers to tell them what to do and give them pay and benefits, their employers are in charge, and those individuals are passive recipients of its actions. Hence, they are considered passive employees.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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|  | Scenario A. Pizzazz is a manufacturer of fashion jewelry. The company has been operating for the past decade and is well known. When the CEO, Francesca, was asked by a local newspaper during an interview about the secret to her success, she stated that there were several reasons. She makes sure that the company always introduces new styles of jewelry to suit changes in tastes and stay a step ahead of her competitors, and the company offers its customers the best by using fine-quality semiprecious stones in artful settings. She also stated that the company's salespersons cater to customers individually to help them purchase jewelry appropriate for their personal style. Pizzazz has its own exclusive website, which can be accessed anywhere in the world, and customers are promised that they will get what they order within 36 hours.  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 96. | Which of the following success drivers of performance is Francesca using by constantly changing and introducing new jewelry styles to match the changing trends in the market and stay a step ahead of competitors?

|  |  |
| --- | --- |
| A.  | Speed |

|  |  |
| --- | --- |
| **B.**  | Innovation |

|  |  |
| --- | --- |
| C.  | Quality |

|  |  |
| --- | --- |
| D.  | Service |

|  |  |
| --- | --- |
| E.  | Cost competitiveness |

Innovation is the introduction of new goods and services. Products don't sell forever; in fact, they don't sell for nearly as long as they used to because so many competitors are introducing so many new products all the time. Firms must innovate, or they will die. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 97. | Which of the following fundamental success drivers of performance has Francesca achieved by ensuring that every customer has a salesperson to advise him or her while choosing jewelry?

|  |  |
| --- | --- |
| A.  | Sustainability |

|  |  |
| --- | --- |
| **B.**  | Service |

|  |  |
| --- | --- |
| C.  | Quality |

|  |  |
| --- | --- |
| D.  | Cost competitiveness |

|  |  |
| --- | --- |
| E.  | Innovation |

Service is the speed and dependability with which an organization delivers what customers want. An important dimension of service quality is making it easy and enjoyable for customers to experience a service or to buy and use products. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 98. | From Scenario A, it can be understood that Francesca is an example of a(n)

|  |  |
| --- | --- |
| **A.**  | strategic manager.  |

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| --- | --- |
| B.  | frontline manager.  |

|  |  |
| --- | --- |
| C.  | operational manager.  |

|  |  |
| --- | --- |
| D.  | tactical manager.  |

|  |  |
| --- | --- |
| E.  | middle-level manager.  |

Top-level managers are the senior executives of an organization and are responsible for its overall management. Top-level managers, often referred to as strategic managers, are supposed to focus on long-term issues and emphasize the survival, growth, and overall effectiveness of the organization.  |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: ApplyDifficulty: 2 MediumLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 99. | Which of the following skills is Francesca showing by taking the time to talk with the person interviewing her for the local newspaper?

|  |  |
| --- | --- |
| A.  | Conceptual and decision skills  |

|  |  |
| --- | --- |
| B.  | Monitoring skills  |

|  |  |
| --- | --- |
| **C.**  | Interpersonal skills  |

|  |  |
| --- | --- |
| D.  | Technical skills  |

|  |  |
| --- | --- |
| E.  | Negotiating skills  |

Interpersonal and communication skills influence a manager's ability to work well with people. These skills are often called people skills.  |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| --- | --- |
|  | Scenario B. Green Zoom Corp., a company that manufacturers fuel-efficient scooters, has been operating as a business for a year. The CEO, Halim, started his venture by deciding on the activities that would be involved and what his goals and objectives for the business were. He then started to recruit professional engineers and other personnel and grouped them according to their responsibilities. Every month Halim conducts a meeting where he brings attention to those who are doing good work and motivates everyone to achieve organizational goals. He also checks the daily productivity of each of the workers, monitoring them and providing training to those with low productivity. |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 100. | When Halim was deciding on the activities that would be involved in the business and establishing the goals and objectives, he was performing the \_\_\_\_\_ function of management.

|  |  |
| --- | --- |
| **A.**  | planning |

|  |  |
| --- | --- |
| B.  | organizing |

|  |  |
| --- | --- |
| C.  | leading |

|  |  |
| --- | --- |
| D.  | controlling |

|  |  |
| --- | --- |
| E.  | staffing |

Planning is specifying the goals to be achieved and deciding in advance the appropriate actions needed to achieve those goals. Plans set the stage for action and for major achievements. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 101. | Halim monitors his employees and provides training to those who are performing poorly. In this case, which of the following functions of management is Halim performing?

|  |  |
| --- | --- |
| A.  | Planning |

|  |  |
| --- | --- |
| B.  | Organizing |

|  |  |
| --- | --- |
| C.  | Leading |

|  |  |
| --- | --- |
| **D.**  | Controlling |

|  |  |
| --- | --- |
| E.  | Decision making |

Controlling monitors performance and implements necessary changes. By controlling, managers make sure that the organization's resources are being used as planned and that the organization is meeting its goals, such as quality and safety. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 102. | By recognizing good performers and motivating them toward achieving organizational goals, Halim performs the \_\_\_\_\_ function of management.

|  |  |
| --- | --- |
| A.  | planning |

|  |  |
| --- | --- |
| B.  | organizing |

|  |  |
| --- | --- |
| **C.**  | leading |

|  |  |
| --- | --- |
| D.  | controlling |

|  |  |
| --- | --- |
| E.  | decision making |

Leading is stimulating people to be high performers. It includes motivating and communicating with employees, individually and in groups. Leading involves close day-to-day contact with people, helping to guide and inspire them toward achieving team and organizational goals. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 103. | When Halim started recruiting professionals and other personnel and grouped them according to their job responsibilities, he was performing the \_\_\_\_\_ function of management.

|  |  |
| --- | --- |
| A.  | planning |

|  |  |
| --- | --- |
| **B.**  | organizing |

|  |  |
| --- | --- |
| C.  | leading |

|  |  |
| --- | --- |
| D.  | controlling |

|  |  |
| --- | --- |
| E.  | budgeting |

Organizing is assembling and coordinating the human, financial, physical, informational, and other resources needed to achieve goals. Organizing activities include attracting people to the organization, specifying job responsibilities, grouping jobs into work units, marshaling and allocating resources, and creating conditions so that people and things work together to achieve maximum success. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| --- | --- |
|  | Scenario C. Gus is the manager of Companion Treats, a bakery that specializes in cookies for cats and dog. As the manager of the bakery, he has many responsibilities. On one day he holds a meeting where he informs the employees that the company must freeze wages for the next year. An agitated employee threatens to "make the company regret this," so Gus asks the employee to leave immediately and makes sure that security personnel escort the employee off the premises. After the meeting, Gus goes to meet one of the bakery's distributors to obtain information about possible new markets for the company's products. Then he represents the company at a dinner for the retiring bank officer who handled Companion's account for many years. These are some of the roles that Gus performs as a manager. |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 104. | Which of the following roles was Gus performing when he notified the employees of the upcoming wage freeze?

|  |  |
| --- | --- |
| A.  | Negotiator |

|  |  |
| --- | --- |
| B.  | Liaison |

|  |  |
| --- | --- |
| C.  | Disseminator |

|  |  |
| --- | --- |
| **D.**  | Spokesperson |

|  |  |
| --- | --- |
| E.  | Entrepreneur |

A spokesperson speaks on behalf of the organization about plans, policies, actions (such as the pending layoff), and results. It is one of the informational roles of managers. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 105. | Which of the following roles was Gus performing when he dealt with the angry employee?

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| --- | --- |
| A.  | Monitor |

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| --- | --- |
| B.  | Negotiator |

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| --- | --- |
| **C.**  | Disturbance handler |

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| --- | --- |
| D.  | Resource allocator |

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| --- | --- |
| E.  | Liaison |

A disturbance handler is one who takes corrective action during crises or other conflicts, such as dealing with the angry employee. It is one of the decisional roles of managers. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 106. | Which of the following roles Gus performing when he attended the retirement dinner for the bank officer?

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| A.  | Liaison |

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| **B.**  | Figurehead |

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| --- | --- |
| C.  | Spokesperson |

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| --- | --- |
| D.  | Entrepreneur |

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| --- | --- |
| E.  | Disturbance handler |

A figurehead performs symbolic duties such as attending ceremonies and serving other social and legal demands. It is one of the interpersonal roles of managers. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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|  | Scenario D. Rainbow Dream Corp. is a company that produces high-quality sheets and towels. Charles, the CEO, makes all the business deals for the company. He negotiates with suppliers and gets new customers and business for the company. Charles communicates his vision for the company and what he would like it to achieve to Angela, who lays out plans to make possible the execution of that vision. Angela delegates the work accordingly by communicating to the sales and production managers Charles's vision and what he requires of them. Manny, a floor manager, makes sure that the workers do their jobs at the required pace to meet the targets and goals of the company. |

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| 107. | From Scenario D, it can be understood that Charles is a \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| **A.**  | strategic |

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| --- | --- |
| B.  | frontline |

|  |  |
| --- | --- |
| C.  | tactical |

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| --- | --- |
| D.  | operations |

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| --- | --- |
| E.  | administrative |

Top-level managers are the senior executives of an organization and are responsible for its overall management. Top-level managers, often referred to as strategic managers, are supposed to focus on long-term issues and emphasize the survival, growth, and overall effectiveness of the organization. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: ApplyDifficulty: 2 MediumLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 108. | By creating objectives and communicating them to the rest of the organization, Angela is performing the function of a(n) \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| A.  | strategic |

|  |  |
| --- | --- |
| B.  | operations |

|  |  |
| --- | --- |
| C.  | frontline |

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| --- | --- |
| **D.**  | tactical |

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| --- | --- |
| E.  | top-level |

Middle-level managers are located in the organization's hierarchy below top-level management and above the frontline managers. Sometimes called tactical managers, they are responsible for translating the general goals and plans developed by strategic managers into more specific objectives and activities. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: ApplyDifficulty: 2 MediumLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 109. | In Scenario D, Manny, the floor manager, is a \_\_\_\_\_ manager.

|  |  |
| --- | --- |
| A.  | strategic |

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| --- | --- |
| B.  | tactical |

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| --- | --- |
| C.  | middle |

|  |  |
| --- | --- |
| D.  | top-level |

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| --- | --- |
| **E.**  | frontline |

Frontline managers, or operational managers, are lower-level managers who supervise the operations of the organization. These managers often have titles such as supervisor or sales manager. They are directly involved with nonmanagement employees, implementing the specific plans developed with middle managers. |

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| *AACSB: Knowledge ApplicationAccessibility: Keyboard NavigationBlooms: ApplyDifficulty: 2 MediumLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 110. | Which of the following management skills does Angela implement by communicating with the rest of the organization?

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| --- | --- |
| **A.**  | Interpersonal skills |

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| --- | --- |
| B.  | Conceptual skills |

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| --- | --- |
| C.  | Technical skills |

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| --- | --- |
| D.  | Tactical skills |

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| --- | --- |
| E.  | Decision making skills |

Interpersonal and communication skills influence a manager's ability to work well with people. These skills are often called people skills. |

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| *AACSB: Analytical ThinkingAccessibility: Keyboard NavigationBlooms: AnalyzeDifficulty: 3 HardLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

**Essay Questions**

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| 111. | What are the four ongoing challenges that characterize the current business landscape? What is the potential impact of these challenges on business?  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 112. | Write an essay on knowledge management. Give a suitable example.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-01 Summarize the major challenges of managing in the new competitive landscape.Topic: Managing in the New Competitive Landscape* |

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| 113. | List and explain each of the six fundamental success drivers of performance.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 114. | Explain cost competitiveness and give reasons as to why a company has to worry about its cost competitiveness. Provide a suitable example.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 115. | Write an essay explaining why businesses are becoming increasingly concerned with sustainability.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-02 Describe the sources of competitive advantage for a company.Topic: Managing for Competitive Advantage* |

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| 116. | Briefly describe each of the four key management functions.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-03 Explain how the functions of management are evolving in today's business environment.Topic: The Functions of Management* |

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| 117. | Discuss how you can use social capital in your future career.  Answers will vary. |

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| *AACSB: Reflective ThinkingBlooms: ApplyDifficulty: 2 MediumLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 118. | Differentiate between the various management levels in an organization.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 119. | What is a frontline manager? List out the tasks, duties, and responsibilities of a frontline manager.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: RememberDifficulty: 2 MediumLearning Objective: 01-04 Compare how the nature of management varies at different organizational levels.Topic: Management Levels and Skills* |

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| 120. | Identify and describe one decisional role, one informational role, and one interpersonal role that managers fulfill.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 121. | Discuss the various management skills in relation to their requirement at the various management levels.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-05 Define the skills you need to be an effective manager.Topic: Management Levels and Skills* |

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| 122. | Explain the importance of emotional intelligence.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 123. | What does it mean to be self-reliant? What are the ways in which a person can be self-reliant? Give examples of professions that contain a large number of self-reliant people.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: UnderstandDifficulty: 2 MediumLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 124. | State the two possible relationships an individual can have with his or her employer.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 125. | State some of the common practices of successful executives.  Answers will vary. |

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| *AACSB: Knowledge ApplicationBlooms: RememberDifficulty: 1 EasyLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |

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| 126. | Explain why you should aim to be both a specialist and a generalist in your future career.  Answers will vary. |

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| *AACSB: Reflective ThinkingBlooms: ApplyDifficulty: 2 MediumLearning Objective: 01-06 Understand the principles that will help you manage your career.Topic: You and Your Career* |