

## Chapter 02

### The Evolution of Management

#### True / False Questions

1. In the context of the origins of management, Wu Qi, a Chinese general, discussed the importance of planning and leading in his book "The Art of War."

True   False

2. Around 400-350 BC, the Greeks recognized management as a separate art and advocated a scientific approach to work.

True   False

3. In the context of the origins of management, throughout history, most managers operated by a trial-and-error basis.

True   False

4. In the context of the origins of management, the emergence of the Hawthorne Effect drove managers to strive for further growth.

True   False

5. The opportunities for mass production created by the industrial revolution spawned intense and systematic thought about management problems and issues.

True   False

6. Management could not emerge as a formal discipline even after the industrial revolution ended.

True False

7. The evolution of management thought is divided into two major sections, namely, classical approaches and contemporary approaches.

True False

8. In the context of the classical approaches to management, the systematic management approach led to widespread production efficiency.

True False

9. Scientific management emphasized internal operations because managers were concerned primarily with meeting the explosive growth in demand brought about by the industrial revolution.

True False

10. Adam Smith introduced the scientific management approach in response to the failure of systematic management to bring about widespread production efficiency.

True False

11. As a key element of Frederick Taylor's approach, the principle of the piece-rate system primarily promoted the use of standardized workplaces that were hygienic and safe.

True False

12. Lillian Gilbreth focused on the human side of management and was interested in how job satisfaction motivated employees.

True False

13. According to Max Weber, bureaucratic positions discourage specialized skills because they foster subjective judgments by managers.

True False

14. One of the fourteen principles of management identified by Henri Fayol was the subordination of individual interest to the general interest.

True False

15. Abraham Maslow argued that people try to satisfy their lower-level needs and then progress upward to the higher-level needs.

True False

16. The human relations approach to management ignored the more rational side of the worker and the important characteristics of the formal organization.

True False

17. Sociotechnical systems theory helps a manager make a decision by developing formal mathematical models of a problem.

True False

18. Research on sociotechnical systems theory was a precursor to the total quality management (TQM) movement.

True False

19. Managers rely on the methods of quantitative management as the primary approach to decision making.

True False

20. Many aspects of a management decision cannot be expressed through mathematical symbols and formulas.

True False

21. In the context of Douglas McGregor's Theory X and Theory Y, an important implication for managers who subscribe to Theory X is known as a contingency perspective.

True False

22. According to the contingency perspective, there is only one best way to manage and organize.

True False

23. Understanding contingencies helps a manager know which sets of circumstances dictate which management actions.

True False

24. Jim Collins discovered that "level 5 leaders" often leave enduring legacies without drawing a lot of attention to themselves.

True False

25. Peter Drucker was the first person to discuss management by objective (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.

True False

26. The book "In Search of Excellence" discussed how a leader's success hinges on balancing between personal and professional effectiveness.

True False

27. Christopher A. Bartlett championed several ideas that continue to be influential to this day, including decentralization, employees as assets, corporation as a human community, and the importance of knowledge workers in the new information economy.

True False

28. Peter Senge of MIT Sloan School of Management founded the "Society of Organizational Learning."

True False

29. If one does not anticipate change and adapt to it, one's firm will not thrive in a competitive business world.

True False

30. Change continually creates both new opportunities and new demands for lowering costs and for achieving greater innovation, quality, and speed.

True False

### Multiple Choice Questions

31. In 1776, \_\_\_\_ discussed control and the principle of specialization with regard to manufacturing workers.

- A. Douglas McGregor
- B. Max Weber
- C. Frederick Taylor
- D. Abraham Maslow
- E. Adam Smith

32. \_\_\_\_ refer(s) to reductions in the average cost of a unit of production as the total volume produced increases.

- A. Smoothing
- B. Buffering
- C. Systematic management
- D. Economies of scale
- E. Quantitative management

33. \_\_\_\_\_, founded in the late 19th century, was one of the first university programs to offer management and business education.

- A. Harvard Business School at Harvard University
- B. The Wharton School at the University of Pennsylvania
- C. Stanford Graduate School of Business at Stanford University
- D. MIT Sloan School of Management at the Massachusetts Institute of Technology
- E. Kellogg School of Management at Northwestern University

34. \_\_\_\_\_ is a classical management approach that attempted to build into operations the specific procedures and processes that would ensure coordination of effort to achieve established goals and plans.

- A. Scientific management
- B. Administrative management
- C. Systematic management
- D. Human relations
- E. Bureaucracy

35. Which of the following helped organizations achieve goals through systematic management?

- A. Emphasis on the application of quantitative analysis to managerial decisions and problems
- B. Careful definition of duties and responsibilities
- C. Preservation of employees' interpersonal relationships and other human aspects of the work
- D. Focus on decentralization in decision making
- E. Encouragement of participation and provision of opportunities for individual challenge

36. \_\_\_\_ introduced the scientific management approach that advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.

- A. Frederick Taylor
- B. Henry L. Gantt
- C. Lillian M. Gilbreth
- D. Max Weber
- E. Henri Fayol

37. Which of the following is true of Frederick Taylor's contributions to scientific management as an approach to management?

- A. Taylor believed that supervisors could be motivated to provide training to underperforming workers.
- B. Taylor created the Gantt chart, which helps managers plan projects by task and time to complete those tasks.
- C. Taylor developed a system to lower costs and increase worker productivity by showing how employees could work smarter, not harder.
- D. Taylor focused less on the technical and more on the human side of management.
- E. Taylor advocated the use of the differential piece-rate system.

38. The critics of scientific management claimed that:

- A. organizations that need rapid decision making and flexibility may suffer with this approach.
- B. managers may ignore appropriate rules and regulations.
- C. managers were not trained to apply the principles of the theory.
- D. it leads to too much authority being vested in too few people.
- E. it did not help managers deal with broader external issues.

39. Bureaucracy can be defined as:

- A. a classical management approach that applied scientific methods to analyze and determine the "one best way" to complete production tasks.
- B. a classical management approach that attempted to understand and explain how human psychological and social processes interact with the formal aspects of the work situation to influence performance.
- C. a classical management approach that attempted to build into operations the specific procedures and processes that would ensure coordination of effort to achieve established goals and plans.
- D. a contemporary management approach that emphasizes the application of quantitative analysis to managerial decisions and problems.
- E. a classical management approach emphasizing a structured, formal network of relationships among specialized positions in the organization.

40. If an organization ensures that a chain of command or hierarchy is well established, which characteristic of an effective bureaucracy does it exhibit?

- A. Qualifications
- B. Division of labor
- C. Authority
- D. Ownership
- E. Rules and controls

41. Which of the following is a drawback of the bureaucratic approach to management?

- A. Production tasks are reduced to machine-like movements that lead to boredom.
- B. This approach may not help managers deal with competitors and government regulations.
- C. This approach does not accommodate rapid decision making and flexibility.
- D. This approach emphasizes only money as a worker incentive.
- E. This approach ensures that all employees perform their best with excessive rules and regulations.



42. What does initiative as one of Henri Fayol's 14 principles of management refer to?
- A. Encouraging employees to act on their own in support of the organization's direction
  - B. Promoting a unity of interests between employees and management
  - C. Determining the relative importance of superior and subordinate roles
  - D. Assigning only one supervisor to each employee
  - E. Dividing work into specialized tasks and assigning responsibilities to specific individuals
43. In the context of administrative management, \_\_\_\_ wrote the book "Dynamic Administration," which emphasized the continually changing situations that managers face. Two key contributions of the author are the notion that managers desire flexibility and the differences between motivating groups and individuals.
- A. Lillian Gilbreth
  - B. Adam Smith
  - C. Henri Fayol
  - D. Max Weber
  - E. Mary Parker Follett
44. Which of Henri Fayol's 14 principles of management refers to keeping communications within the chain of command?
- A. Discipline
  - B. Authority
  - C. Unity of command
  - D. Scalar chain
  - E. Equity

45. Which of Henri Fayol's 14 principles of management refers to determining the relative importance of superior and subordinate roles?

- A. Centralization
- B. Scalar chain
- C. Initiative
- D. Authority
- E. Discipline

46. The \_\_\_\_ approach aimed at understanding how psychological and social processes interact with the work situation to influence performance.

- A. scientific management
- B. systematic management
- C. administrative management
- D. human relations
- E. bureaucracy

47. Which term best refers to people's reactions to being observed or studied resulting in superficial rather than meaningful changes in behavior?

- A. Esprit de corps
- B. Division of labor
- C. Hawthorne effect
- D. Subordination of individual interest to the general interest
- E. Scientific management

48. Which approach was the first to emphasize informal work relationships and worker satisfaction and emerged from a scientific management study that resulted in the discovery of the Hawthorne effect?

- A. Human relations
- B. Hawthorne Studies
- C. Bureaucracy
- D. Administrative management
- E. Scientific management

49. In the context of the classical approaches to management, proponents of the \_\_\_\_ approach argued that managers should stress primarily employee welfare, motivation, and communication.

- A. scientific management
- B. systematic management
- C. administrative management
- D. human relations
- E. bureaucracy

50. In the context of the classical approaches to management, which of the following is a principle of the human relations approach?

- A. Scientific methods should be applied to analyze work.
- B. Social needs have precedence over economic needs.
- C. Management should cooperate with workers to ensure that jobs match plans.
- D. Wasteful movements can be identified and removed to increase productivity.
- E. Management is a profession and can be taught.

51. Which classical approach to management advocates that management must gain the cooperation of the group and promote job satisfaction and group norms consistent with the goals of the organization?

- A. Systematic management
- B. Scientific management
- C. Administrative management
- D. Bureaucracy
- E. Human relations

52. Which of the following is true of Abraham Maslow's contribution to the field of human relations?

- A. He emphasized the maintenance of inventories to meet consumer demand.
- B. He was concerned with meeting the explosive growth in demand brought about by the industrial revolution.
- C. He suggested that humans have five levels of needs.
- D. He concluded that management decisions were unsystematic.
- E. He advocated the application of scientific methods to analyze work.

53. According to Abraham Maslow, the most advanced human need is for:

- A. esteem.
- B. love or belonging.
- C. self-actualization.
- D. safety.
- E. homeostasis

54. Which is the most basic human need, as suggested by Abraham Maslow?

- A. Physical
- B. Safety
- C. Self-actualization
- D. Love and belonging
- E. Esteem

55. In the context of the human relations approach to management, \_\_\_\_ argued that people try to satisfy their lower-level needs and then progress upward to the higher-level needs.

- A. Elton Mayo
- B. William Procter
- C. Frederick Taylor
- D. Abraham Maslow
- E. Fritz Roethlisberger

56. According to the five levels of needs suggested by Abraham Maslow, which is the most advanced need from among the given options?

- A. Friendship
- B. Personal fulfillment
- C. Shelter
- D. Food
- E. Rest

57. Which of the following is a criticism of the human relations approach to management?
- A. Too much authority may be vested in too few people.
  - B. Rules need to be followed in a routine and biased manner.
  - C. The important characteristics of the formal organization are ignored.
  - D. Procedures may become the ends rather than the means.
  - E. Production tasks are reduced to a set of routine procedures that lead to quality control problems.
58. Which of the following approaches to management was criticized for being too simplistic, for a belief that a happy worker was a productive worker?
- A. Scientific management approach
  - B. Systematic management approach
  - C. Bureaucratic approach
  - D. Human relations approach
  - E. Administrative management approach
59. What was the aim of the human relations approach to management?
- A. Emphasizing economical operations, adequate staffing, maintenance of inventories to meet consumer demand, and organizational control
  - B. Applying scientific methods to analyze work and to determine how to complete production tasks efficiently
  - C. Eliminating the variability that results when managers in the same organization have different skills, experiences, and goals
  - D. Emphasizing the perspective of senior managers within the organization
  - E. Understanding how psychological and social processes interact with the work situation to influence performance

60. Which of the following led Taylor to introduce an approach to management known as scientific management?
- A. He believed that specific procedures and processes should be built into operations to ensure coordination of effort.
  - B. He concluded that management decisions were unsystematic and that no research to determine the best means of production existed.
  - C. He emphasized economical operations, adequate staffing, maintenance of inventories to meet consumer demand, and organizational control.
  - D. He believed that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
  - E. He advocated that the jobs themselves be standardized so that personnel changes would not disrupt the organization.
61. Which of the following is true of the sociotechnical systems theory?
- A. It emphasizes the perspective of senior managers within the organization and argues that management is a profession and can be taught.
  - B. It suggests that organizations are effective when their employees have the right tools, training, and knowledge to make products and services that are valued by customers.
  - C. It believes that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
  - D. It advocates the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
  - E. It attempts to build specific procedures and processes into operations to ensure coordination of effort.

62. Which of the following is a contemporary approach to management?

- A. Scientific management
- B. Human relations
- C. Administrative management
- D. Systematic management
- E. Quantitative management

63. This approach to management owes much to other major schools of thought. For example, many of the ideas of the Gilbreths (scientific management) and Barnard and Follett (administrative management) influenced its development from 1930 to 1955. In fact, it emerged from a research project that began as a scientific management study. Which classical approach to management has been described here?

- A. Administrative management
- B. Systematic management
- C. Scientific management
- D. Human relations
- E. Bureaucracy

64. The classical approaches as a whole were criticized because:

- A. they overemphasized the relationship between an organization and its external environment.
- B. they assumed employees wanted to work and could direct and control themselves.
- C. most managers were not trained in using the classical approaches.
- D. they usually stressed one aspect of an organization or its employees at the expense of other considerations.
- E. many aspects of a management decision could not be expressed through mathematical symbols and formulas.



65. Which of the following statements is true of the systems theory?

- A. It emphasizes that an organization is one system in a series of subsystems.
- B. It implements a piece-rate system in which workers are paid additional wages when they exceed a standard level of output for each job.
- C. It enforces a system that suggests that frontline supervisors should receive a bonus for each of their workers who completed their assigned daily tasks.
- D. It develops a system to lower costs and increase worker productivity by showing how employees could work smarter, not harder.
- E. It suggests that organizations are effective when they have the social system and the technical system to make products and services that are valued by customers.

66. Which of the following is an input used by organizations?

- A. Raw materials
- B. Trademarks
- C. Esprit de corps
- D. Contingencies
- E. Incentives

67. In the context of contemporary approaches to management, research on \_\_\_\_ promoted the use of teamwork and semiautonomous work groups as important factors for creating efficient production systems.

- A. organizational behavior
- B. bureaucracy
- C. sociotechnical systems theory
- D. human relations
- E. administrative management

68. Which is the correct statement about the sociotechnical systems theory?

- A. Most organizations did not adopt the sociotechnical systems theory for management problems until the year 2000.
- B. It was the first major approach to emphasize informal work relationships and worker satisfaction.
- C. It was put into action in the late 1980s and 1990s when each of the large U.S. automakers created cooperative ventures with the major Japanese automakers.
- D. It emphasized the perspective of senior managers within an organization.
- E. It emphasized a structured, formal network of relationships among specialized positions in an organization.

69. In the context of contemporary approaches to management, managers may use \_\_\_\_ to compare alternatives and eliminate weaker options.

- A. quantitative management
- B. organizational behavior
- C. the sociotechnical systems theory
- D. the contingency perspective
- E. administrative management

70. What explains the limited use of quantitative management?

- A. It is difficult to discontinue the use of this process once it has been established.
- B. Many of the decisions managers face are nonroutine and unpredictable.
- C. Managers are oriented more toward things than toward people.
- D. It holds that all aspects of a management decision should mandatorily be expressed through mathematical symbols and formulas.
- E. It believes that economic needs have precedence over social needs.

71. Which contemporary approach to management has been used in a limited manner because many aspects of a management decision cannot be expressed through mathematical symbols and formulas?

- A. Organizational behavior
- B. Systematic management
- C. Quantitative management
- D. Human relations
- E. Administrative management

72. \_\_\_\_ is a contemporary management approach that studies and identifies management activities that promote employee effectiveness by examining the complex and dynamic nature of individual, group, and organizational processes.

- A. Quantitative management
- B. Organizational behavior
- C. Systems theory
- D. Contingency perspective
- E. Sociotechnical systems theory

73. A manager assumes workers are lazy and irresponsible and require constant supervision and external motivation to achieve organizational goals. Which of the following does the manager most likely follow?

- A. Theory X
- B. Sociotechnical systems approach
- C. Bureaucracy approach
- D. Human relations approach
- E. Systems theory

74. When a manager treats employees as lazy, unmotivated, and in need of tight supervision, the employees eventually meet the manager's expectations by acting that way. According to Douglas McGregor, this is known as:

- A. a contingency.
- B. an open system.
- C. a physiological need.
- D. a self-fulfilling prophecy.
- E. a bureaucratic approach.

75. McGregor advocated a \_\_\_\_\_, suggesting that managers who encourage participation and allow opportunities for individual challenge and initiative would achieve superior performance.

- A. Theory X perspective
- B. Theory Y perspective
- C. bureaucratic approach
- D. human relations approach
- E. contingency perspective

76. What is a feature of organizational behavior?

- A. The more recent contributions made by organizational behavior have a narrower viewpoint.
- B. Unlike other approaches, it has always been appreciated for its broad perspective.
- C. It does not address factors like employee involvement and self-management.
- D. Through the years, organizational behavior has consistently emphasized development of organizations' human resources to achieve organizational rather than individual goals.
- E. In the past few years, many of the primary issues addressed by organizational behavior have experienced a rebirth with a greater interest in leadership.

77. Which of the following statements is true of organizational behavior?

- A. It does not address factors like self-management.
- B. Unlike other approaches, it has always been appreciated for its broad perspective.
- C. The more recent contributions have a narrower viewpoint.
- D. It emphasizes development of an organization's human resources to achieve individual goals.
- E. In the past few years, its primary focus has shifted away from leadership and employee involvement.

78. Which of the following is a criticism of the classical approaches to management as a whole?

- A. The relationship between an organization and its external environment is ignored.
- B. Most managers are not trained to use these techniques.
- C. Many aspects of a management decision cannot be expressed through mathematical symbols and formulas.
- D. Many of the decisions managers face are nonroutine and unpredictable.
- E. There is only "one best way" to manage and organize because circumstances vary.

79. Organizations are open systems, and they are dependent on \_\_\_\_ from the outside world, such as raw materials, human resources, and capital.

- A. contingencies
- B. inputs
- C. intangibles
- D. control systems
- E. outputs

80. The \_\_\_\_ refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance.

- A. contingency perspective
- B. scientific management approach
- C. human relations approach
- D. organizational behavior approach
- E. sociotechnical systems theory

81. In the context of the systems theory, factors that determine the appropriateness of managerial actions are known as \_\_\_\_.

- A. systems
- B. additions
- C. experiments
- D. inventories
- E. contingencies

82. In the context of the systems theory, understanding \_\_\_\_ helps a manager know which sets of circumstances dictate which management actions.

- A. inputs
- B. physical needs
- C. economies
- D. contingencies
- E. outputs

83. The values, goals, skills, and attitudes of managers and workers in an organization are examples of \_\_\_\_.

- A. inventories
- B. outputs
- C. esprit de corps
- D. tasks
- E. contingencies

84. Jim Collins discovered that great companies are managed by \_\_\_\_ who often display humility while simultaneously inspiring those in the organization to apply self-discipline and self-responsibility while pursuing high standards.

- A. level 5 leaders
- B. level 4 leaders
- C. level 3 leaders
- D. level 2 leaders
- E. level 1 leaders

85. In the context of modern contributors, which of the following was a major contribution of management guru, Peter Drucker?

- A. The discovery that great companies are managed by "level 5 leaders" who often display humility while simultaneously inspiring those in the organization to apply self-discipline
- B. The focus on the areas of organizational learning and change
- C. The ability to urge U.S. firms to fight their competition by refocusing their business strategies on several drivers of success like people and customers
- D. The focus on the "strategic and organizational challenges confronting managers in multinational corporations"
- E. The need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives

86. In the context of modern contributors, which of the following ideas was championed by Peter Drucker that continues to be influential to this day?

- A. Employees as liabilities
- B. Centralization
- C. Corporation as a human community
- D. Employees being controlled by a supervisor
- E. Bureaucracy

87. Which of the following is true of Peter Senge's contributions to management thought and practices?

- A. He has made several significant contributions to the areas of organizational learning and change.
- B. He was the first person to discuss "management by objective" (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
- C. He established the need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives.
- D. He advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- E. He contends that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.



88. Identify the right statement about the contribution made by Jack Welch toward management thought and practices.

- A. He is known for being the first person to discuss "management by objective" (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
- B. He established the need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives.
- C. He contends that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
- D. He advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- E. He is widely viewed as having mastered "all of the critical aspects of leadership: people, process, strategy and structure."

89. Which of the following was a key feature in Stephen Covey's book, the Seven Habits of Highly Effective People: Powerful Lessons in Personal Change?

- A. He analyzed 1,435 companies to understand why some companies reach high levels of sustained performance while other companies fail to reach greatness.
- B. He discussed "management by objective" (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
- C. He focused on the strategic and organizational challenges confronting managers in multinational corporations.
- D. He discussed how a leader's success hinges on balancing between personal and professional effectiveness.
- E. He urged U.S. firms to fight their competition by refocusing their business strategies on several drivers of success: people, customers, values, culture, action, and an entrepreneurial spirit.

90. In the context of managerial approaches, which of the following is true of change?

- A. The best managers today embrace change by moving from contemporary managerial approaches to classic managerial approaches.
- B. If one does not anticipate change and adapt to it, one's firm will not thrive in a competitive business environment.
- C. Management knowledge and practices remain constant in the face of change.
- D. Change prevents businesses from achieving greater quality and speed.
- E. Change is happening at a slower rate than at any other time in history.

### Essay Questions

91. Describe the systematic approach to management.

92. What are the four principles of scientific management as identified by Frederick Taylor?

93. In the context of Frederick Taylor's theory of scientific management, discuss about time-and-motion studies and the differential piece-rate system.

94. What was Henry L. Gantt's contribution to scientific management?

95. What are the shortcomings of Max Weber's bureaucratic approach to management?

96. List and define Henri Fayol's 14 principles of management.

97. How did the "Hawthorne Studies" lead to the discovery of the Hawthorne Effect?

98. Summarize quantitative management as a contemporary approach to management.

99. Write a short note on Douglas McGregor's Theory X and Theory Y.

100. How did the contingency approach build on the ideas of the systems theory?

### Multiple Choice Questions

Scenario A.

101. In the context of Scenario A, which of the following approaches to management does Madill Corp. follow?

- A. Scientific management
- B. Human relations
- C. Quantitative management
- D. Bureaucracy
- E. Sociotechnical systems theory

102. In the context of Scenario A, which of the following is true of the organizational structure of Madill Corp.?

- A. Employee loyalty and longevity is promoted.
- B. A unity of interests between employees and management is promoted.
- C. Employees are encouraged to act on their own in support of the organization's direction.
- D. A chain of command or hierarchy is well established.
- E. Efforts that support the organization's direction are systematically rewarded.

Scenario B.

Use the information given below to answer the following questions. Amelie, a manager in a company, had to complete an important project that had a "near impossible" deadline. Instead of assuming that offering financial incentives would be the best way to get the work done, she devoted some time to understand what motivated each of her team members to work harder. She found that some people craved recognition more than money, whereas others wanted more influence in the organization. With this information, she was able to offer the right incentive to each person. As a result, her team was able to meet the deadline.

103. In the context of Scenario B, which of the following approaches to management does Amelie subscribe to?

- A. Hawthorne Effect
- B. Contingency perspective
- C. Centralization
- D. Bureaucracy
- E. Economies of scale

104. In the context of Scenario B, which of the following is true of Amelie's beliefs?

- A. Managers should be oriented more toward things than toward people.
- B. A pay system in which workers were paid additional wages when they exceeded a standard level of output for each job should be implemented.
- C. Managers may ignore appropriate rules and regulations.
- D. A piece-rate system will motivate supervisors to provide extra attention to struggling workers.
- E. There is no "one best way" to manage and organize because circumstances vary.

Scenario C.

105. In the context of Scenario C, which of the following principles of management does Janice's manager believe in?

- A. Scientific management
- B. Douglas McGregor's Theory X
- C. Abraham Maslow's Hierarchy of Needs theory
- D. Henri Fayol's principle of esprit de corps
- E. Systematic management

106. In the context of Scenario C, the phenomenon in which Janice meets her manager's expectations by behaving in an irresponsible manner is known as a(n):

- A. self-fulfilling prophecy.
- B. contingency.
- C. administrative effect.
- D. flexible process.
- E. economy of scale.

## Chapter 02 The Evolution of Management Answer Key

### True / False Questions

1. In the context of the origins of management, Wu Qi, a Chinese general, discussed the importance of planning and leading in his book "The Art of War."

**FALSE**

In 500 BC, Sun Tzu discussed the importance of planning and leading in his book "The Art of War."

*AACSB: Analytical Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Origins of Management*

2. Around 400-350 BC, the Greeks recognized management as a separate art and advocated a scientific approach to work.

**TRUE**

Around 400-350 BC, the Greeks recognized management as a separate art and advocated a scientific approach to work.

*AACSB: Analytical Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Origins of Management*



3. In the context of the origins of management, throughout history, most managers operated by a trial-and-error basis.

TRUE

Throughout history, most managers operated by a trial-and-error basis.

*AACSB: Analytical Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 1 Easy*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Origins of Management*

4. In the context of the origins of management, the emergence of the Hawthorne Effect drove managers to strive for further growth.

FALSE

The emergence of economies of scale-reductions in the average cost of a unit of production as the total volume produced increases.

*AACSB: Analytical Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Origins of Management*

5. The opportunities for mass production created by the industrial revolution spawned intense and systematic thought about management problems and issues.

TRUE

The opportunities for mass production created by the industrial revolution spawned intense and systematic thought about management problems and issues.

*AACSB: Analytical Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Origins of Management*

6. Management could not emerge as a formal discipline even after the industrial revolution ended.

**FALSE**

Toward the end of the industrial revolution, management emerged as a formal discipline.

*AACSB: Analytical Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Origins of Management*

7. The evolution of management thought is divided into two major sections, namely, classical approaches and contemporary approaches.

**TRUE**

The historical perspective of the evolution of management thought is divided into two major sections: classical approaches and contemporary approaches.

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*Accessibility: Keyboard Navigation*

*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: The Evolution of Management*

8. In the context of the classical approaches to management, the systematic management approach led to widespread production efficiency.

**FALSE**

Systematic management failed to lead to widespread production efficiency.

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*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

9. Scientific management emphasized internal operations because managers were concerned primarily with meeting the explosive growth in demand brought about by the industrial revolution.

**FALSE**

Systematic management emphasized internal operations because managers were concerned primarily with meeting the explosive growth in demand brought about by the industrial revolution.

*AACSB: Analytical Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

10. Adam Smith introduced the scientific management approach in response to the failure of systematic management to bring about widespread production efficiency.

**FALSE**

Systematic management failed to lead to widespread production efficiency. This shortcoming became apparent to a young engineer who observed the inefficiencies of the classical approaches to management.

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*Accessibility: Keyboard Navigation*

*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

11. As a key element of Frederick Taylor's approach, the principle of the piece-rate system primarily promoted the use of standardized workplaces that were hygienic and safe.

**FALSE**

A key element of Frederick Taylor's approach was the use of the differential piece-rate system. Taylor assumed workers were motivated by money.

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*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

12. Lillian Gilbreth focused on the human side of management and was interested in how job satisfaction motivated employees.

**TRUE**

Known as the "mother of modern management," Lillian Gilbreth eventually focused less on the technical and more on the human side of management.

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*Accessibility: Keyboard Navigation*

*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

13. According to Max Weber, bureaucratic positions discourage specialized skills because they foster subjective judgments by managers.

FALSE

According to Max Weber, bureaucracies are especially important because they allow large organizations to perform the many

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*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

14. One of the fourteen principles of management identified by Henri Fayol was the subordination of individual interest to the general interest.

TRUE

Fayol identified 14 principles of management: division of work, authority, discipline, unity of command, unity of direction, subordination of individual interest to the general interest, etc.

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

15. Abraham Maslow argued that people try to satisfy their lower-level needs and then progress upward to the higher-level needs.

TRUE

In 1943, Abraham Maslow suggested that humans have five levels of needs. Maslow argued that people try to satisfy their lower-level needs and then progress upward to the higher-level needs.

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*Accessibility: Keyboard Navigation*

*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

16. The human relations approach to management ignored the more rational side of the worker and the important characteristics of the formal organization.

**TRUE**

While scientific management overemphasized the economic and formal aspects of the workplace, human relations ignored the

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

17. Sociotechnical systems theory helps a manager make a decision by developing formal mathematical models of a problem.

**FALSE**

Quantitative management helps a manager make a decision by developing formal mathematical models of a problem.

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*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

18. Research on sociotechnical systems theory was a precursor to the total quality management (TQM) movement.

TRUE

While research on sociotechnical systems theory was a precursor to the total quality management (TQM) movement, it also p

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

19. Managers rely on the methods of quantitative management as the primary approach to decision making.

FALSE

Despite the promise quantitative management holds, managers do not rely on these methods as the primary approach to de

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*Accessibility: Keyboard Navigation*

*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

20. Many aspects of a management decision cannot be expressed through mathematical symbols and formulas.

TRUE

Several explanations account for the limited use of quantitative management. Many aspects of a management decision cannot

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

21. In the context of Douglas McGregor's Theory X and Theory Y, an important implication for managers who subscribe to Theory X is known as a contingency perspective.

**FALSE**

During the 1960s, organizational behaviorists heavily influenced the field of management. Douglas McGregor's Theory X and

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

22. According to the contingency perspective, there is only one best way to manage and organize.

**FALSE**

Building on systems theory ideas, the contingency perspective refutes universal principles of management by stating that a va

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

23. Understanding contingencies helps a manager know which sets of circumstances dictate which management actions.

**TRUE**

Situational characteristics are called contingencies. Understanding contingencies helps a manager know which sets of circum

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

24. Jim Collins discovered that "level 5 leaders" often leave enduring legacies without drawing a lot of attention to themselves.

**TRUE**

In 2001, Jim Collins authored an influential book titled "Good to Great" in which he and his research team analyzed 1,435 companies that had transformed their organization to apply self-discipline and self-responsibility while pursuing high standards. These leaders often leave enduring legacies without drawing a lot of attention to themselves.

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: Modern Contributors*

25. Peter Drucker was the first person to discuss management by objective (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.

**TRUE**

Peter Drucker was a respected management guru who, through his writings and consulting, made several lasting contributions to the field of management.

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: Modern Contributors*

26. The book "In Search of Excellence" discussed how a leader's success hinges on balancing between personal and professional effectiveness.

FALSE

In 1982, Thomas J. Peters and Robert H. Waterman wrote the best-selling book "In Search of Excellence," which urged U.S. firms to

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: Modern Contributors*

27. Christopher A. Bartlett championed several ideas that continue to be influential to this day, including decentralization, employees as assets, corporation as a human community, and the importance of knowledge workers in the new information economy.

FALSE

Peter Drucker championed several ideas that continue to be influential to this day, including decentralization, employees as assets, and the importance of knowledge workers in the new information economy.

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*Blooms: Remember*

*Blooms: RememberLevel of*

*Difficulty: 1 Easy*

*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: Modern Contributors*

28. Peter Senge of MIT Sloan School of Management founded the "Society of Organizational Learning."

TRUE

Peter Senge of MIT Sloan School of Management has made several significant contributions to the areas of organizational learning and knowledge management.

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: Modern Contributors*

29. If one does not anticipate change and adapt to it, one's firm will not thrive in a competitive business world.

TRUE

The essential facts about change are these: First, change is happening more rapidly and dramatically than at any other time in

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: An Eye on the Future*

30. Change continually creates both new opportunities and new demands for lowering costs and for achieving greater innovation, quality, and speed.

TRUE

Change continually creates both new opportunities and new demands for lowering costs and for achieving greater innovation

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: An Eye on the Future*

## Multiple Choice Questions

31. In 1776, \_\_\_\_ discussed control and the principle of specialization with regard to manufacturing workers.

- A. Douglas McGregor
- B. Max Weber
- C. Frederick Taylor
- D. Abraham Maslow
- E. Adam Smith

In 1776, Adam Smith discussed control and the principle of specialization with regard to manufacturing workers.

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Origins of Management*

32. \_\_\_\_ refer(s) to reductions in the average cost of a unit of production as the total volume produced increases.

- A. Smoothing
- B. Buffering
- C. Systematic management
- D. Economies of scale
- E. Quantitative management

The emergence of economies of scale-reductions in the average cost of a unit of production as the total volume produced increases.

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Origins of Management*

33. \_\_\_\_\_, founded in the late 19th century, was one of the first university programs to offer management and business education.

- A. Harvard Business School at Harvard University
- B. The Wharton School at the University of Pennsylvania**
- C. Stanford Graduate School of Business at Stanford University
- D. MIT Sloan School of Management at the Massachusetts Institute of Technology
- E. Kellogg School of Management at Northwestern University

The first university programs to offer management and business education, the Wharton School at the University of Pennsylvania

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Origins of Management*

34. \_\_\_\_\_ is a classical management approach that attempted to build into operations the specific procedures and processes that would ensure coordination of effort to achieve established goals and plans.

- A. Scientific management
- B. Administrative management
- C. Systematic management**
- D. Human relations
- E. Bureaucracy

Systematic management is a classical management approach that attempted to build into operations the specific procedures

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

35. Which of the following helped organizations achieve goals through systematic management?
- A. Emphasis on the application of quantitative analysis to managerial decisions and problems
  - B. Careful definition of duties and responsibilities**
  - C. Preservation of employees' interpersonal relationships and other human aspects of the work
  - D. Focus on decentralization in decision making
  - E. Encouragement of participation and provision of opportunities for individual challenge

Systematic management emphasized economical operations, adequate staffing, maintenance of inventories to meet consumer demand.

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

36. \_\_\_\_\_ introduced the scientific management approach that advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- A. Frederick Taylor**
  - B. Henry L. Gantt
  - C. Lillian M. Gilbreth
  - D. Max Weber
  - E. Henri Fayol

Frederick Taylor introduced an approach to management known as scientific management. This approach advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.

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*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

37. Which of the following is true of Frederick Taylor's contributions to scientific management as an approach to management?

- A. Taylor believed that supervisors could be motivated to provide training to underperforming workers.
- B. Taylor created the Gantt chart, which helps managers plan projects by task and time to complete those tasks.
- C. Taylor developed a system to lower costs and increase worker productivity by showing how employees could work smarter, not harder.
- D. Taylor focused less on the technical and more on the human side of management.
- E. Taylor advocated the use of the differential piecerate system.

A key element of Taylor's approach was the use of the differential piecerate system.

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

38. The critics of scientific management claimed that:

- A. organizations that need rapid decision making and flexibility may suffer with this approach.
- B. managers may ignore appropriate rules and regulations.
- C. managers were not trained to apply the principles of the theory.
- D. it leads to too much authority being vested in too few people.
- E. it did not help managers deal with broader external issues.

Not everyone was convinced that scientific management was the best solution to all business problems. Although scientific m

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*Difficulty: 2 Medium*

39. Bureaucracy can be defined as:
- A. a classical management approach that applied scientific methods to analyze and determine the "one best way" to complete production tasks.
  - B. a classical management approach that attempted to understand and explain how human psychological and social processes interact with the formal aspects of the work situation to influence performance.
  - C. a classical management approach that attempted to build into operations the specific procedures and processes that would ensure coordination of effort to achieve established goals and plans.
  - D. a contemporary management approach that emphasizes the application of quantitative analysis to managerial decisions and problems.
  - E. a classical management approach emphasizing a structured, formal network of relationships among specialized positions in the organization.

Bureaucracy can be defined as a classical management approach emphasizing a structured, formal network of relationships a

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*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*



40. If an organization ensures that a chain of command or hierarchy is well established, which characteristic of an effective bureaucracy does it exhibit?

- A. Qualifications
- B. Division of labor
- C. Authority
- D. Ownership
- E. Rules and controls

Max Weber showed how management itself could be more efficient and consistent. The ideal model for management, according to Weber, is a hierarchy that is well established.

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

41. Which of the following is a drawback of the bureaucratic approach to management?

- A. Production tasks are reduced to machine-like movements that lead to boredom.
- B. This approach may not help managers deal with competitors and government regulations.
- C. This approach does not accommodate rapid decision making and flexibility.
- D. This approach emphasizes only money as a worker incentive.
- E. This approach ensures that all employees perform their best with excessive rules and regulations.

Organizations or departments that need rapid decision making and flexibility may suffer under a bureaucratic approach. Some

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*

42. What does initiative as one of Henri Fayol's 14 principles of management refer to?

- A. Encouraging employees to act on their own in support of the organization's direction
- B. Promoting a unity of interests between employees and management
- C. Determining the relative importance of superior and subordinate roles
- D. Assigning only one supervisor to each employee
- E. Dividing work into specialized tasks and assigning responsibilities to specific individuals

Initiative involves encouraging employees to act on their own in support of the organization's direction.

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Difficulty: 2 Medium

Learning Objective: 02-02 Summarize the five classical approaches to management.

Topic: Classical Approaches

43. In the context of administrative management, \_\_\_\_ wrote the book "Dynamic Administration," which emphasized the continually changing situations that managers face. Two key contributions of the author are the notion that managers desire flexibility and the differences between motivating groups and individuals.

- A. Lillian Gilbreth
- B. Adam Smith
- C. Henri Fayol
- D. Max Weber
- E. Mary Parker Follett

Mary Parker Follett's 1942 book, "Dynamic Administration," extended Barnard's work by emphasizing the continually changing

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Blooms: Remember

Difficulty: 1 Easy

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

44. Which of Henri Fayol's 14 principles of management refers to keeping communications within the chain of command?

- A. Discipline
- B. Authority
- C. Unity of command
- D. Scalar chain
- E. Equity

An explicit and broad framework for administrative management emerged in 1916, when Henri Fayol, a French mining engineer,

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*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

45. Which of Henri Fayol's 14 principles of management refers to determining the relative importance of superior and subordinate roles?

- A. Centralization
- B. Scalar chain
- C. Initiative
- D. Authority
- E. Discipline

An explicit and broad framework for administrative management emerged in 1916, when Henri Fayol, a French mining engineer,

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

46. The \_\_\_\_ approach aimed at understanding how psychological and social processes interact with the work situation to influence performance.

- A. scientific management
- B. systematic management
- C. administrative management
- D. human relations
- E. bureaucracy

A fourth approach to management, human relations, developed during the 1930s. This approach aimed at understanding how

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*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

47. Which term best refers to people's reactions to being observed or studied resulting in superficial rather than meaningful changes in behavior?

- A. Esprit de corps
- B. Division of labor
- C. Hawthorne effect
- D. Subordination of individual interest to the general interest
- E. Scientific management

The Hawthorne effect refers to people's reactions to being observed or studied resulting in superficial rather than meaningful

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*Difficulty: 1 Easy*

*Learning Objective: 02-01 Describe the origins of management practice and its early concepts and influences.*

*Topic: Classical Approaches*

48. Which approach was the first to emphasize informal work relationships and worker satisfaction and emerged from a scientific management study that resulted in the discovery of the Hawthorne effect?

- A. Human relations
- B. Hawthorne Studies
- C. Bureaucracy
- D. Administrative management
- E. Scientific management

Human relations is an approach that aimed at understanding how psychological and social processes interact with the work s

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

49. In the context of the classical approaches to management, proponents of the \_\_\_\_ approach argued that managers should stress primarily employee welfare, motivation, and communication.

- A. scientific management
- B. systematic management
- C. administrative management
- D. human relations
- E. bureaucracy

Human relations proponents argued that managers should stress primarily employee welfare, motivation, and communication

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

50. In the context of the classical approaches to management, which of the following is a principle of the human relations approach?

- A. Scientific methods should be applied to analyze work.
- B.** Social needs have precedence over economic needs.
- C. Management should cooperate with workers to ensure that jobs match plans.
- D. Wasteful movements can be identified and removed to increase productivity.
- E. Management is a profession and can be taught.

Human relations proponents argued that managers should stress primarily employee welfare, motivation, and communication.

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

51. Which classical approach to management advocates that management must gain the cooperation of the group and promote job satisfaction and group norms consistent with the goals of the organization?

- A. Systematic management
- B. Scientific management
- C. Administrative management
- D. Bureaucracy
- E.** Human relations

Human relations proponents argued that managers should stress primarily employee welfare, motivation, and communication.

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*Blooms: Remember*

*Difficulty: 1 Easy*

52. Which of the following is true of Abraham Maslow's contribution to the field of human relations?

- A. He emphasized the maintenance of inventories to meet consumer demand.
- B. He was concerned with meeting the explosive growth in demand brought about by the industrial revolution.
- C. He suggested that humans have five levels of needs.
- D. He concluded that management decisions were unsystematic.
- E. He advocated the application of scientific methods to analyze work.

Another noted contributor to the field of human relations was Abraham Maslow. In 1943, Maslow suggested that humans have

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

53. According to Abraham Maslow, the most advanced human need is for:

- A. esteem.
- B. love or belonging.
- C. self-actualization.
- D. safety.
- E. homeostasis

Another noted contributor to the field of human relations was Abraham Maslow. In 1943, Maslow suggested that humans have

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

54. Which is the most basic human need, as suggested by Abraham Maslow?

- A. Physical
- B. Safety
- C. Self-actualization
- D. Love and belonging
- E. Esteem

Another noted contributor to the field of human relations was Abraham Maslow. In 1943, Maslow suggested that humans have

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

55. In the context of the human relations approach to management, \_\_\_\_ argued that people try to satisfy their lower-level needs and then progress upward to the higher-level needs.

- A. Elton Mayo
- B. William Procter
- C. Frederick Taylor
- D. Abraham Maslow
- E. Fritz Roethlisberger

In 1943, Abraham Maslow suggested that humans have five levels of needs. Maslow argued that people try to satisfy their low

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*Blooms: Remember*

*Difficulty: 1 Easy*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*



56. According to the five levels of needs suggested by Abraham Maslow, which is the most advanced need from among the given options?

- A. Friendship
- B. Personal fulfillment**
- C. Shelter
- D. Food
- E. Rest

In 1943, Abraham Maslow suggested that humans have five levels of needs. The most basic needs are the physical needs for

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

57. Which of the following is a criticism of the human relations approach to management?

- A. Too much authority may be vested in too few people.
- B. Rules need to be followed in a routine and biased manner.
- C. The important characteristics of the formal organization are ignored.**
- D. Procedures may become the ends rather than the means.
- E. Production tasks are reduced to a set of routine procedures that lead to quality control problems.

Human relations ignored the more rational side of the worker and the important characteristics of the formal organization.

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

58. Which of the following approaches to management was criticized for being too simplistic, for a belief that a happy worker was a productive worker?

- A. Scientific management approach
- B. Systematic management approach
- C. Bureaucratic approach
- D. Human relations approach
- E. Administrative management approach

Critics believed that one result of human relations-a belief that a happy worker was a productive worker-was too simplistic.

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

59. What was the aim of the human relations approach to management?

- A. Emphasizing economical operations, adequate staffing, maintenance of inventories to meet consumer demand, and organizational control
- B. Applying scientific methods to analyze work and to determine how to complete production tasks efficiently
- C. Eliminating the variability that results when managers in the same organization have different skills, experiences, and goals
- D. Emphasizing the perspective of senior managers within the organization
- E. Understanding how psychological and social processes interact with the work situation to influence performance

Human relations was a significant step in the development of management thought because it prompted managers and rese

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*Topic: Classical Approaches*

60. Which of the following led Taylor to introduce an approach to management known as scientific management?
- A. He believed that specific procedures and processes should be built into operations to ensure coordination of effort.
  - B. He concluded that management decisions were unsystematic and that no research to determine the best means of production existed.**
  - C. He emphasized economical operations, adequate staffing, maintenance of inventories to meet consumer demand, and organizational control.
  - D. He believed that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
  - E. He advocated that the jobs themselves be standardized so that personnel changes would not disrupt the organization.

Taylor discovered that production and pay were poor, inefficiency and waste were prevalent, and most companies had tremen-

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

61. Which of the following is true of the sociotechnical systems theory?

- A. It emphasizes the perspective of senior managers within the organization and argues that management is a profession and can be taught.
- B. It suggests that organizations are effective when their employees have the right tools, training, and knowledge to make products and services that are valued by customers.
- C. It believes that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
- D. It advocates the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
- E. It attempts to build specific procedures and processes into operations to ensure coordination of effort.

Drawing on several classical approaches, sociotechnical systems theory suggests that organizations are effective when their e

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

62. Which of the following is a contemporary approach to management?

- A. Scientific management
- B. Human relations
- C. Administrative management
- D. Systematic management
- E. Quantitative management

The contemporary approaches to management include sociotechnical systems theory, quantitative management, organization

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63. This approach to management owes much to other major schools of thought. For example, many of the ideas of the Gilbreths (scientific management) and Barnard and Follett (administrative management) influenced its development from 1930 to 1955. In fact, it emerged from a research project that began as a scientific management study. Which classical approach to management has been described here?

- A. Administrative management
- B. Systematic management
- C. Scientific management
- D. Human relations
- E. Bureaucracy

The human relations approach owes much to other major schools of thought. For example, many of the ideas of the Gilbreth

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*Topic: Contemporary Approaches*

64. The classical approaches as a whole were criticized because:

- A. they overemphasized the relationship between an organization and its external environment.
- B. they assumed employees wanted to work and could direct and control themselves.
- C. most managers were not trained in using the classical approaches.
- D. they usually stressed one aspect of an organization or its employees at the expense of other considerations.
- E. many aspects of a management decision could not be expressed through mathematical symbols and formulas.

The classical approaches as a whole were criticized because they (1) ignored the relationship between the organization and its

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*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

65. Which of the following statements is true of the systems theory?

- A. It emphasizes that an organization is one system in a series of subsystems.
- B. It implements a piece-rate system in which workers are paid additional wages when they exceed a standard level of output for each job.
- C. It enforces a system that suggests that frontline supervisors should receive a bonus for each of their workers who completed their assigned daily tasks.
- D. It develops a system to lower costs and increase worker productivity by showing how employees could work smarter, not harder.
- E. It suggests that organizations are effective when they have the social system and the technical system to make products and services that are valued by customers.

Systems theory emphasizes that an organization is one system in a series of subsystems. Systems theory points out that each

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*Topic: Contemporary Approaches*

66. Which of the following is an input used by organizations?

- A. Raw materials
- B. Trademarks
- C. Esprit de corps
- D. Contingencies
- E. Incentives

Organizations are open systems, dependent on inputs from the outside world, such as raw materials, human resources, and capital.

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67. In the context of contemporary approaches to management, research on \_\_\_\_ promoted the use of teamwork and semiautonomous work groups as important factors for creating efficient production systems.

- A. organizational behavior
- B. bureaucracy
- C. sociotechnical systems theory
- D. human relations
- E. administrative management

While research on sociotechnical systems theory was a precursor to the total quality management (TQM) movement, it also p

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68. Which is the correct statement about the sociotechnical systems theory?

- A. Most organizations did not adopt the sociotechnical systems theory for management problems until the year 2000.
- B. It was the first major approach to emphasize informal work relationships and worker satisfaction.
- C. It was put into action in the late 1980s and 1990s when each of the large U.S. automakers created cooperative ventures with the major Japanese automakers.
- D. It emphasized the perspective of senior managers within an organization.
- E. It emphasized a structured, formal network of relationships among specialized positions in an organization.

Sociotechnical systems theory was put into action back in the late 1980s and 1990s when each of the large U.S. automakers-G

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69. In the context of contemporary approaches to management, managers may use \_\_\_\_ to compare alternatives and eliminate weaker options.

- A. quantitative management
- B. organizational behavior
- C. the sociotechnical systems theory
- D. the contingency perspective
- E. administrative management

Despite the promise quantitative management holds, managers do not rely on these methods as the primary approach to de the process to compare alternatives and eliminate weaker options.

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*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

70. What explains the limited use of quantitative management?

- A. It is difficult to discontinue the use of this process once it has been established.
- B.** Many of the decisions managers face are nonroutine and unpredictable.
- C. Managers are oriented more toward things than toward people.
- D. It holds that all aspects of a management decision should mandatorily be expressed through mathematical symbols and formulas.
- E. It believes that economic needs have precedence over social needs.

Several explanations account for the limited use of quantitative management. Many managers have not been trained in using

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*Topic: Contemporary Approaches*

71. Which contemporary approach to management has been used in a limited manner because many aspects of a management decision cannot be expressed through mathematical symbols and formulas?

- A. Organizational behavior
- B. Systematic management
- C.** Quantitative management
- D. Human relations
- E. Administrative management

Several explanations account for the limited use of quantitative management. Many managers have not been trained in using

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*Topic: Contemporary Approaches*

72. \_\_\_\_ is a contemporary management approach that studies and identifies management activities that promote employee effectiveness by examining the complex and dynamic nature of individual, group, and organizational processes.

- A. Quantitative management
- B. Organizational behavior**
- C. Systems theory
- D. Contingency perspective
- E. Sociotechnical systems theory

Organizational behavior is a contemporary management approach that studies and identifies management activities that pro

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73. A manager assumes workers are lazy and irresponsible and require constant supervision and external motivation to achieve organizational goals. Which of the following does the manager most likely follow?

- A. Theory X**
- B. Sociotechnical systems approach
- C. Bureaucracy approach
- D. Human relations approach
- E. Systems theory

According to McGregor, Theory X managers assume workers are lazy and irresponsible and require constant supervision and

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74. When a manager treats employees as lazy, unmotivated, and in need of tight supervision, the employees eventually meet the manager's expectations by acting that way. According to Douglas McGregor, this is known as:
- A. a contingency.
  - B. an open system.
  - C. a physiological need.
  - D. a self-fulfilling prophecy.
  - E. a bureaucratic approach.

An important implication for managers who subscribe to Theory X is known as a self-fulfilling prophecy. This occurs when a m

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75. McGregor advocated a \_\_\_\_, suggesting that managers who encourage participation and allow opportunities for individual challenge and initiative would achieve superior performance.

- A. Theory X perspective
- B. Theory Y perspective**
- C. bureaucratic approach
- D. human relations approach
- E. contingency perspective

McGregor advocated a Theory Y perspective, suggesting that managers who encourage participation and allow opportunities

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*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

76. What is a feature of organizational behavior?

- A. The more recent contributions made by organizational behavior have a narrower viewpoint.
- B. Unlike other approaches, it has always been appreciated for its broad perspective.
- C. It does not address factors like employee involvement and self-management.
- D. Through the years, organizational behavior has consistently emphasized development of organizations' human resources to achieve organizational rather than individual goals.
- E. In the past few years, many of the primary issues addressed by organizational behavior have experienced a rebirth with a greater interest in leadership.**

Through the years, organizational behavior has consistently emphasized development of the organization's human resources. In the past few years, many of the primary issues addressed by organizational behavior have experienced a rebirth with a greater interest in leadership, employee involvement, and self-management.

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*Difficulty: 2 Medium*

77. Which of the following statements is true of organizational behavior?
- A. It does not address factors like self-management.
  - B. Unlike other approaches, it has always been appreciated for its broad perspective.
  - C. The more recent contributions have a narrower viewpoint.
  - D. It emphasizes development of an organization's human resources to achieve individual goals.
  - E. In the past few years, its primary focus has shifted away from leadership and employee involvement.

Through the years, organizational behavior has consistently emphasized development of the organization's human resources. In recent years, organizational behavior have experienced a rebirth with a greater interest in leadership, employee involvement, and self-man-

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*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

78. Which of the following is a criticism of the classical approaches to management as a whole?
- A. The relationship between an organization and its external environment is ignored.
  - B. Most managers are not trained to use these techniques.
  - C. Many aspects of a management decision cannot be expressed through mathematical symbols and formulas.
  - D. Many of the decisions managers face are nonroutine and unpredictable.
  - E. There is only "one best way" to manage and organize because circumstances vary.

The classical approaches as a whole were criticized because they (1) ignored the relationship between the organization and its

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79. Organizations are open systems, and they are dependent on \_\_\_\_ from the outside world, such as raw materials, human resources, and capital.

- A. contingencies
- B. inputs**
- C. intangibles
- D. control systems
- E. outputs

Organizations are open systems, dependent on inputs from the outside world, such as raw materials, human resources, and capital.

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*Topic: Contemporary Approaches*

80. The \_\_\_\_ refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance.

- A. contingency perspective**
- B. scientific management approach
- C. human relations approach
- D. organizational behavior approach
- E. sociotechnical systems theory

Building on systems theory ideas, the contingency perspective refutes universal principles of management by stating that a variety of factors, both internal and external to the firm, may affect an organization's performance.

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*Topic: Contemporary Approaches*

81. In the context of the systems theory, factors that determine the appropriateness of managerial actions are known as \_\_\_\_.

- A. systems
- B. additions
- C. experiments
- D. inventories
- E. contingencies

Contingencies are factors that determine the appropriateness of managerial actions. Understanding contingencies helps a manager

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*Topic: Contemporary Approaches*

82. In the context of the systems theory, understanding \_\_\_\_ helps a manager know which sets of circumstances dictate which management actions.

- A. inputs
- B. physical needs
- C. economies
- D. contingencies
- E. outputs

Contingencies are factors that determine the appropriateness of managerial actions. Understanding contingencies helps a manager

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83. The values, goals, skills, and attitudes of managers and workers in an organization are examples of \_\_\_\_.

- A. inventories
- B. outputs
- C. esprit de corps
- D. tasks
- E. contingencies

Situational characteristics are called contingencies. The contingencies include: 1) circumstances in an organization's external e

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84. Jim Collins discovered that great companies are managed by \_\_\_\_ who often display humility while simultaneously inspiring those in the organization to apply self-discipline and self-responsibility while pursuing high standards.

- A. level 5 leaders
- B. level 4 leaders
- C. level 3 leaders
- D. level 2 leaders
- E. level 1 leaders

In 2001, Jim Collins authored an influential book titled "Good to Great" in which he and his research team analyzed 1,435 companies that had transformed from average to great. He found that these companies had a common characteristic: they were managed by level 5 leaders who inspired those in the organization to apply self-discipline and self-responsibility while pursuing high standards.

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*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: Modern Contributors*

85. In the context of modern contributors, which of the following was a major contribution of management guru, Peter Drucker?

- A. The discovery that great companies are managed by "level 5 leaders" who often display humility while simultaneously inspiring those in the organization to apply self-discipline
- B. The focus on the areas of organizational learning and change
- C. The ability to urge U.S. firms to fight their competition by refocusing their business strategies on several drivers of success like people and customers
- D. The focus on the "strategic and organizational challenges confronting managers in multinational corporations"
- E. The need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives

Peter Drucker was a respected management guru who, through his writings and consulting, made several lasting contributions.

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*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: Modern Contributors*

86. In the context of modern contributors, which of the following ideas was championed by Peter Drucker that continues to be influential to this day?

- A. Employees as liabilities
- B. Centralization
- C. Corporation as a human community
- D. Employees being controlled by a supervisor
- E. Bureaucracy

Peter Drucker championed several ideas that continue to be influential to this day, including decentralization, employees as assets, and the corporation as a human community.

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*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: Modern Contributors*

87. Which of the following is true of Peter Senge's contributions to management thought and practices?
- A. He has made several significant contributions to the areas of organizational learning and change.
  - B. He was the first person to discuss "management by objective" (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
  - C. He established the need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives.
  - D. He advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
  - E. He contends that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.

Peter Senge of MIT Sloan School of Management has made several significant contributions to the areas of organizational learning and change.

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*Difficulty: 2 Medium*

*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: Modern Contributors*

88. Identify the right statement about the contribution made by Jack Welch toward management thought and practices.
- A. He is known for being the first person to discuss "management by objective" (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
  - B. He established the need for organizations to set clear objectives and establish the means of evaluating progress toward those objectives.
  - C. He contends that bureaucratic structures can eliminate the variability that results when managers in the same organization have different skills, experiences, and goals.
  - D. He advocated the application of scientific methods to analyze work and to determine how to complete production tasks efficiently.
  - E. He is widely viewed as having mastered "all of the critical aspects of leadership: people, process, strategy and structure."

Ex-CEO Jack Welch transformed General Electric from a \$13 billion company into a \$500 billion company over a 20-year period.

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*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: Modern Contributors*

89. Which of the following was a key feature in Stephen Covey's book, the Seven Habits of Highly Effective People: Powerful Lessons in Personal Change?
- A. He analyzed 1,435 companies to understand why some companies reach high levels of sustained performance while other companies fail to reach greatness.
  - B. He discussed "management by objective" (MBO), by which a manager should be self-driven to accomplish key goals that link to organizational success.
  - C. He focused on the strategic and organizational challenges confronting managers in multinational corporations.
  - D. He discussed how a leader's success hinges on balancing between personal and professional effectiveness.
  - E. He urged U.S. firms to fight their competition by refocusing their business strategies on several drivers of success: people, customers, values, culture, action, and an entrepreneurial spirit.

In his 1990 best-selling book, the "Seven Habits of Highly Effective People: Powerful Lessons in Personal Change," Stephen Covey

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*Topic: Modern Contributors*

90. In the context of managerial approaches, which of the following is true of change?

- A. The best managers today embrace change by moving from contemporary managerial approaches to classic managerial approaches.
- B.** If one does not anticipate change and adapt to it, one's firm will not thrive in a competitive business environment.
- C. Management knowledge and practices remain constant in the face of change.
- D. Change prevents businesses from achieving greater quality and speed.
- E. Change is happening at a slower rate than at any other time in history.

The essential facts about change are these: First, change is happening more rapidly and dramatically than at any other time in

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*Learning Objective: 02-04 Identify modern contributors who have shaped management thought and practices.*

*Topic: An Eye on the Future*

## Essay Questions

91. Describe the systematic approach to management.

The systematic management approach attempted to build specific procedures and processes into operations to ensure coordination of techniques for performing these duties; specific means of gathering, handling, transmitting, and analyzing information; cost accounting; and so on. The industrial revolution. In addition, managers were free to focus on internal issues of efficiency, in part because the government was not yet aware of managers' awareness about the most pressing concerns of their job.

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

92. What are the four principles of scientific management as identified by Frederick Taylor?

Taylor identified four principles of scientific management: 1. Management should develop a precise, scientific approach for each job. 2. Management should ensure an appropriate division of work and responsibility between managers and workers.

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*Difficulty: 2 Medium*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

93. In the context of Frederick Taylor's theory of scientific management, discuss about time-and-motion studies and the differential piece-rate system.

To implement the scientific management approach, Frederick Taylor used techniques such as time-and-motion studies. With the help of time studies, he determined the standard time for each job. Workers were paid a base wage plus a bonus for exceeding the standard time. Therefore, he implemented a pay system in which workers were paid additional wages when they exceeded the standard time.

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*



94. What was Henry L. Gantt's contribution to scientific management?

Henry L. Gantt expanded on the piece-rate system by suggesting that frontline supervisors should receive a bonus for each of their employees who completed a task. Gantt charts are used by employees and managers to plan projects by task and time to complete those tasks. An interesting aspect of the chart is that it is a visual representation of the project schedule.

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

95. What are the shortcomings of Max Weber's bureaucratic approach to management?

Bureaucracy can be efficient and productive. However, bureaucracy is not the appropriate model for every organization. Organizations may become too rigid and focused on following rules and procedures rather than from the approach itself. Too much authority may be vested in too few people; the procedures may be too complex.

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

96. List and define Henri Fayol's 14 principles of management.

The fourteen principles of management identified by Henri Fayol are: 1. Division of work-divide work into specialized tasks and responsibilities. 2. Authority-ensure that efforts should be focused on achieving organizational objectives. 3. Discipline-employees should follow the rules and regulations of the organization. 4. Unity of command-employees should report to only one manager. 5. Subordination of individual interest to the general interest of the organization. 6. Order-order jobs and material so they support the organization's direction. 7. Equity-fair discipline and order. 8. Fairness. 9. Stability of tenure of personnel. 10. Order-order jobs and material so they support the organization's direction. 11. Equity-fair discipline and order. 12. Initiative-employees should be encouraged to take initiative. 13. Fairness. 14. Simplicity of administration.

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

97. How did the "Hawthorne Studies" lead to the discovery of the Hawthorne Effect?

Western Electric Company, a manufacturer of communications equipment, hired a team of Harvard researchers led by Elton Mayo to study the relationship between factory lighting and production levels. The Hawthorne Studies were a series of experiments conducted in the 1920s and 1930s that produced interesting and controversial results in the history of management. In some cases, productivity continued to increase even when lighting was reduced.

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*Learning Objective: 02-02 Summarize the five classical approaches to management.*

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98. Summarize quantitative management as a contemporary approach to management.

During World War II, military planners began to apply mathematical techniques to defense and logistic problems. After the war, these techniques were applied to business and problems. Quantitative management helps a manager make a decision by developing formal mathematical models of the problem. Organizations apply these techniques in many areas, including production, quality control, marketing, human resources, financial management, and the decision-making process. Many managers will use results that are consistent with their experience, intuition, and judgment, but they often reject results that are not.

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*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

99. Write a short note on Douglas McGregor's Theory X and Theory Y.

During the 1960s, organizational behaviorists heavily influenced the field of management. Douglas McGregor's Theory X and Theory Y are two contrasting views of human behavior in the workplace. Theory X assumes that employees are lazy and need to be controlled, while Theory Y assumes that employees are self-motivated and can direct and control themselves. An important implication for managers who subscribe to Theory X is known as the "胡萝卜加大棒" (carrot and stick) approach, which uses rewards and punishments to control employees, and organizations. McGregor advocated a Theory Y perspective, suggesting that managers who encourage participation and autonomy can improve organizational performance.

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*Blooms: Understand*

*Difficulty: 2 Medium*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*

100. How did the contingency approach build on the ideas of the systems theory?

According to the systems theory, organizations are open systems, dependent on inputs from the outside world, such as raw materials, labor, and capital. The contingency approach to management builds on the ideas of systems theory by emphasizing that an organization is one system in a series of subsystems. Systems theory points out that each subsystem has its own inputs, outputs, and feedback loops, and they all interact with each other to influence the organization's performance. Therefore, there is no "one best way" to manage and organize because circumstances vary.

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## Multiple Choice Questions

Scenario A.

101. In the context of Scenario A, which of the following approaches to management does Madill Corp. follow?

- A. Scientific management
- B. Human relations
- C. Quantitative management
- D. Bureaucracy
- E. Sociotechnical systems theory

A characteristic of an effective bureaucracy is authority. A chain of command or hierarchy is well established.

*AACSB: Reflective Thinking*

*Accessibility: Keyboard Navigation*

*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

102. In the context of Scenario A, which of the following is true of the organizational structure of Madill Corp.?

- A. Employee loyalty and longevity is promoted.
- B. A unity of interests between employees and management is promoted.
- C. Employees are encouraged to act on their own in support of the organization's direction.
- D. A chain of command or hierarchy is well established.
- E. Efforts that support the organization's direction are systematically rewarded.

A characteristic of an effective bureaucracy is authority. A chain of command or hierarchy is well established.

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*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-02 Summarize the five classical approaches to management.*

*Topic: Classical Approaches*

Scenario B.

103. In the context of Scenario B, which of the following approaches to management does Amelie subscribe to?

- A. Hawthorne Effect
- B. Contingency perspective**
- C. Centralization
- D. Bureaucracy
- E. Economies of scale

Building on systems theory ideas, the contingency perspective refutes universal principles of management by stating that a va

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*Blooms: Apply*

*Difficulty: 3 Hard*

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*Topic: Contemporary Approaches*

104. In the context of Scenario B, which of the following is true of Amelie's beliefs?

- A. Managers should be oriented more toward things than toward people.
- B. A pay system in which workers were paid additional wages when they exceeded a standard level of output for each job should be implemented.
- C. Managers may ignore appropriate rules and regulations.
- D. A piece-rate system will motivate supervisors to provide extra attention to struggling workers.
- E.** There is no "one best way" to manage and organize because circumstances vary.

Building on systems theory ideas, the contingency perspective refutes universal principles of management by stating that a va

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*Blooms: Apply*

*Difficulty: 3 Hard*

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*Topic: Contemporary Approaches*

Scenario C.

105. In the context of Scenario C, which of the following principles of management does Janice's manager believe in?

- A. Scientific management
- B.** Douglas McGregor's Theory X
- C. Abraham Maslow's Hierarchy of Needs theory
- D. Henri Fayol's principle of esprit de corps
- E. Systematic management

During the 1960s, organizational behaviorists heavily influenced the field of management. Douglas McGregor's Theory X and

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*Blooms: Apply*

*Difficulty: 3 Hard*

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*Topic: Contemporary Approaches*

106. In the context of Scenario C, the phenomenon in which Janice meets her manager's expectations by behaving in an irresponsible manner is known as a(n):

- A. self-fulfilling prophecy.
- B. contingency.
- C. administrative effect.
- D. flexible process.
- E. economy of scale.

During the 1960s, organizational behaviorists heavily influenced the field of management. Douglas McGregor's Theory X and subscribe to Theory X is known as a self-fulfilling prophecy. This occurs when a manager treats employees as lazy, unmotivated.

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*Blooms: Apply*

*Difficulty: 3 Hard*

*Learning Objective: 02-03 Discuss the four contemporary approaches to management.*

*Topic: Contemporary Approaches*