

Chapter 2--Traditional and Contemporary Issues and Challenges

Student: _____

1. Theory is abstract and of no practical use in today's environment.
True False
2. Theory and history are important only to top managers today.
True False
3. History is simply a conceptual framework for organizing knowledge and providing a blueprint for action.
True False
4. Understanding the historical context of management provides a sense of heritage and can help managers avoid the mistakes of others.
True False
5. Classical management consists of two distinct branches: behavioral management and human resource movement.
True False
6. Companies (such as Coca-Cola, Ford, and GE) maintain significant libraries on their corporate histories that show a sense of heritage and pride.
True False
7. Iron Mountain's use of time and motion studies to improve its workers' output is an example of the use of management techniques derived from behavioral management.
True False
8. Scientific management is conceptual and easily adapted to top-level management.
True False
9. Administrative management focuses on the jobs of individual office assistants.
True False

10. Janice is very concerned with worker morale, and she frequently surveys employees to determine their level of job satisfaction. She feels that people really want to work, to take more responsibility, and to make a contribution. Her approach reflects application of Theory Y.
- True False
11. According to Barnard's theory about managerial authority, managers ultimately get their authority from the title for their position.
- True False
12. The Hawthorne studies showed that piece-rate pay was an effective way of increasing work output.
- True False
13. The fundamental premise of administrative management is that the social aspects of the workplace are more important to increasing worker productivity than economic incentives.
- True False
14. According to McGregor, Theory Y managers engage in optimistic managerial thinking.
- True False
15. When compared to management science, operations management is focused more on applications.
- True False
16. Scientific management focuses specifically on the development of scientific models.
- True False
17. In its current stage of development, quantitative management is able to accurately model even such complex processes as human behavior.
- True False
18. A closed system actively interacts with its environment.
- True False
19. Open systems thinking tends to develop synergy in organizations.
- True False
20. Google bought Motorola in the belief that the two companies would enhance each other's performance. Google apparently expected some entropy from the purchase.
- True False

21. The approaches to management that try to find the *one best way* to solve a management problem are called contingency approaches.
- True False
22. According to contingency theory, management is more art than science.
- True False
23. Enhancing quality lowers costs.
- True False
24. To succeed, managers must monitor their environment and change to keep pace with it.
- True False
25. Improving quality tends to decrease productivity.
- True False
26. Transportation is an example of a service industry.
- True False
27. Which of the following statements relative to the theory and practice of management is TRUE?
- A. Academic theories have little application in business because they are not grounded in reality.
 - B. The value of theory is that it provides a systematic framework for management activities.
 - C. Theory is, by definition, very abstract and quite difficult to understand.
 - D. Managers never develop their own theories of how to run an organization.
 - E. Management theories tend to be mutually exclusive.
28. Which of the following statements most correctly describes the early practice of management?
- A. The practice of management dates back about 100 years.
 - B. Early economists were concerned with managerial efficiency and effectiveness.
 - C. By 1900, most organizations were large.
 - D. Survival was not an issue in most organizations before 1900.
 - E. The scientific study of management as a field of inquiry dates back to the nineteenth century.
29. Which of the following historical books did not influence management?
- A. *The Second World War*
 - B. *Iliad*
 - C. *The Prince*
 - D. *Republic*
 - E. *Pride and Prejudice*

30. Robert Owen (1771-1858), a British industrialist, recognized the importance of the human aspect of production. Owen believed workers deserved all EXCEPT which of the following?
- A. Respect and dignity
 - B. Paid time off
 - C. Good working conditions
 - D. Decent pay
 - E. Reduced hours
31. Charles Babbage emphasized the application of mathematics to production problems. Thus, his work was a forerunner of
- A. administrative management.
 - B. the contingency theory.
 - C. the behavioral school of management thought.
 - D. operations management.
 - E. the systems theory.
32. ____ management focuses on the work of individuals.
- A. Administrative
 - B. Behavioral
 - C. Human relations
 - D. Scientific
 - E. Contingency
33. Scientific management evolved at the dawn of the twentieth century because
- A. labor was in abundant supply.
 - B. worker efficiency was low.
 - C. capital was in short supply.
 - D. information was rapidly changing.
 - E. piecework pay systems were not working.
34. When Subway employees make a pulled pork sandwich they spread the pork from premeasured cardboard containers. This improves speed and consistency. Subway is applying the principles of
- A. scientific management.
 - B. organizational behavior.
 - C. management science.
 - D. contingency theory.
 - E. administrative management.

35. At Toyota, each task that operating employees and machines perform is carefully studied to promote maximum productivity. In some cases, tasks are studied using time and motion studies to standardize work methods. What management approach is Toyota using?
- A. Human relations management
 - B. Scientific management
 - C. Management science
 - D. Contingency theory
 - E. Administrative management
36. One of the most common complaints that visitors to emergency rooms have is the long wait, yet they see staff sitting, doing nothing. Which of the following management approaches can hospitals use to focus on improving efficiency?
- A. The classical perspective
 - B. Scientific management
 - C. Management science
 - D. Contingency theory
 - E. Administrative management
37. Rolf is in the business of making crowns, bridges, and dentures that dentists use to repair teeth. It is a highly competitive business, and Rolf has decided that to improve his business he needs to improve the efficiency with which he produces the dental work. Which of the following management approaches would be of most help to Rolf in pursuing this goal?
- A. Management science
 - B. Contingency theory
 - C. Administrative management
 - D. The bureaucratic perspective
 - E. Scientific management
38. Plummer Construction has three employees. Bob the owner does design, ordering, and customer interface. Paul and Bobby do demolition and construction with Paul specializing in the detailed trim work and Bobby responsible for clean up. With which of the following management approaches do their actions most agree?
- A. Management science
 - B. Contingency theory
 - C. Administrative management
 - D. The bureaucratic perspective
 - E. Scientific management

39. Who among the following was NOT associated with scientific management?
- A. Mary Parker Follett
 - B. Lillian Gilbreth
 - C. Henry Gantt
 - D. Frederick Taylor
 - E. Harrington Emerson
40. A manager who wants to use the principles of scientific management will
- A. emphasize time and motion studies.
 - B. need a deep understanding of worker needs and feelings.
 - C. not be required to closely supervise his or her subordinates.
 - D. never actually increase worker productivity.
 - E. not have to carefully select and train his or her employees.
41. Life guards at Water Works pool also teach swim lessons. If they need to miss a lesson they do not get paid, instead the substitute instructor gets the money. This is a form of
- A. increased efficiency.
 - B. a piecework pay system.
 - C. soldiering.
 - D. Theory X.
 - E. Theory Y.
42. The use of a Gantt chart to schedule workers' duties, breaks, and lunches at a day-care center is an application of one of the principles associated with
- A. the classical perspective.
 - B. scientific management.
 - C. management science.
 - D. the contingency theory.
 - E. administrative management.
43. Which of the following is NOT a technique Frederick Taylor used to enhance worker productivity?
- A. Study and time each element of the job.
 - B. Design the most efficient way of doing each part of a job.
 - C. Place both workers and managers on salary to reduce friction.
 - D. Supervise workers and managers to make sure they follow procedures and rest only when told to.
 - E. Allow managers to plan the work to be done.

44. The plant manager for an electronics manufacturer is often heard saying that the way to motivate workers is to provide them with attractive wage and benefit packages. What school of thought does his view reflect?
- A. Quantitative
 - B. Behavioral
 - C. Classical
 - D. Contingency
 - E. Systems
45. Chester Barnard, former president of New Jersey Bell Telephone Company, made notable contributions to management regarding
- A. individual job efficiency.
 - B. legitimate authority.
 - C. management processes.
 - D. dynamic organizations.
 - E. individual rights and liberties.
46. Paul and Bobby want to start a construction company. After being in business a few months, Paul and Bob guess that the most efficient way to demolish walls is for Paul to break them up and tear them off and for Bobby to haul away the debris. Which of the following management theorists would be most helpful to these entrepreneurs?
- A. Henry Gantt
 - B. Frederick Taylor
 - C. Frank Gilbreth
 - D. Harrington Emerson
 - E. Max Weber
47. Henri Fayol, a French industrialist, was the first to identify all EXCEPT which of the following managerial functions?
- A. Planning
 - B. Organizing
 - C. Leading
 - D. Supporting
 - E. Controlling
48. Which of these management pioneers developed a chart for scheduling work over a span of time?
- A. Lillian Gilbreth
 - B. Frederick Taylor
 - C. Harrington Emerson
 - D. Henry Gantt
 - E. Max Weber

49. A Gantt chart is a
- A. listing of the steps required to complete a job.
 - B. method for developing employee wage systems.
 - C. device used in doing time and motion studies.
 - D. checklist used in equipment maintenance.
 - E. means of scheduling individual work or whole projects.
50. ____ focuses on the management of the entire firm as opposed to the jobs of individual workers.
- A. Management science
 - B. The contingency theory
 - C. Administrative management
 - D. The bureaucratic perspective
 - E. Scientific management
51. All of the following were primary contributors to administrative management EXCEPT
- A. Max Weber.
 - B. Henri Fayol.
 - C. Lyndall Urwick.
 - D. Hugo Munsterberg.
 - E. Chester Barnard.
52. Contributions of the classical perspective include all of the following EXCEPT
- A. laid the foundation for later developments in management theory.
 - B. appropriate for dynamic organizations.
 - C. identified important management processes and functions.
 - D. identified important management skills.
 - E. focused attention on management as a valid subject of scientific inquiry.
53. Limitations of the classical perspective include all of the following EXCEPT
- A. more appropriate for stable organizations.
 - B. more appropriate for simple organizations.
 - C. more appropriate for dynamic organizations.
 - D. often prescribed universal procedures that are not appropriate in some settings.
 - E. even though some writers were concerned with the human element, many viewed employees as tools rather than resources.
54. Contemporary organization theory has its roots in
- A. Weber's work on bureaucracy.
 - B. Fayol's 14 principles of management.
 - C. Barnard's work on acceptance of authority.
 - D. Taylor's work on job design.
 - E. Gilbreth's work in time and motion studies.

55. Barnard's theory on the acceptance of managerial authority states that
- A. supervisors have inherent authority.
 - B. supervisors have charismatic authority.
 - C. if subordinates view a supervisor's directive as appropriate to organizational goals, they will accept his or her authority.
 - D. so long as subordinates are able to comply with a supervisor's directives, they will accept his or her authority.
 - E. supervisors have no authority unless subordinates are willing to grant it to them.
56. A law firm actually billed the mother of an employee who died almost \$20,000 for work that was required to settle the son's pending cases. The organization considers itself to be more important than the individual. This example deals with one of the drawbacks to the use of the ____ perspective of management.
- A. human resource
 - B. behavioral
 - C. classical
 - D. contingency
 - E. industrial psychology
57. Which of the following statements about the classical perspective of management is FALSE?
- A. The classical perspective of management laid the foundation for later management theory developments.
 - B. The classical perspective of management identified the key management processes.
 - C. The classical perspective of management prescribed action unique to each situation.
 - D. The classical perspective of management focused attention on management as a viable topic of scientific inquiry.
 - E. The classical perspective of management identified important management functions and skills.
58. Industrial psychology is the practice of applying
- A. psychology in the industrial revolution.
 - B. psychology to worker motivation and selection.
 - C. efficiency measures to psychological output.
 - D. statistical measures to psychological output.
 - E. industrial advancements to medical research.
59. Elton Mayo conducted experiments at Western Electric's Hawthorne plant from 1927-1932. He discovered that
- A. piece rate pay improved production.
 - B. unions limit employee initiative.
 - C. rate busters don't make their quota.
 - D. social pressure was more important than financial incentive.
 - E. chiselers assisted low producers.

60. Which of the following statements characterizes the thinking that emerged from the Hawthorne studies?
- A. If jobs are properly designed and proper incentives provided, predictable results will follow.
 - B. Workers will perform their jobs as they are told to and will maximize their output so as to increase their pay.
 - C. Concern for the worker will lead to greater worker satisfaction, which will then lead to increased output.
 - D. Workers generally dislike work and need to be closely supervised to ensure adequate productivity.
 - E. People are motivated primarily by money.
61. Which of the following statements about the Hawthorne studies is FALSE?
- A. The Hawthorne studies initiated work in the human relations movement.
 - B. The Hawthorne studies indicated the need to consider the social aspects of the organization.
 - C. The Hawthorne studies showed that group norms exert a powerful influence on the members of a group.
 - D. The Hawthorne studies confirmed that incentive pay plans are an effective means of increasing production.
 - E. The Hawthorne studies found that money cannot be used as a motivator for workers.
62. All of the following were primary contributors to the behavioral management perspective EXCEPT
- A. Hugo Munsterberg
 - B. Abraham Maslow
 - C. Elton Mayo
 - D. Henri Fayol
 - E. Douglas McGregor
63. Which of the following statements BEST describes the human relations view of management?
- A. U.S. productivity exceeds that of any other country.
 - B. Highly paid workers will be more productive.
 - C. Groups are NOT as productive as the same number of individuals working independently.
 - D. Happy workers are productive workers.
 - E. Minorities and women are equally productive to white males.
64. When Pregna was a student she liked school, worked hard, and experienced success. As a high school teacher she assumed her students would feel the same way. A student observed that Pregna acted like a Theory Y manager. That would mean that Pregna
- A. believes that people do not like to work.
 - B. is constantly directing a student that wants to avoid taking responsibility.
 - C. will often threaten her students to get them to work toward school goals.
 - D. believes that people naturally like work.
 - E. all of these choices depending on the situation.

65. Howard Weaver manages MacLean Insurance Agency. An employee observed that Weaver acted like a Theory X manager. That would mean that Weaver believes
- A. that people prefer to be directed.
 - B. in the contingency approach to management.
 - C. in the importance of TQM.
 - D. that people are committed to goals.
 - E. that people naturally seek out work.
66. Nipurna is a high school guidance counselor. Nipurna is well liked by the staff and students whom she supervises. She recognizes that they have excellent problem-solving skills and are committed to excellence. She lets the people she supervises assume as much responsibility as they are capable of handling. It would appear that she
- A. takes a Theory Z approach to management.
 - B. uses ideas from scientific management.
 - C. believes in McGregor's approach to managing people.
 - D. uses the qualitative perspective of management.
 - E. is applying principles from management science.
67. Theory X managers believe workers are
- A. happy.
 - B. lucky.
 - C. lazy.
 - D. needy.
 - E. committed.
68. Topics in the field of organizational behavior include all EXCEPT which of the following?
- A. Job satisfaction
 - B. Stress
 - C. Leadership
 - D. Organizational politics
 - E. Operations
69. Dr. White is one of two emergency room physicians in charge of the staff. As a supervisor, she believes that her subordinates are valuable resources and focuses her attention on the interpersonal processes such as group dynamics that occur in the emergency room. Her views are consistent with the ____ management perspective.
- A. quantitative
 - B. behavioral
 - C. classical
 - D. contingency
 - E. systems

70. Contributions of the behavioral management perspective include all of the following EXCEPT
- A. challenged the view that employees are tools
 - B. furthered the belief that employees are valuable resources.
 - C. provided important insights into motivation and group dynamics.
 - D. focused managerial attention on motivation and group dynamic processes.
 - E. challenged the complexity of individual behavior and made predictions of that behavior.
71. When a manufacturing plant uses mathematical models to plan production schedules and to schedule equipment maintenance, it is drawing on
- A. scientific management.
 - B. administrative management.
 - C. management science.
 - D. TQM.
 - E. the contingency approach.
72. The Army uses aircraft simulators to train helicopter pilots, which decreases fuel consumption, helicopter maintenance, storage requirement, and air traffic control congestion. It also improves safety. This is an example of
- A. scientific management.
 - B. administrative management.
 - C. operations management.
 - D. behavior perspective.
 - E. classical perspective.
73. Operations management is concerned with
- A. the application of various processes and systems used by an organization.
 - B. systems created to store and provide information for managerial decision making.
 - C. the scientific analysis of the work elements of a job.
 - D. the development of mathematical and statistical tools and techniques for managerial decision making.
 - E. None of these choices
74. ____ management techniques do not account for individual behaviors and attitudes.
- A. Scientific
 - B. Administrative
 - C. Systems
 - D. Human relations
 - E. Quantitative

75. Which school of management thought would be most useful to a restaurant with pizza delivery that wanted to determine the most efficient routes for each of its drivers to follow?
- A. Organizational behavior
 - B. Scientific management
 - C. Administrative management
 - D. Management science
 - E. Systems management
76. What are the two branches of quantitative management?
- A. Scientific management and administrative management
 - B. Theory X and Theory Y
 - C. Contingency theory and systems theory
 - D. Human relations and organizational behavior
 - E. Management science and operations management
77. The Blue Rooster is a bakery. It sells 12 flavors of bread, made fresh daily. Some doughs require time to rise. If they are handled too soon or too late the texture and flavor is ruined. The importance of scheduling indicates that The Blue Rooster should adopt the ____ perspective.
- A. organizational behavior
 - B. scientific management
 - C. administrative management
 - D. management science
 - E. systems management
78. Which two managerial functions utilize quantitative management the most?
- A. Controlling and organizing
 - B. Planning and organizing
 - C. Organizing and leading
 - D. Controlling and planning
 - E. Leading and controlling
79. Limitations of the quantitative management perspective include all of the following EXCEPT
- A. difficult to apply.
 - B. cannot fully explain or predict the behavior of people in organizations.
 - C. mathematical sophistication may come at the expense of other important skills.
 - D. models may require unrealistic assumptions.
 - E. models may require unfounded assumptions.

80. Which of the following statements describes the inherent strength in the quantitative management theory?
- A. The quantitative management theory provides numerous decision-making tools and techniques.
 - B. The quantitative management theory has realistic assumptions that permit close approximations of organizational processes.
 - C. The quantitative management theory has allowed accurate modeling of individual behaviors and attitudes.
 - D. The quantitative management theory enhances development of other management skills.
 - E. None of these choices
81. ____ help managers integrate and enlarge their understanding of the three principal schools of management thought.
- A. Administrative management and scientific management
 - B. Systems theory and contingency theory
 - C. The human relations movement and organizational behavior
 - D. Management science and operations management
 - E. Scientific management and bureaucratic management
82. Which of the following is NOT an output?
- A. Profit
 - B. Service
 - C. Product
 - D. Complaint form
 - E. Information
83. According to the systems perspective of management, which of the following is NOT an example of a transformation process for an organization?
- A. Employee behavior
 - B. Control systems
 - C. Administrative systems
 - D. Technology
 - E. Operating systems
84. After ordering from Amazon, customers are asked to review the product and the seller. This is an example of which part of the system?
- A. Inputs
 - B. Outputs
 - C. Feedback
 - D. Transformation processes
 - E. Material

85. A system that actively interacts with its environment is best described as a(n)
- A. subsystem.
 - B. closed system.
 - C. transformation system.
 - D. management information system.
 - E. open system.
86. Multiplex Cinemas is a theater with 14 viewing rooms. It employs 50 people. Using the systems theory, it would be classified as
- A. an entropic system.
 - B. a subsystem.
 - C. either a system or a subsystem depending on the frame of reference.
 - D. either an open or a closed system depending on the frame of reference.
 - E. a closed system.
87. A new animated children's show does not even get presented to executives unless the merchandising is lined up. The executives are looking for a(n)
- A. open system.
 - B. closed system.
 - C. subsystem.
 - D. synergy.
 - E. entropy.
88. The ____ stresses the importance of environmental influences on the organization.
- A. quantitative management theory
 - B. open system concept
 - C. behavioral management theory
 - D. human relations movement
 - E. concept of synergy
89. The appropriate management behavior that depends on the unique situation is a ____ perspective.
- A. classical
 - B. universal
 - C. behavioral
 - D. quantitative
 - E. contingency

90. The Taliban seek to isolate women and control every aspect of their lives. The Taliban try to create _____ that do not interact with the external environment.
- A. subsystems
 - B. closed systems
 - C. transformation systems
 - D. resource-independent systems
 - E. open systems
91. Harley-Davidson puts its brand on everything from motorcycles to toys and clothes. It is benefiting from
- A. equifinality.
 - B. synergy.
 - C. entropy.
 - D. a closed system.
 - E. subsystem interdependence.
92. TransAmerica Business is a consulting firm. When hired for a job, the company has financial auditors, tax experts, management consultants, computer experts, and legal staffers who can work together to solve whatever problems face the hiring firm. This team approach to problem solving is an example of _____ at work.
- A. equifinality
 - B. synergy
 - C. entropy
 - D. a closed system
 - E. subsystem interdependence
93. The broader the solutions, the greater the creativity and possibility for innovation. This is a benefit of which perspective?
- A. Classical
 - B. Universal
 - C. Quantitative
 - D. Contingency
 - E. Behavioral
94. The United States Postal Service has been losing money for years. Social media have created many alternatives for communication. The Postal Service's decline is an example of
- A. closed system inversion.
 - B. open system thinking.
 - C. synergy.
 - D. subsystem failure.
 - E. entropy.

95. Fortis Healthcare Ltd. bought 10 private hospitals in India from Wockhardt Hospitals Ltd. The purchase expands Fortis' operations in India. What was Fortis hoping to gain by the interaction of these new businesses and its existing business?
- A. Synergy
 - B. Closed system inversion
 - C. Entropy
 - D. Subsystem enhancement
 - E. Open system conversion
96. When one firm buys out another because it is thought that the two firms will complement each other in such a way that the output of the combined firms will be greater than the sum of the current individual outputs of the two companies, the managers are counting on
- A. synergy.
 - B. closed system inversion.
 - C. entropy.
 - D. subsystem enhancement.
 - E. open system conversion.
97. Newspaper circulation had been declining for years. TLC cable station aired the show *Extreme Couponing* that shows cutting coupons from newspaper advertisements. Suddenly demand for newspapers changed course. Newspapers are benefiting from the ____ created by retailers putting coupons in the advertisements.
- A. synergy
 - B. closed system inversion
 - C. entropy
 - D. subsystem enhancement
 - E. open system conversion.
98. Edward Bingaman was overheard telling one of his friends, "You always think there is one way to solve a problem. It just doesn't work that way. You have to use your head and try different approaches under different circumstances." What management theory is Bingaman advocating?
- A. Systems theory
 - B. Organizational behavior
 - C. Administrative management
 - D. Quantitative management
 - E. Contingency theory

99. The theory based on the idea that the best managerial actions in a given situation depend on the elements of that situation is known as
- A. the equifinality theory.
 - B. Theory X and Y.
 - C. the contingency approach.
 - D. the systems theory.
 - E. quantitative management.
100. Staff Sergeant Tyra Bradford is a platoon sergeant. She uses whatever style of management seems to fit the situation. Her management style fits which theory of management?
- A. Bureaucratic management
 - B. TQM
 - C. The contingency approach
 - D. Theory X and Y
 - E. Qualitative management
101. Dr. White uses whatever style of management seems to best fit the needs of the individual employees. She was autocratic and rigid with a doctor who had a drug problem. During the same period, she was compassionate with a nurse who was a single parent with infant twins and bent the rules so she could have time to sort out her life. Her management style conforms to which theory of management?
- A. Bureaucratic management
 - B. TQM
 - C. The contingency approach
 - D. Theory X and Y
 - E. Qualitative management
102. Abercrombie and Fitch is expanding its international operations. It needs to consider all of the following challenges EXCEPT
- A. property ownership rights.
 - B. infrastructure.
 - C. government regulation.
 - D. cultural differences.
 - E. stagnant work environment.
103. The ____ of businesses has increased diversity in many organizations.
- A. globalization
 - B. emphasis on quality
 - C. service-orientation
 - D. technological-orientation
 - E. critical mass

104. Which of the following does the text describe as a contemporary management challenge?

- A. Managing diversity
- B. Erratic economy
- C. Employee privacy
- D. Technology
- E. All of these choices

105. To obtain greater flexibility and to respond more quickly to the environment, organizations are adopting

- A. technology-free structures.
- B. flat structures.
- C. the traditional bureaucratic approach to management.
- D. a TQM philosophy.
- E. tall structures.

106. Why is quality an important management issue?

- A. Quality can be used as a basis for competition.
- B. Enhancing quality lowers costs.
- C. Improving quality tends to increase productivity.
- D. Making higher-quality products generally results in less waste.
- E. All of these choices

107. _____ is a conceptual framework for organizing knowledge and providing a blueprint for action.

108. The planning, leading, and controlling by armies throughout history is an example of _____ in the past.

109. Charles Babbage applied _____ to the production process. This use of _____ makes his work a forerunner of the quantitative management theory.

110. Classical management perspective consists of two distinct branches: _____ and administrative management.

111. When AT&T uses time and motion studies to improve productivity, it is applying the principles of _____.

112. Henry Gantt was a(n) _____ pioneer who developed a chart for scheduling work over a span of time.

113. Max Weber, Henri Fayol, Lyndall Urwick, and Chester Barnard all were connected to the development of _____ management.

114. Mary Parker Follett (1868-1933) worked during the _____ era, but she was ahead of her time in anticipating the behavioral management perspective.

115. Shang believes her managers function best if she assigns them a task and gives them specific instructions on how to get it done. She exhibits _____ behavior.

116. The two branches of the quantitative approach are operations management and _____.

117. The perspective of management that involves the extensive use of mathematical modeling of organizational processes and that almost demands the availability of a computer is _____ management.

118. The field of applied management science that is generally concerned with helping an organization more efficiently produce its goods and services is _____ management.

119. Kevin is responsible for the transportation division of Iron Mountain, a document storage company. He integrates vehicles, people, and schedules into one big operating unit. He uses _____ theory.

120. A religious organization that is continually reenergized and refocused will likely avoid _____.

121. Anheuser-Busch packaged cans in local college colors. The company was trying to take advantage of the systems concept of _____.

122. Margaret treats employees fairly by treating them differently, each according to individual needs. She understands the application of _____ perspective.

123. Many schools raised _____ objections to Anheuser-Busch's marketing beverages in college colors, because the schools feared it would appear as if the schools endorsed the product and would lead to over consumption.

124. The failure of Lehman Brothers raised _____ issues about financial industry practices.

125. The entertainment industry is part of the _____ economy, which relies heavily on intangible resources.

126. Put the different perspectives in the chronological order in which they were developed, oldest to most current.

- a. Quantitative
- b. Classical
- c. Integrating
- d. Behavioral

	1.	Developed 1st
	2.	Developed 2nd
	3.	Developed 3rd
	4.	Developed 4th

127. Special Exercises

Many of the things that happened in the following story reflect management theory at work.

Indicate the correct answer:

The Russell family replaced the roof of their home. In removing the old roof, the old shingles and nails were pushed off the roof. The debris fell around the house in the grass and landscape. Mrs. Russell told her daughters Amelia, Eleanor, and Madeline that she would pay them a quarter for every nail they picked up **(A) Soldiering, Piecework Pay**.

Madeline started first and had earned \$6 by the time Eleanor was ready to begin. Madeline was a **(B) Rate Buster, Chisler**.

Eleanor complained that she could not find the nails fast enough to catch up to Madeline because Madeline had found all the easy ones. Eleanor was a **(C) Rate Buster, Chisler**.

Eventually the complaining wore Madeline down, and she searched for nails for Eleanor and gave them to her to cash in **(D) Human Resource Management, Administrative Management**.

Only when the girls had earned the same amount did Madeline again contribute to her own accumulation. Meanwhile, Amelia chose never to search for a nail **(E) Theory X, Theory Y**.

Instead she went and rode the tractor as Mr. Russell mowed the yard **(F) Open System, Closed System**.

128. Is management more art or science? Use management history and theory to support your answer.

129. What advantages do students of management theory and history have over managers with only practical experience?
130. Discuss the importance of the classical school of management and identify at least two pioneers and their major contributions.
131. Imagine centuries ago, you were the manager responsible for building the roads of the Roman Empire. You only knew and used the scientific management approach. Describe how you would have motivated workers. How was productivity?

132. Compare and contrast the approach that the proponents of scientific management take to increasing worker productivity with the approach the human relations school advocates.

133. First, briefly trace the development of the behavioral perspective of management from its origins to the present. Then list and briefly discuss one contribution and one limitation of the behavioral perspective of management.

134. Describe the Hawthorne studies and the conclusions supported by them.

135. Briefly discuss the quantitative approach to management. Include in your answer the distinction between management science and operations management.

136. What is the difference between management science and operations management?

137. What is a universal perspective? List three examples. How does contingency perspective integrate other perspectives?

138. Choose one contemporary management challenge mentioned in the text. Describe a situation where a manager faced the challenge. Outline his/her actions. Which management theory did the manager apply?
139. How is a service industry like healthcare affected by globalization?
140. Griffin presents a way of integrating the perspectives of management. Briefly explain the advantages of using such a framework.

Chapter 2--Traditional and Contemporary Issues and Challenges

Key

1. Theory is abstract and of no practical use in today's environment.

FALSE

2. Theory and history are important only to top managers today.

FALSE

3. History is simply a conceptual framework for organizing knowledge and providing a blueprint for action.

FALSE

4. Understanding the historical context of management provides a sense of heritage and can help managers avoid the mistakes of others.

TRUE

5. Classical management consists of two distinct branches: behavioral management and human resource movement.

FALSE

6. Companies (such as Coca-Cola, Ford, and GE) maintain significant libraries on their corporate histories that show a sense of heritage and pride.

TRUE

7. Iron Mountain's use of time and motion studies to improve its workers' output is an example of the use of management techniques derived from behavioral management.

FALSE

8. Scientific management is conceptual and easily adapted to top-level management.

FALSE

9. Administrative management focuses on the jobs of individual office assistants.

FALSE

10. Janice is very concerned with worker morale, and she frequently surveys employees to determine their level of job satisfaction. She feels that people really want to work, to take more responsibility, and to make a contribution. Her approach reflects application of Theory Y.

TRUE

11. According to Barnard's theory about managerial authority, managers ultimately get their authority from the title for their position.

FALSE

12. The Hawthorne studies showed that piece-rate pay was an effective way of increasing work output.

FALSE

13. The fundamental premise of administrative management is that the social aspects of the workplace are more important to increasing worker productivity than economic incentives.

FALSE

14. According to McGregor, Theory Y managers engage in optimistic managerial thinking.

TRUE

15. When compared to management science, operations management is focused more on applications.

TRUE

16. Scientific management focuses specifically on the development of scientific models.

FALSE

17. In its current stage of development, quantitative management is able to accurately model even such complex processes as human behavior.

FALSE

18. A closed system actively interacts with its environment.

FALSE

19. Open systems thinking tends to develop synergy in organizations.

TRUE

20. Google bought Motorola in the belief that the two companies would enhance each other's performance. Google apparently expected some entropy from the purchase.

FALSE

21. The approaches to management that try to find the *one best way* to solve a management problem are called contingency approaches.
- FALSE**
22. According to contingency theory, management is more art than science.
- TRUE**
23. Enhancing quality lowers costs.
- TRUE**
24. To succeed, managers must monitor their environment and change to keep pace with it.
- TRUE**
25. Improving quality tends to decrease productivity.
- FALSE**
26. Transportation is an example of a service industry.
- TRUE**
27. Which of the following statements relative to the theory and practice of management is TRUE?
- A. Academic theories have little application in business because they are not grounded in reality.
B. The value of theory is that it provides a systematic framework for management activities.
C. Theory is, by definition, very abstract and quite difficult to understand.
D. Managers never develop their own theories of how to run an organization.
E. Management theories tend to be mutually exclusive.
28. Which of the following statements most correctly describes the early practice of management?
- A. The practice of management dates back about 100 years.
B. Early economists were concerned with managerial efficiency and effectiveness.
C. By 1900, most organizations were large.
D. Survival was not an issue in most organizations before 1900.
E. The scientific study of management as a field of inquiry dates back to the nineteenth century.
29. Which of the following historical books did not influence management?
- A. *The Second World War*
B. *Iliad*
C. *The Prince*
D. *Republic*
E. *Pride and Prejudice*

30. Robert Owen (1771-1858), a British industrialist, recognized the importance of the human aspect of production. Owen believed workers deserved all EXCEPT which of the following?
- A. Respect and dignity
 - B. Paid time off**
 - C. Good working conditions
 - D. Decent pay
 - E. Reduced hours
31. Charles Babbage emphasized the application of mathematics to production problems. Thus, his work was a forerunner of
- A. administrative management.
 - B. the contingency theory.
 - C. the behavioral school of management thought.
 - D. operations management.**
 - E. the systems theory.
32. _____ management focuses on the work of individuals.
- A. Administrative
 - B. Behavioral
 - C. Human relations
 - D. Scientific**
 - E. Contingency
33. Scientific management evolved at the dawn of the twentieth century because
- A. labor was in abundant supply.
 - B. worker efficiency was low.**
 - C. capital was in short supply.
 - D. information was rapidly changing.
 - E. piecework pay systems were not working.
34. When Subway employees make a pulled pork sandwich they spread the pork from premeasured cardboard containers. This improves speed and consistency. Subway is applying the principles of
- A. scientific management.**
 - B. organizational behavior.
 - C. management science.
 - D. contingency theory.
 - E. administrative management.

35. At Toyota, each task that operating employees and machines perform is carefully studied to promote maximum productivity. In some cases, tasks are studied using time and motion studies to standardize work methods. What management approach is Toyota using?
- A. Human relations management
 - B. Scientific management**
 - C. Management science
 - D. Contingency theory
 - E. Administrative management
36. One of the most common complaints that visitors to emergency rooms have is the long wait, yet they see staff sitting, doing nothing. Which of the following management approaches can hospitals use to focus on improving efficiency?
- A. The classical perspective
 - B. Scientific management**
 - C. Management science
 - D. Contingency theory
 - E. Administrative management
37. Rolf is in the business of making crowns, bridges, and dentures that dentists use to repair teeth. It is a highly competitive business, and Rolf has decided that to improve his business he needs to improve the efficiency with which he produces the dental work. Which of the following management approaches would be of most help to Rolf in pursuing this goal?
- A. Management science
 - B. Contingency theory
 - C. Administrative management
 - D. The bureaucratic perspective
 - E. Scientific management**
38. Plummer Construction has three employees. Bob the owner does design, ordering, and customer interface. Paul and Bobby do demolition and construction with Paul specializing in the detailed trim work and Bobby responsible for clean up. With which of the following management approaches do their actions most agree?
- A. Management science
 - B. Contingency theory
 - C. Administrative management
 - D. The bureaucratic perspective
 - E. Scientific management**

39. Who among the following was NOT associated with scientific management?
- A. Mary Parker Follett
 - B. Lillian Gilbreth
 - C. Henry Gantt
 - D. Frederick Taylor
 - E. Harrington Emerson
40. A manager who wants to use the principles of scientific management will
- A. emphasize time and motion studies.
 - B. need a deep understanding of worker needs and feelings.
 - C. not be required to closely supervise his or her subordinates.
 - D. never actually increase worker productivity.
 - E. not have to carefully select and train his or her employees.
41. Life guards at Water Works pool also teach swim lessons. If they need to miss a lesson they do not get paid, instead the substitute instructor gets the money. This is a form of
- A. increased efficiency.
 - B. a piecework pay system.
 - C. soldiering.
 - D. Theory X.
 - E. Theory Y.
42. The use of a Gantt chart to schedule workers' duties, breaks, and lunches at a day-care center is an application of one of the principles associated with
- A. the classical perspective.
 - B. scientific management.
 - C. management science.
 - D. the contingency theory.
 - E. administrative management.
43. Which of the following is NOT a technique Frederick Taylor used to enhance worker productivity?
- A. Study and time each element of the job.
 - B. Design the most efficient way of doing each part of a job.
 - C. Place both workers and managers on salary to reduce friction.
 - D. Supervise workers and managers to make sure they follow procedures and rest only when told to.
 - E. Allow managers to plan the work to be done.

44. The plant manager for an electronics manufacturer is often heard saying that the way to motivate workers is to provide them with attractive wage and benefit packages. What school of thought does his view reflect?
- A. Quantitative
 - B. Behavioral
 - C. Classical**
 - D. Contingency
 - E. Systems
45. Chester Barnard, former president of New Jersey Bell Telephone Company, made notable contributions to management regarding
- A. individual job efficiency.
 - B. legitimate authority.**
 - C. management processes.
 - D. dynamic organizations.
 - E. individual rights and liberties.
46. Paul and Bobby want to start a construction company. After being in business a few months, Paul and Bob guess that the most efficient way to demolish walls is for Paul to break them up and tear them off and for Bobby to haul away the debris. Which of the following management theorists would be most helpful to these entrepreneurs?
- A. Henry Gantt
 - B. Frederick Taylor
 - C. Frank Gilbreth**
 - D. Harrington Emerson
 - E. Max Weber
47. Henri Fayol, a French industrialist, was the first to identify all EXCEPT which of the following managerial functions?
- A. Planning
 - B. Organizing
 - C. Leading
 - D. Supporting**
 - E. Controlling
48. Which of these management pioneers developed a chart for scheduling work over a span of time?
- A. Lillian Gilbreth
 - B. Frederick Taylor
 - C. Harrington Emerson
 - D. Henry Gantt**
 - E. Max Weber

49. A Gantt chart is a
- A. listing of the steps required to complete a job.
 - B. method for developing employee wage systems.
 - C. device used in doing time and motion studies.
 - D. checklist used in equipment maintenance.
 - E.** means of scheduling individual work or whole projects.
50. _____ focuses on the management of the entire firm as opposed to the jobs of individual workers.
- A. Management science
 - B. The contingency theory
 - C.** Administrative management
 - D. The bureaucratic perspective
 - E. Scientific management
51. All of the following were primary contributors to administrative management EXCEPT
- A. Max Weber.
 - B. Henri Fayol.
 - C. Lyndall Urwick.
 - D.** Hugo Munsterberg.
 - E. Chester Barnard.
52. Contributions of the classical perspective include all of the following EXCEPT
- A. laid the foundation for later developments in management theory.
 - B.** appropriate for dynamic organizations.
 - C. identified important management processes and functions.
 - D. identified important management skills.
 - E. focused attention on management as a valid subject of scientific inquiry.
53. Limitations of the classical perspective include all of the following EXCEPT
- A. more appropriate for stable organizations.
 - B. more appropriate for simple organizations.
 - C.** more appropriate for dynamic organizations.
 - D. often prescribed universal procedures that are not appropriate in some settings.
 - E. even though some writers were concerned with the human element, many viewed employees as tools rather than resources.
54. Contemporary organization theory has its roots in
- A.** Weber's work on bureaucracy.
 - B. Fayol's 14 principles of management.
 - C. Barnard's work on acceptance of authority.
 - D. Taylor's work on job design.
 - E. Gilbreth's work in time and motion studies.

55. Barnard's theory on the acceptance of managerial authority states that
- A. supervisors have inherent authority.
 - B. supervisors have charismatic authority.
 - C. if subordinates view a supervisor's directive as appropriate to organizational goals, they will accept his or her authority.
 - D. so long as subordinates are able to comply with a supervisor's directives, they will accept his or her authority.
 - E. supervisors have no authority unless subordinates are willing to grant it to them.
56. A law firm actually billed the mother of an employee who died almost \$20,000 for work that was required to settle the son's pending cases. The organization considers itself to be more important than the individual. This example deals with one of the drawbacks to the use of the ____ perspective of management.
- A. human resource
 - B. behavioral
 - C. classical
 - D. contingency
 - E. industrial psychology
57. Which of the following statements about the classical perspective of management is FALSE?
- A. The classical perspective of management laid the foundation for later management theory developments.
 - B. The classical perspective of management identified the key management processes.
 - C. The classical perspective of management prescribed action unique to each situation.
 - D. The classical perspective of management focused attention on management as a viable topic of scientific inquiry.
 - E. The classical perspective of management identified important management functions and skills.
58. Industrial psychology is the practice of applying
- A. psychology in the industrial revolution.
 - B. psychology to worker motivation and selection.
 - C. efficiency measures to psychological output.
 - D. statistical measures to psychological output.
 - E. industrial advancements to medical research.
59. Elton Mayo conducted experiments at Western Electric's Hawthorne plant from 1927-1932. He discovered that
- A. piece rate pay improved production.
 - B. unions limit employee initiative.
 - C. rate busters don't make their quota.
 - D. social pressure was more important than financial incentive.
 - E. chiselers assisted low producers.

60. Which of the following statements characterizes the thinking that emerged from the Hawthorne studies?
- A. If jobs are properly designed and proper incentives provided, predictable results will follow.
 - B. Workers will perform their jobs as they are told to and will maximize their output so as to increase their pay.
 - C.** Concern for the worker will lead to greater worker satisfaction, which will then lead to increased output.
 - D. Workers generally dislike work and need to be closely supervised to ensure adequate productivity.
 - E. People are motivated primarily by money.
61. Which of the following statements about the Hawthorne studies is FALSE?
- A. The Hawthorne studies initiated work in the human relations movement.
 - B. The Hawthorne studies indicated the need to consider the social aspects of the organization.
 - C. The Hawthorne studies showed that group norms exert a powerful influence on the members of a group.
 - D.** The Hawthorne studies confirmed that incentive pay plans are an effective means of increasing production.
 - E. The Hawthorne studies found that money cannot be used as a motivator for workers.
62. All of the following were primary contributors to the behavioral management perspective EXCEPT
- A. Hugo Munsterberg
 - B. Abraham Maslow
 - C. Elton Mayo
 - D.** Henri Fayol
 - E. Douglas McGregor
63. Which of the following statements BEST describes the human relations view of management?
- A. U.S. productivity exceeds that of any other country.
 - B. Highly paid workers will be more productive.
 - C. Groups are NOT as productive as the same number of individuals working independently.
 - D.** Happy workers are productive workers.
 - E. Minorities and women are equally productive to white males.
64. When Pregna was a student she liked school, worked hard, and experienced success. As a high school teacher she assumed her students would feel the same way. A student observed that Pregna acted like a Theory Y manager. That would mean that Pregna
- A. believes that people do not like to work.
 - B. is constantly directing a student that wants to avoid taking responsibility.
 - C. will often threaten her students to get them to work toward school goals.
 - D.** believes that people naturally like work.
 - E. all of these choices depending on the situation.

65. Howard Weaver manages MacLean Insurance Agency. An employee observed that Weaver acted like a Theory X manager. That would mean that Weaver believes
- A. that people prefer to be directed.
 - B. in the contingency approach to management.
 - C. in the importance of TQM.
 - D. that people are committed to goals.
 - E. that people naturally seek out work.
66. Nipurna is a high school guidance counselor. Nipurna is well liked by the staff and students whom she supervises. She recognizes that they have excellent problem-solving skills and are committed to excellence. She lets the people she supervises assume as much responsibility as they are capable of handling. It would appear that she
- A. takes a Theory Z approach to management.
 - B. uses ideas from scientific management.
 - C. believes in McGregor's approach to managing people.
 - D. uses the qualitative perspective of management.
 - E. is applying principles from management science.
67. Theory X managers believe workers are
- A. happy.
 - B. lucky.
 - C. lazy.
 - D. needy.
 - E. committed.
68. Topics in the field of organizational behavior include all EXCEPT which of the following?
- A. Job satisfaction
 - B. Stress
 - C. Leadership
 - D. Organizational politics
 - E. Operations
69. Dr. White is one of two emergency room physicians in charge of the staff. As a supervisor, she believes that her subordinates are valuable resources and focuses her attention on the interpersonal processes such as group dynamics that occur in the emergency room. Her views are consistent with the ____ management perspective.
- A. quantitative
 - B. behavioral
 - C. classical
 - D. contingency
 - E. systems

70. Contributions of the behavioral management perspective include all of the following EXCEPT
- A. challenged the view that employees are tools
 - B. furthered the belief that employees are valuable resources.
 - C. provided important insights into motivation and group dynamics.
 - D. focused managerial attention on motivation and group dynamic processes.
 - E. challenged the complexity of individual behavior and made predictions of that behavior.
71. When a manufacturing plant uses mathematical models to plan production schedules and to schedule equipment maintenance, it is drawing on
- A. scientific management.
 - B. administrative management.
 - C. management science.
 - D. TQM.
 - E. the contingency approach.
72. The Army uses aircraft simulators to train helicopter pilots, which decreases fuel consumption, helicopter maintenance, storage requirement, and air traffic control congestion. It also improves safety. This is an example of
- A. scientific management.
 - B. administrative management.
 - C. operations management.
 - D. behavior perspective.
 - E. classical perspective.
73. Operations management is concerned with
- A. the application of various processes and systems used by an organization.
 - B. systems created to store and provide information for managerial decision making.
 - C. the scientific analysis of the work elements of a job.
 - D. the development of mathematical and statistical tools and techniques for managerial decision making.
 - E. None of these choices
74. ____ management techniques do not account for individual behaviors and attitudes.
- A. Scientific
 - B. Administrative
 - C. Systems
 - D. Human relations
 - E. Quantitative

75. Which school of management thought would be most useful to a restaurant with pizza delivery that wanted to determine the most efficient routes for each of its drivers to follow?
- A. Organizational behavior
 - B. Scientific management
 - C. Administrative management
 - D.** Management science
 - E. Systems management
76. What are the two branches of quantitative management?
- A. Scientific management and administrative management
 - B. Theory X and Theory Y
 - C. Contingency theory and systems theory
 - D. Human relations and organizational behavior
 - E.** Management science and operations management
77. The Blue Rooster is a bakery. It sells 12 flavors of bread, made fresh daily. Some doughs require time to rise. If they are handled too soon or too late the texture and flavor is ruined. The importance of scheduling indicates that The Blue Rooster should adopt the ____ perspective.
- A. organizational behavior
 - B. scientific management
 - C. administrative management
 - D.** management science
 - E. systems management
78. Which two managerial functions utilize quantitative management the most?
- A. Controlling and organizing
 - B. Planning and organizing
 - C. Organizing and leading
 - D.** Controlling and planning
 - E. Leading and controlling
79. Limitations of the quantitative management perspective include all of the following EXCEPT
- A.** difficult to apply.
 - B. cannot fully explain or predict the behavior of people in organizations.
 - C. mathematical sophistication may come at the expense of other important skills.
 - D. models may require unrealistic assumptions.
 - E. models may require unfounded assumptions.

80. Which of the following statements describes the inherent strength in the quantitative management theory?
- A. The quantitative management theory provides numerous decision-making tools and techniques.
 - B. The quantitative management theory has realistic assumptions that permit close approximations of organizational processes.
 - C. The quantitative management theory has allowed accurate modeling of individual behaviors and attitudes.
 - D. The quantitative management theory enhances development of other management skills.
 - E. None of these choices
81. ____ help managers integrate and enlarge their understanding of the three principal schools of management thought.
- A. Administrative management and scientific management
 - B. Systems theory and contingency theory
 - C. The human relations movement and organizational behavior
 - D. Management science and operations management
 - E. Scientific management and bureaucratic management
82. Which of the following is NOT an output?
- A. Profit
 - B. Service
 - C. Product
 - D. Complaint form
 - E. Information
83. According to the systems perspective of management, which of the following is NOT an example of a transformation process for an organization?
- A. Employee behavior
 - B. Control systems
 - C. Administrative systems
 - D. Technology
 - E. Operating systems
84. After ordering from Amazon, customers are asked to review the product and the seller. This is an example of which part of the system?
- A. Inputs
 - B. Outputs
 - C. Feedback
 - D. Transformation processes
 - E. Material

85. A system that actively interacts with its environment is best described as a(n)
- A. subsystem.
 - B. closed system.
 - C. transformation system.
 - D. management information system.
 - E. open system.**
86. Multiplex Cinemas is a theater with 14 viewing rooms. It employs 50 people. Using the systems theory, it would be classified as
- A. an entropic system.
 - B. a subsystem.
 - C. either a system or a subsystem depending on the frame of reference.**
 - D. either an open or a closed system depending on the frame of reference.
 - E. a closed system.
87. A new animated children's show does not even get presented to executives unless the merchandising is lined up. The executives are looking for a(n)
- A. open system.
 - B. closed system.
 - C. subsystem.
 - D. synergy.**
 - E. entropy.
88. The ____ stresses the importance of environmental influences on the organization.
- A. quantitative management theory
 - B. open system concept**
 - C. behavioral management theory
 - D. human relations movement
 - E. concept of synergy
89. The appropriate management behavior that depends on the unique situation is a ____ perspective.
- A. classical
 - B. universal
 - C. behavioral
 - D. quantitative
 - E. contingency**

90. The Taliban seek to isolate women and control every aspect of their lives. The Taliban try to create _____ that do not interact with the external environment.
- A. subsystems
 - B. closed systems**
 - C. transformation systems
 - D. resource-independent systems
 - E. open systems
91. Harley-Davidson puts its brand on everything from motorcycles to toys and clothes. It is benefiting from
- A. equifinality.
 - B. synergy.**
 - C. entropy.
 - D. a closed system.
 - E. subsystem interdependence.
92. TransAmerica Business is a consulting firm. When hired for a job, the company has financial auditors, tax experts, management consultants, computer experts, and legal staffers who can work together to solve whatever problems face the hiring firm. This team approach to problem solving is an example of _____ at work.
- A. equifinality
 - B. synergy**
 - C. entropy
 - D. a closed system
 - E. subsystem interdependence
93. The broader the solutions, the greater the creativity and possibility for innovation. This is a benefit of which perspective?
- A. Classical
 - B. Universal
 - C. Quantitative
 - D. Contingency**
 - E. Behavioral
94. The United States Postal Service has been losing money for years. Social media have created many alternatives for communication. The Postal Service's decline is an example of
- A. closed system inversion.
 - B. open system thinking.
 - C. synergy.
 - D. subsystem failure.
 - E. entropy.**

95. Fortis Healthcare Ltd. bought 10 private hospitals in India from Wockhardt Hospitals Ltd. The purchase expands Fortis' operations in India. What was Fortis hoping to gain by the interaction of these new businesses and its existing business?
- A. Synergy
 - B. Closed system inversion
 - C. Entropy
 - D. Subsystem enhancement
 - E. Open system conversion
96. When one firm buys out another because it is thought that the two firms will complement each other in such a way that the output of the combined firms will be greater than the sum of the current individual outputs of the two companies, the managers are counting on
- A. synergy.
 - B. closed system inversion.
 - C. entropy.
 - D. subsystem enhancement.
 - E. open system conversion.
97. Newspaper circulation had been declining for years. TLC cable station aired the show *Extreme Couponing* that shows cutting coupons from newspaper advertisements. Suddenly demand for newspapers changed course. Newspapers are benefiting from the ____ created by retailers putting coupons in the advertisements.
- A. synergy
 - B. closed system inversion
 - C. entropy
 - D. subsystem enhancement
 - E. open system conversion.
98. Edward Bingaman was overheard telling one of his friends, "You always think there is one way to solve a problem. It just doesn't work that way. You have to use your head and try different approaches under different circumstances." What management theory is Bingaman advocating?
- A. Systems theory
 - B. Organizational behavior
 - C. Administrative management
 - D. Quantitative management
 - E. Contingency theory

99. The theory based on the idea that the best managerial actions in a given situation depend on the elements of that situation is known as
- A. the equifinality theory.
 - B. Theory X and Y.
 - C. the contingency approach.
 - D. the systems theory.
 - E. quantitative management.
100. Staff Sergeant Tyra Bradford is a platoon sergeant. She uses whatever style of management seems to fit the situation. Her management style fits which theory of management?
- A. Bureaucratic management
 - B. TQM
 - C. The contingency approach
 - D. Theory X and Y
 - E. Qualitative management
101. Dr. White uses whatever style of management seems to best fit the needs of the individual employees. She was autocratic and rigid with a doctor who had a drug problem. During the same period, she was compassionate with a nurse who was a single parent with infant twins and bent the rules so she could have time to sort out her life. Her management style conforms to which theory of management?
- A. Bureaucratic management
 - B. TQM
 - C. The contingency approach
 - D. Theory X and Y
 - E. Qualitative management
102. Abercrombie and Fitch is expanding its international operations. It needs to consider all of the following challenges EXCEPT
- A. property ownership rights.
 - B. infrastructure.
 - C. government regulation.
 - D. cultural differences.
 - E. stagnant work environment.
103. The ____ of businesses has increased diversity in many organizations.
- A. globalization
 - B. emphasis on quality
 - C. service-orientation
 - D. technological-orientation
 - E. critical mass

104. Which of the following does the text describe as a contemporary management challenge?
- A. Managing diversity
 - B. Erratic economy
 - C. Employee privacy
 - D. Technology
 - E.** All of these choices
105. To obtain greater flexibility and to respond more quickly to the environment, organizations are adopting
- A. technology-free structures.
 - B.** flat structures.
 - C. the traditional bureaucratic approach to management.
 - D. a TQM philosophy.
 - E. tall structures.
106. Why is quality an important management issue?
- A. Quality can be used as a basis for competition.
 - B. Enhancing quality lowers costs.
 - C. Improving quality tends to increase productivity.
 - D. Making higher-quality products generally results in less waste.
 - E.** All of these choices
107. _____ is a conceptual framework for organizing knowledge and providing a blueprint for action.
- Theory**
108. The planning, leading, and controlling by armies throughout history is an example of _____ in the past.
- management**
109. Charles Babbage applied _____ to the production process. This use of _____ makes his work a forerunner of the quantitative management theory.
- mathematics, mathematics**
110. Classical management perspective consists of two distinct branches: _____ and administrative management.
- scientific management**
111. When AT&T uses time and motion studies to improve productivity, it is applying the principles of _____.
- scientific management**

112. Henry Gantt was a(n) _____ pioneer who developed a chart for scheduling work over a span of time.

scientific management

113. Max Weber, Henri Fayol, Lyndall Urwick, and Chester Barnard all were connected to the development of _____ management.

administrative

114. Mary Parker Follett (1868-1933) worked during the _____ era, but she was ahead of her time in anticipating the behavioral management perspective.

scientific management

115. Shang believes her managers function best if she assigns them a task and gives them specific instructions on how to get it done. She exhibits _____ behavior.

Theory X

116. The two branches of the quantitative approach are operations management and _____.

management science

117. The perspective of management that involves the extensive use of mathematical modeling of organizational processes and that almost demands the availability of a computer is _____ management.

quantitative

118. The field of applied management science that is generally concerned with helping an organization more efficiently produce its goods and services is _____ management.

operations

119. Kevin is responsible for the transportation division of Iron Mountain, a document storage company. He integrates vehicles, people, and schedules into one big operating unit. He uses _____ theory.

systems

120. A religious organization that is continually reenergized and refocused will likely avoid _____.

entropy

121. Anheuser-Busch packaged cans in local college colors. The company was trying to take advantage of the systems concept of _____.

synergy

122. Margaret treats employees fairly by treating them differently, each according to individual needs. She understands the application of _____ perspective.

contingency

123. Many schools raised _____ objections to Anheuser-Busch's marketing beverages in college colors, because the schools feared it would appear as if the schools endorsed the product and would lead to over consumption.

ethical

124. The failure of Lehman Brothers raised _____ issues about financial industry practices.

ethical

125. The entertainment industry is part of the _____ economy, which relies heavily on intangible resources.

service

126. Put the different perspectives in the chronological order in which they were developed, oldest to most current.
- Quantitative
 - Classical
 - Integrating
 - Behavioral

	1.	Developed 1st
	2.	Developed 2nd
	3.	Developed 3rd
	4.	Developed 4th

- b
- d
- a
- c

127. **Special Exercises**

Many of the things that happened in the following story reflect management theory at work.

Indicate the correct answer:

The Russell family replaced the roof of their home. In removing the old roof, the old shingles and nails were pushed off the roof. The debris fell around the house in the grass and landscape. Mrs. Russell told her daughters Amelia, Eleanor, and Madeline that she would pay them a quarter for every nail they picked up **(A) Soldiering, Piecework Pay**.

Madeline started first and had earned \$6 by the time Eleanor was ready to begin. Madeline was a **(B) Rate Buster, Chisler**.

Eleanor complained that she could not find the nails fast enough to catch up to Madeline because Madeline had found all the easy ones. Eleanor was a **(C) Rate Buster, Chisler**.

Eventually the complaining wore Madeline down, and she searched for nails for Eleanor and gave them to her to cash in **(D) Human Resource Management, Administrative Management**.

Only when the girls had earned the same amount did Madeline again contribute to her own accumulation. Meanwhile, Amelia chose never to search for a nail **(E) Theory X, Theory Y**.

Instead she went and rode the tractor as Mr. Russell mowed the yard **(F) Open System, Closed System**.

- A. Piecework Pay
- B. Rate Buster
- C. Chisler
- D. Human Resource Management
- E. Theory X
- F. Open System

128. Is management more art or science? Use management history and theory to support your answer.

Answer not provided.

129. What advantages do students of management theory and history have over managers with only practical experience?

Answer not provided.

130. Discuss the importance of the classical school of management and identify at least two pioneers and their major contributions.

Answer not provided.

131. Imagine centuries ago, you were the manager responsible for building the roads of the Roman Empire. You only knew and used the scientific management approach. Describe how you would have motivated workers. How was productivity?

Students should demonstrate knowledge of scientific management. (1) standardized work methods, (2) scientific selection of workers, and (3) use of monetary incentives to increase productivity. Some students will describe the workers as slaves, in which case they should note the use of additional food and rest as incentives to increase productivity.

132. Compare and contrast the approach that the proponents of scientific management take to increasing worker productivity with the approach the human relations school advocates.

Students should note that *scientific management* looked to (1) standardized work methods, (2) scientific selection of workers, and (3) use of monetary incentives to increase productivity. The *human relations movement*, on the other hand, took the position that (1) the social aspects of the workplace were more important and that (2) the way to increase productivity was to enhance worker satisfaction. The belief was that satisfaction caused performance. Both approaches were aimed at getting more output from the individual worker.

133. First, briefly trace the development of the behavioral perspective of management from its origins to the present. Then list and briefly discuss one contribution and one limitation of the behavioral perspective of management.

Answer not provided.

134. Describe the Hawthorne studies and the conclusions supported by them.

Answer not provided.

135. Briefly discuss the quantitative approach to management. Include in your answer the distinction between management science and operations management.

Answer not provided.

136. What is the difference between management science and operations management?

Answer not provided.

137. What is a universal perspective? List three examples. How does contingency perspective integrate other perspectives?

Answer not provided.

138. Choose one contemporary management challenge mentioned in the text. Describe a situation where a manager faced the challenge. Outline his/her actions. Which management theory did the manager apply?

Answer not provided.

139. How is a service industry like healthcare affected by globalization?

Answer not provided.

140. Griffin presents a way of integrating the perspectives of management. Briefly explain the advantages of using such a framework.

Students should note that each school of management thought is complementary rather than mutually exclusive and that this framework recognizes this fact. Furthermore, it brings in the systems approach, which recognizes the interdependence of subsystems and the advantages to be gained from synergy. It also brings out the dangers of closed systems thinking and probable subsequent entropy. Finally, it incorporates the idea from contingency theory that universal solutions to problems are inappropriate and that even under similar circumstances, managers often have to take different corrective actions to handle a situation.

