



CHAPTER 2—CHALLENGES FOR MANAGERS

MULTIPLE CHOICE

1. Which of the following organizations highlighted in the Thinking Ahead feature of Chapter 2 (Challenges for Managers) best reflects a response to the ethical challenges associated with technological innovation?
 - a. Toyota
 - b. Whole Foods Market, Inc.
 - c. Genentech, Inc.
 - d. Virgin Group Ltd.

ANS: C PTS: 1 DIF: Easy REF: p. 35
 NAT: AACSB Analytic | Environmental Influence TOP: Thinking Ahead
 MSC: K&C

2. Which type of challenge necessitates changes in individual and group behavior, information flows, work design, social interactions, and organizational structure?
 - a. challenge of managing ethical behavior
 - b. challenge of work force diversity
 - c. challenge of globalization
 - d. challenge of technology change

ANS: D PTS: 1 DIF: Moderate REF: p. 36
 NAT: AACSB Reflective Thinking | Information Technologies
 TOP: Management Challenges in a New Time MSC: analysis

3. Which of the following is NOT one of the major challenges that managers must deal with in order to remain competitive?
 - a. keeping up with technological change and implementing technology
 - b. managing ethical behavior, good character, and personal integrity
 - c. managing a diverse workforce
 - d. anticipating changes in foreign currency valuations

ANS: D PTS: 1 DIF: Moderate REF: p. 36
 NAT: AACSB Reflective Thinking | Environmental Influence
 TOP: Management Challenges in a New Time MSC: K&C

4. Globalization implies all of the following **except**:
 - a. the world is free from national boundaries
 - b. a borderless world
 - c. competition between workers from other countries
 - d. an organization's nationality is held strongly in consciousness

ANS: D PTS: 1 DIF: Hard REF: p. 37
 NAT: AACSB Reflective Thinking | Environmental Influence TOP: The Global Village
 MSC: S&E

5. A transnational organization is one where:
- an organization's nationality is held strongly in the consciousness of managers even though the organization competes on a global scale
 - the global viewpoint supersedes national issues
 - the global and national interests are linked in an overriding perspective
 - a prevalent ethnic viewpoint begins to be held strongly in the consciousness of managers

ANS: B PTS: 1 DIF: Easy REF: p. 37
NAT: AACSB Reflective Thinking | Environmental Influence TOP: The Global Village
MSC: K&C

6. In the Real World example of Chapter 2, which of the following organizations has been able to develop a successful response to global challenges in the auto industry?
- Ford
 - General Motors
 - Volkswagen
 - BMW

ANS: C PTS: 1 DIF: Moderate REF: p. 38
NAT: AACSB Reflective Thinking | Environmental Influence TOP: The Real World
MSC: K&C

7. Given the increasing attractiveness of U.S. business ventures in China, a major challenge for Western managers will be understanding the Chinese practice of guanxi, which is:
- the strong use of rewards and punishment in the workplace
 - the use of personal connections to conduct business
 - the practice of group members evaluating the performance of individual group members
 - the tendency to negotiate small but specific agreements in order to interact effectively

ANS: B PTS: 1 DIF: Moderate REF: p. 37
NAT: AACSB Reflective Thinking | Environmental Influence
TOP: Changes in the Global Marketplace MSC: K&C

8. An effective way to begin a Kentucky Fried Chicken in China would be to:
- identify a broker in Singapore to identify sources for Asian venture capital
 - put together a consortium of Western and Asian entrepreneurs to begin the franchise in China
 - develop a joint venture with government bodies in China
 - develop an alliance with another Asian fast-food restaurant, such as the Japanese or Taiwanese, and share the risk in China

ANS: C PTS: 1 DIF: Moderate REF: p. 37
NAT: AACSB Reflective Thinking | Environmental Influence
TOP: Changes in the Global Marketplace MSC: appl.

9. Many U.S. and Canadian firms have located manufacturing plants in Mexico to take advantage of lower labor costs. Additionally, many tariffs on U.S. exports have been reduced. These global changes occurred because of:
- the European union
 - GATT agreements
 - NAFTA
 - Perestroika

ANS: C PTS: 1 DIF: Moderate REF: p. 37
NAT: AACSB Reflective Thinking | Environmental Influence
TOP: Changes in the Global Marketplace MSC: K&C

10. According to the research of Hofstede, U.S. managers tend to exhibit which of the following cultural characteristics?
- collectivism, long-term orientation, and high power distance
 - low uncertainty avoidance, masculinity, and collectivism
 - weak power distance, short-term orientation, and individualism
 - high tolerance for uncertainty, collectivism, and strong power positions

ANS: C PTS: 1 DIF: Hard REF: p. 39
NAT: AACSB Diversity | Individual Dynamics
TOP: Understanding Cultural Differences MSC: S&E

11. The work of Hofstede is important because his studies revealed that more differences in work-related attitudes can be explained by:
- gender
 - profession
 - national culture
 - age

ANS: C PTS: 1 DIF: Moderate REF: p. 39
NAT: AACSB Diversity | Group Dynamics
TOP: Understanding Cultural Differences MSC: K&C

12. Hofstede's cross-cultural research found that Japanese managers valued:
- high risk taking
 - group decisions
 - a short-time perspective
 - individualism

ANS: B PTS: 1 DIF: Hard REF: p. 39
NAT: AACSB Diversity | Group Dynamics
TOP: Understanding Cultural Differences MSC: K&C

13. According to Hofstede's research, the country displaying cultural characteristics most similar to the U.S. is:
- Japan
 - Sweden
 - Italy
 - Canada

ANS: D PTS: 1 DIF: Easy REF: p. 39
NAT: AACSB Diversity | Group Dynamics
TOP: Understanding Cultural Differences MSC: K&C

14. Hofstede's work casts doubt on the:
- ability of cross-cultural attitudes to predict job-related attitudes
 - use of masculinity versus femininity as an orientation that has cultural variation
 - use of time as an orientation that differs across cultures
 - the universal applicability of U.S. management theories

ANS: D PTS: 1 DIF: Moderate REF: p. 39
NAT: AACSB Diversity | Group Dynamics
TOP: Understanding Cultural Differences MSC: K&C

15. Executive performance bonuses, high position power, and tactical or short-range planning suggest a corporate culture that emphasizes:
- low risk taking
 - consensus decision making
 - high uncertainty avoidance
 - individualism

ANS: D PTS: 1 DIF: Hard REF: p. 39
NAT: AACSB Diversity | Group Dynamics
TOP: Understanding Cultural Differences MSC: appl.

16. An expatriate manager is one who:
- has left a transnational organization to work for a competitor
 - works within a foreign-owned company within their own country
 - works in a country other than his or her home country
 - has given his or her allegiance to a transnational type of organization over a more national/domestic perspective

ANS: C PTS: 1 DIF: Moderate REF: p. 39
NAT: AACSB Diversity | HRM TOP: Understanding Cultural Differences
MSC: K&C

17. In the Business Guide to Cultural Differences provided by the textbook, which of the following statements would be most accurate regarding the culture of Japan?
- It is considered rude to be late.
 - Punctuality is not always a priority.
 - It is customary to make appointments for approximate times of the day rather than precise hours.
 - Women should expect to wear hosiery and high heels.

ANS: A PTS: 1 DIF: Moderate REF: p. 43
NAT: AACSB Diversity | Environmental Influence
TOP: Understanding Cultural Differences MSC: K&C

18. Gifts are not usually a requirement in business dealings, though presenting a small gift will generally be appreciated as gesture of goodwill in which of the following cultures?
- Mexico
 - Japan
 - Saudi Arabia
 - Canada

ANS: A PTS: 1 DIF: Moderate REF: p. 43
NAT: AACSB Diversity | Environmental Influence
TOP: Understanding Cultural Differences MSC: K&C

19. In which of the following cultures should you avoid directly saying no?
- Japan
 - Saudi Arabia
 - Mexico
 - Canada

ANS: C PTS: 1 DIF: Moderate REF: p. 43
NAT: AACSB Diversity | Environmental Influence
TOP: Understanding Cultural Differences MSC: K&C

20. Which of the following was NOT recommended as a technique for increasing the sensitivity of differences between people from various cultures?
- describing one another's culture
 - cultural sensitivity training
 - role analysis technique (RAT)
 - cross-cultural task forces or teams

ANS: C PTS: 1 DIF: Easy REF: p. 44
NAT: AACSB Diversity | Individual Dynamics
TOP: Developing Cross-Cultural Sensitivity MSC: K&C

21. While the globalization of business affects all parts of the organization, which area of the organization is particularly affected?
- a. marketing
 - b. operations
 - c. MIS
 - d. human resources

ANS: D PTS: 1 DIF: Easy REF: p. 44
NAT: AACSB Diversity | HRM TOP: Developing Cross-Cultural Sensitivity
MSC: K&C

22. Attention to diversity has particularly increased in recent years because of:
- a. the use of telecommunications
 - b. the opportunity for use of lower cost labor in other countries
 - c. the changing demographics of the working population
 - d. legislation

ANS: C PTS: 1 DIF: Moderate REF: p. 44
NAT: AACSB Diversity | Environmental Influence TOP: The Diverse Workforce
MSC: K&C

23. According to your text, African-Americans and Hispanic-Americans are likely to be at a disadvantage within organizations because:
- a. they are under-represented in declining occupations
 - b. they tend to live in a small number of large cities that are facing severe economic difficulties
 - c. available jobs in the future will require less skill than in the past
 - d. the proportion of African-Americans and Hispanic-Americans who are qualified for higher level jobs are often higher than the proportion of qualified whites and Asian-Americans

ANS: B PTS: 1 DIF: Moderate REF: p. 45
NAT: AACSB Diversity | Environmental Influence TOP: Cultural Diversity
MSC: K&C

24. The globalization of business and changing demographic trends will present organizations with a tremendously culturally diverse workforce which represents the risk that:
- a. prejudices and stereotypes will prevent managers and employees from developing a synergy that can benefit the organizations
 - b. families will not be left intact
 - c. values will begin to erode
 - d. opportunities will not be available

ANS: A PTS: 1 DIF: Moderate REF: p. 45
NAT: AACSB Diversity | Group Dynamics TOP: Cultural Diversity
MSC: K&C

25. Which of the following statements/statistics about women in the workforce is incorrect?
- a. The labor force participation rate of women is approximately 70%.
 - b. Women held 11.2% of the corporate officer positions in *Fortune 500* companies.
 - c. Women currently comprise somewhat more than 46% of the U.S. workforce and by the year 2020 may be nearly 50%.
 - d. On average, women earn 90% of what men earn from work.

ANS: D PTS: 1 DIF: Moderate REF: p. 46
NAT: AACSB Diversity | HRM TOP: Gender Diversity
MSC: K&C

26. Which statement regarding the glass ceiling is most correct?
- a. The glass ceiling has been recently found to apply equally to males and females.
 - b. The glass ceiling is a barrier that has been traced to a lack of ability.
 - c. The glass ceiling, like Cinderella's glass slipper, has resulted in a temporary movement of women into political leadership positions throughout the world.
 - d. The glass ceiling is a transparent barrier that keeps women from rising above a certain level in organizations.

ANS: D PTS: 1 DIF: Moderate REF: p. 46
NAT: AACSB Diversity | HRM TOP: Gender Diversity
MSC: S&E

27. With respect to the multiple roles assumed by women, which of the following statements is FALSE?
- a. Men have been favorably predisposed to adopt the sharing of domestic responsibilities.
 - b. Working women often find themselves in the position of caring for the elderly parents.
 - c. Arranging for child care is typically the woman's responsibility.
 - d. Women have been quick to adopt the provider role.

ANS: A PTS: 1 DIF: Easy REF: p. 46
NAT: AACSB Diversity | Individual Dynamics TOP: Gender Diversity
MSC: K&C

28. Corporations that shatter the glass ceiling have many practices in common; however, these practices do NOT include:
- a. upper-management support for the advancement of women
 - b. women representation on committees that address strategic business issues
 - c. targeting women for participation in executive education
 - d. systems that identify women for advancement with certain quotas in place

ANS: D PTS: 1 DIF: Easy REF: p. 46
NAT: AACSB Diversity | HRM TOP: Gender Diversity
MSC: K&C

29. Which of the following competencies was NOT indicated as important to the development of an international career?
- a. integrity
 - b. insightfulness
 - c. risk taking
 - d. competence in several foreign languages

ANS: D PTS: 1 DIF: Easy REF: p. 47
NAT: AACSB Diversity | HRM TOP: Gender Diversity
MSC: K&C

30. Individuals born between 1964 and 1976 are known as the:
- a. baby boomers
 - b. swing generation
 - c. Generation Y
 - d. baby busters

ANS: D PTS: 1 DIF: Easy REF: p. 47
NAT: AACSB Diversity | Individual Dynamics TOP: Age Diversity
MSC: K&C

31. Which generation of workers tends to be impatient, wants short-term gratification, and puts family before work?
- a. silent generation
 - b. Generation Y
 - c. baby busters
 - d. baby boomers

ANS: C PTS: 1 DIF: Moderate REF: p. 47
NAT: AACSB Diversity | Individual Dynamics TOP: Age Diversity
MSC: K&C

32. Which generation of workers tends to strive for moral rights in the workplace and take a more activist position regarding employee rights?
- a. baby boomers
 - b. silent generation
 - c. Generation Y
 - d. Generation X

ANS: A PTS: 1 DIF: Easy REF: p. 47
NAT: AACSB Diversity | Individual Dynamics TOP: Age Diversity
MSC: K&C

33. If you were born from 1965 to 1976 you could be called:

- a. part of the silent generation
- b. a Gen X'er
- c. a baby boomer
- d. a Gen Y'er

ANS: B

PTS: 1

DIF: Easy

REF: p. 47

NAT: AACSB Diversity | Individual Dynamics

TOP: Age Diversity

MSC: K&C

34. A manufacturer of products for outdoor enthusiasts offers flextime and the opportunity to take up to four months of unpaid leaves of absence. This type of organization would most appeal to which generation?

- a. post Vietnam War babies
- b. baby boomers
- c. depression era generation
- d. baby busters

ANS: D

PTS: 1

DIF: Easy

REF: p. 47

NAT: AACSB Diversity | HRM

TOP: Age Diversity

MSC: appl.

35. The Americans with Disabilities Act defines disabled as:

- a. persons with permanent physical and mental problems
- b. anyone with a physical or mental impairment that substantially limits one or more major life activities
- c. individuals with physical impairments only
- d. those who cannot work

ANS: B

PTS: 1

DIF: Moderate

REF: p. 48

NAT: AACSB Diversity | Individual Dynamics

TOP: Ability Diversity

MSC: K&C

36. The issue concerning Oscar Pistorius of South Africa competing in the 2008 Olympics focuses on the:

- a. issue of age diversity because he is over 55 years of age
- b. issue of gender diversity due to transgender athletes
- c. ability diversity and the use of prosthetic legs
- d. issue of cultural diversity and whether Oscar truly represents South Africa

ANS: C

PTS: 1

DIF: Moderate

REF: p. 49

NAT: AACSB Diversity | Ethical Responsibilities

TOP: Ability Diversity

MSC: K&C

37. Evidence at Pizza Hut, which employs over 3,000 disabled workers and plans to hire more, suggests that turnover rates for disabled employees may be only what percent of the normal turnover rate?
- a. 40%
 - b. 30%
 - c. 20%
 - d. 10%

ANS: C PTS: 1 DIF: Moderate REF: p. 48
NAT: AACSB Diversity | HRM TOP: Ability Diversity
MSC: K&C

38. The representation of individuals with disabilities in the workforce is expected to increase dramatically because:
- a. of EEO
 - b. a larger portion of society has some type of disability
 - c. of the Americans with Disabilities Act
 - d. of companies like Pizza Hut and McDonald's

ANS: C PTS: 1 DIF: Moderate REF: p. 48
NAT: AACSB Diversity | Individual Dynamics TOP: Ability Diversity
MSC: K&C

39. Which of the following sources of diversity has received increasing attention by explaining how homophobia affects productivity?
- a. culture
 - b. gender
 - c. sexual orientation
 - d. social status

ANS: C PTS: 1 DIF: Easy REF: p. 49
NAT: AACSB Diversity | Individual Dynamics TOP: Differences Are Assets
MSC: K&C

40. The Science feature focusing on the research regarding voluntary diversity training and competence concluded that:
- a. women and race tended to be variables that resulted in higher levels of volunteering for diversity training
 - b. trainees with low competence in the diversity domain are unaware of their low competence levels and therefore are not motivated to participate in diversity training
 - c. trainees with high competence tend to over evaluate their diversity competence and don't volunteer to participate in diversity training
 - d. pretraining competence in diversity training had no effect on voluntary diversity training

ANS: B PTS: 1 DIF: Hard REF: p. 50
NAT: AACSB Diversity | HRM TOP: Science Feature
MSC: K&C

41. Emphasizing the use of inclusive language such as "partner" instead of "spouse" would be directed at what type of diversity?
- culture
 - social status
 - sexual orientation
 - age

ANS: C PTS: 1 DIF: Easy REF: p. 49
NAT: AACSB Analytic | Individual Dynamics TOP: Differences Are Assets
MSC: appl.

42. The major difference between prejudice and discrimination is:
- prejudice has been shown to have more of an impact on productivity than discrimination
 - discrimination has been shown to have more of an impact on productivity than prejudice
 - prejudice refers to behavior and discrimination refers to an attitude
 - prejudice refers to an attitude and discrimination refers to behavior

ANS: D PTS: 1 DIF: Moderate REF: p. 49
NAT: AACSB Diversity | Individual Dynamics TOP: Differences Are Assets
MSC: K&C

43. Assume you are the manager of a department with a diverse work group, but white males comprise the largest subgroup. Many of the white males resent having to work along side of female and minority employees who have less seniority and work experience but are paid the same. Several conflicts and incidents have taken place between the white males and others that have disrupted the workplace. Which of the following approaches would be more appropriate and effective in dealing with this situation?
- Fire the white male perpetrators.
 - Extend preferential treatment to female and minority employees.
 - Urge female and minority employees to take legal action against those who have caused problems.
 - Indicate that discriminatory and other inappropriate behavior will not be tolerated and initiate a series of meetings to address the problems and encourage open and frank discussion of the issues.

ANS: D PTS: 1 DIF: Easy REF: p. 49
NAT: AACSB Analytic | HRM TOP: Differences Are Assets
MSC: appl.

44. Which statement best captures the spirit of managing diversity?
- It is being a good corporate citizen.
 - It is complying with affirmative action.
 - It is assimilating women and minorities into a dominant male culture.
 - It is a painful examination of hidden assumptions that employees hold.

ANS: D PTS: 1 DIF: Easy REF: p. 49
NAT: AACSB Diversity | Individual Dynamics TOP: Differences Are Assets
MSC: S&E

45. Pillsbury is an organization that supports the performance (improved productivity and competitive advantage) case for managing and valuing differences. Managers at Pillsbury argue that:
- a. cross-functional teams that emphasize marketing should encourage diversity
 - b. the same business rationale for other cross-functional teams is relevant to all kinds of diversity
 - c. increasing diversity reduces the potential for unfair treatment
 - d. cross-functional teams should be based on market forces

ANS: B PTS: 1 DIF: Moderate REF: p. 51
NAT: AACSB Diversity | Environmental Influence
TOP: Diversity's Benefits and Problems MSC: appl.

46. Which of the following is considered a key benefit of diversity?
- a. cohesiveness
 - b. flexibility and adaptation
 - c. less time in making decisions
 - d. less thinking that is considered critical

ANS: B PTS: 1 DIF: Moderate REF: p. 51
NAT: AACSB Diversity | Environmental Influence
TOP: Diversity's Benefits and Problems MSC: S&E

47. Which of the following is NOT a classification for ethical theories?
- a. humanitarian
 - b. rule-based
 - c. consequential
 - d. cultural

ANS: A PTS: 1 DIF: Easy REF: p. 52
NAT: AACSB Ethics | Ethical Responsibilities
TOP: Ethics, Character, and Personal Integrity MSC: K&C

48. An ethical theory that emphasizes the nature and characteristics of an act is:
- a. cultural based
 - b. motive-based
 - c. consequence-based
 - d. rule-based

ANS: D PTS: 1 DIF: Moderate REF: p. 52
NAT: AACSB Ethics | Ethical Responsibilities
TOP: Ethics, Character, and Personal Integrity MSC: K&C

49. A well-known consequential theory which suggests that right and wrong is determined by the consequence of the action and we should maximize the most good for the greatest number of people is:
- a. cultural relativism
 - b. universal moralism
 - c. utilitarianism
 - d. rule-based theory

ANS: C PTS: 1 DIF: Easy REF: p. 52
NAT: AACSB Ethics | Ethical Responsibilities
TOP: Ethics, Character, and Personal Integrity MSC: K&C

50. Corporations and business enterprises are more prone to subscribe to:
- a. cultural relativism
 - b. universal moralism
 - c. consequential ethics
 - d. rule-based ethics

ANS: C PTS: 1 DIF: Easy REF: p. 52
NAT: AACSB Ethics | Ethical Responsibilities
TOP: Ethics, Character, and Personal Integrity MSC: K&C

51. Sexual harassment costs the typical *Fortune 500* company:
- a. \$2 million per year
 - b. \$4.7 million per year
 - c. \$6.7 million per year
 - d. \$10 million per year

ANS: C PTS: 1 DIF: Easy REF: p. 55
NAT: AACSB Ethics | HRM TOP: Sexual Harassment
MSC: K&C

52. Crude comments or sexual jokes and behaviors that disparage someone's sex or convey hostility is considered which type of sexual harassment?
- a. sexual coercion
 - b. exploitation
 - c. gender harassment
 - d. sexual abuse

ANS: C PTS: 1 DIF: Easy REF: p. 55
NAT: AACSB Ethics | HRM TOP: Sexual Harassment
MSC: K&C

53. The implicit or explicit demands for sexual favors by threatening negative job-related consequences or promising job-related rewards is considered:
- a. gender harassment
 - b. biased sexual force
 - c. sexual coercion
 - d. sexual exploitation

ANS: C PTS: 1 DIF: Easy REF: p. 55
NAT: AACSB Ethics | HRM TOP: Sexual Harassment
MSC: K&C

54. Which of the following would not be considered sexual harassment?
- a. A male department head is propositioned by a female employee who has bid for a different job that carries a high rate of pay.
 - b. When congratulating employees for their good work, a male supervisor pats male workers on the shoulder and female workers on their behinds.
 - c. A female office employee frequently, in a joking fashion, suggests to certain male co-workers that they go to a motel during the lunch hour.
 - d. In trying to make an important point when issuing job instructions, a male supervisor puts his hand on the employee's shoulder. He does this with both male and female employees.

ANS: D PTS: 1 DIF: Hard REF: p. 55
NAT: AACSB Analytic | Ethical Responsibilities TOP: Sexual Harassment
MSC: appl.

55. Two particular kinds of romances that are hazardous to the workplace include:
- a. hierarchical and utilitarian
 - b. hierarchical and horizontal
 - c. horizontal and utilitarian
 - d. hierarchical same sex and horizontal same sex

ANS: A PTS: 1 DIF: Easy REF: p. 56
NAT: AACSB Ethics | Environmental Influence TOP: Romantic Involvements
MSC: K&C

56. In a recent Supreme Court ruling regarding superior-subordinate dating, the court found that:
- a. sexual harassment is usually a reciprocal process
 - b. sexual harassment is very difficult to prove
 - c. sexual harassment by women is just as frequent as sexual harassment by men
 - d. employers are liable for acts of their agents and can be liable for sexual harassment

ANS: D PTS: 1 DIF: Moderate REF: p. 56
NAT: AACSB Analytic | Legal Responsibilities TOP: Romantic Involvements
MSC: analysis

57. A female employee is issued a written reprimand when returning late from lunch. A male employee in the same department returns late and is not disciplined. This issue represents a question of:
- a. sexual harassment
 - b. procedural justice
 - c. uniform standards
 - d. distributive justice

ANS: D PTS: 1
NAT: AACSB Ethics | HRM
MSC: appl.

DIF: Moderate REF: p. 57
TOP: Organizational Justice

58. When the Japanese questioned the salaries of American CEOs during a time when many companies were in difficulty and laying off workers, they were making their judgments based upon:
- a. utilitarian justice
 - b. distributive justice
 - c. procedural justice
 - d. rule-based justice

ANS: B PTS: 1
NAT: AACSB Ethics | HRM
MSC: appl.

DIF: Moderate REF: p. 57
TOP: Organizational Justice

59. An office romance is:
- a. immoral
 - b. a form of sexual harassment
 - c. likely to create a conflict of interest situation
 - d. a violation of most corporate codes of ethics and may subject the participants to disciplinary action

ANS: C PTS: 1
NAT: AACSB Ethics | Individual Dynamics
MSC: analysis

DIF: Moderate REF: p. 57
TOP: Organizational Justice

60. Whistle-blowing is:
- a. an example of white-collar crime
 - b. legally protected
 - c. an illustration of distributive justice
 - d. unethical

ANS: B PTS: 1
NAT: AACSB Ethics | Ethical Responsibilities | Legal Responsibilities
TOP: Whistle-Blowing

DIF: Hard REF: p. 57
MSC: K&C

61. The obligation of an organization to behave in ethical ways is known as:
- a. social environmentalism
 - b. organizational morality
 - c. social responsibility
 - d. ethical imperative

ANS: C PTS: 1 DIF: Moderate REF: p. 58
NAT: AACSB Ethics | Ethical Responsibilities TOP: Social Responsibility
MSC: K&C

62. Which country leads the world in the use of robotics?
- a. United States
 - b. Japan
 - c. Germany
 - d. Sweden

ANS: B PTS: 1 DIF: Easy REF: p. 60
NAT: AACSB Technology | Information Technologies TOP: Technological Innovation
MSC: K&C

63. The main reason why U.S. organizations are reluctant to use robotics stems from:
- a. the long payback period
 - b. their inherent complexity
 - c. resistance of labor unions
 - d. inflexibility

ANS: A PTS: 1 DIF: Moderate REF: p. 60
NAT: AACSB Technology | Information Technologies TOP: Technological Innovation
MSC: K&C

64. Computer-based applications that use a representation of human expertise in a specialized field of knowledge to solve problems is known as:
- a. technology
 - b. an MIS system
 - c. an expert system
 - d. CAD (computer assisted design)

ANS: C PTS: 1 DIF: Moderate REF: p. 60
NAT: AACSB Technology | Information Technologies TOP: Technological Innovation
MSC: K&C

65. The intellectual and mechanical processes used by an organization to transform inputs into products or services that meet organizational goals refers to the:
- a. throughput
 - b. technology
 - c. inputs
 - d. ability to appropriate value

ANS: B PTS: 1 DIF: Moderate REF: p. 60
NAT: AACSB Technology | Information Technologies TOP: Technological Innovation
MSC: S&E

66. Approximately what percent of computer innovations either fail or are abandoned before completion?
- a. 10%
 - b. 22%
 - c. 42%
 - d. 52%

ANS: C PTS: 1 DIF: Easy REF: p. 60
NAT: AACSB Technology | Information Technologies TOP: Technological Innovation
MSC: K&C

67. Disadvantages of telecommuting include all of the following **except**:
- a. work schedule flexibility
 - b. distractions at home
 - c. inability to supervise and difficulty in evaluating performances
 - d. lack of meaningful, work-related interaction with coworkers

ANS: A PTS: 1 DIF: Moderate REF: p. 62
NAT: AACSB Technology | Information Technologies
TOP: Alternative Work Arrangements MSC: appl.

68. Transmitting work from a home computer to the office using a modem is referred to as:
- a. e-mail
 - b. a Web intranet
 - c. a Web internet
 - d. telecommuting

ANS: D PTS: 1 DIF: Easy REF: p. 62
NAT: AACSB Technology | Information Technologies
TOP: Alternative Work Arrangements MSC: K&C

69. Breaking larger office facilities into a network of smaller workplaces that are located close to employees' homes is known as what type of work arrangement?
- a. hoteling
 - b. satellite offices
 - c. cellular offices
 - d. reservations

ANS: B PTS: 1 DIF: Easy REF: p. 62
NAT: AACSB Technology | Information Technologies
TOP: Alternative Work Arrangements MSC: K&C

70. A work arrangement where employees share an office and have mobile file cabinets and lockers for personal storage with space being reserved rather than permanently assigned refers to:
- a. hoteling
 - b. satellite offices
 - c. temporary cells
 - d. permanent reservations

ANS: A PTS: 1 DIF: Easy REF: p. 62
NAT: AACSB Technology | Information Technologies
TOP: Alternative Work Arrangements MSC: K&C

71. Hoteling and satellite offices are alternative work arrangements that reflect a trend toward the:
- a. digital age
 - b. "people work everywhere" concept
 - c. virtual office
 - d. real-time office

ANS: C PTS: 1 DIF: Moderate REF: p. 62
NAT: AACSB Technology | Information Technologies
TOP: Alternative Work Arrangements MSC: K&C

72. With rapid technological development, the nature of managerial work changes in all of the following **except**:
- a. technical skills of supervisors become increasingly more important
 - b. helping workers adapt to new technologies becomes very important
 - c. direct control of employees becomes essential and easier to do
 - d. participative and open communication styles become more important

ANS: C PTS: 1 DIF: Hard REF: p. 62
NAT: AACSB Technology | Information Technologies
TOP: Emerging Managerial Realities MSC: S&E

73. Which of the following statements does not reflect skills consistent with the changing nature of managerial work?
- a. Human and conceptual skills are more important than technical skills.
 - b. Managers must use more participative management styles.
 - c. Managers must help workers make effective use of new technologies.
 - d. Managers must focus more on helping workers manage the stress of their work.

ANS: A PTS: 1 DIF: Hard REF: p. 62
NAT: AACSB Technology | Information Technologies
TOP: Emerging Managerial Realities MSC: analysis

74. Technological change and innovation positively impact jobs and employees through all of the following **except**:
- a. greater technical skill requirements
 - b. enhanced concern of job loss
 - c. increased job autonomy and responsibility
 - d. greater potential for pay increase

ANS: B PTS: 1 DIF: Moderate REF: p. 63
NAT: AACSB Technology | Information Technologies
TOP: Helping Employees Adjust To Technological Change MSC: S&E

75. The term applied to creatively applying new technology already in place is:
- innovation
 - creativity
 - invention
 - reinvention

ANS: D PTS: 1 DIF: Easy REF: p. 63
NAT: AACSB Technology | Information Technologies
TOP: Helping Employees Adjust To Technological Change MSC: K&C

TRUE/FALSE

1. Globalization implies that the world is free from national boundaries and that it is really a borderless world.

ANS: T PTS: 1 REF: p. 36
NAT: AACSB Reflective Thinking | Environmental Influence

2. A transnational business firm operates only in the European Union.

ANS: F PTS: 1 REF: p. 37
NAT: AACSB Reflective Thinking | Environmental Influence

3. An organization in which the national viewpoint supersedes the global viewpoint is a transnational organization.

ANS: F PTS: 1 REF: p. 37
NAT: AACSB Reflective Thinking | Environmental Influence

4. American business firms will only be successful in China if they master the practice of guanxi.

ANS: F PTS: 1 REF: p. 37
NAT: AACSB Diversity | Environmental Influence

5. A Japanese manager employed at the Honda plant in Marysville, Ohio, is an expatriate.

ANS: T PTS: 1 REF: p. 42
NAT: AACSB Reflective Thinking | HRM

6. Hofstede's research on culture showed that national culture explains more differences in work-related attitudes than does age.

ANS: T PTS: 1 REF: p. 41 NAT: AACSB Diversity | HRM

7. A collectivistic culture displays an orientation in which relationships and group decision making are valued.

ANS: T PTS: 1 REF: p. 40
NAT: AACSB Diversity | Group Dynamics

8. A cultural orientation where people belong to a loose social framework and their primary concern is for themselves and their families is based on power distance.

ANS: F PTS: 1 REF: p. 40
NAT: AACSB Diversity | Individual Dynamics

9. High uncertainty avoidance is associated with high risk taking.

ANS: F PTS: 1 REF: p. 40
NAT: AACSB Diversity | Individual Dynamics

10. Hofstede's work cast doubt on the universal applicability of U.S. management theories.

ANS: T PTS: 1 REF: p. 41
NAT: AACSB Diversity | Group Dynamics

11. Women hold only 16% of senior management positions in *Fortune 500* organizations.

ANS: T PTS: 1 REF: p. 46
NAT: AACSB Diversity | Individual Dynamics

12. Women salaries persist at a level of 78% of their male counterparts.

ANS: T PTS: 1 REF: p. 46
NAT: AACSB Diversity | Individual Dynamics

13. While women's participation in the workforce is increasing, their share of the rewards of participation is not increasing commensurately.

ANS: T PTS: 1 REF: p. 46
NAT: AACSB Diversity | Individual Dynamics

14. The glass ceiling is a unique phenomenon to the United States.

ANS: F PTS: 1 REF: p. 46 NAT: AACSB Diversity | HRM

15. As the workforce becomes increasingly diverse, the potential for unfair treatment also increases.

ANS: T PTS: 1 REF: p. 44
NAT: AACSB Diversity | Individual Dynamics

16. The disparity between the pay of women and minority group members relative to white males decreases with age.

ANS: F PTS: 1 REF: p. 47 NAT: AACSB Diversity | HRM

17. The glass ceiling is not the only gender barrier in organizations.

ANS: T PTS: 1 REF: p. 46 NAT: AACSB Diversity | HRM

18. Consequential theories of ethics emphasize the consequences or results of behavior.

ANS: T PTS: 1 REF: p. 52

NAT: AACSB Ethics | Ethical Responsibilities

19. John Stuart Mill's utilitarianism suggests that right and wrong is determined by the consequences of the action.

ANS: T PTS: 1 REF: p. 52

NAT: AACSB Ethics | Ethical Responsibilities

20. Employers are not liable for the acts of their agents (supervisors) when it comes to sexual harassment.

ANS: F PTS: 1 REF: p. 52

NAT: AACSB Ethics | Legal Responsibilities

21. Distributive justice is the fairness of the process by which outcomes are allocated in an organization.

ANS: F PTS: 1 REF: p. 52

NAT: AACSB Ethics | Ethical Responsibilities

22. Americans are more suspicious of labor-saving robots than the Japanese because employers often use them to cut jobs.

ANS: T PTS: 1 REF: p. 61

NAT: AACSB Technology | Information Technologies

23. A computer-based application that uses a representation of human expertise in a specialized field of knowledge to solve problems is known as bootstrapping.

ANS: F PTS: 1 REF: p. 60

NAT: AACSB Technology | Information Technologies

MATCHING

Match the following:

- a. A cultural orientation in which individuals belong to tightly knit social frameworks.
- b. The concept of borderless marketplace.
- c. The locus and distribution of power within the organization.
- d. A business firm that operates in numerous countries and employs a multicultural workforce.
- e. An American business official who works for a U.S. subsidiary in Spain.

1. Transnational
2. Organization
3. Power Distance
4. Globalization
5. Expatriate Manager Collectivism

- | | | |
|-----------|--------|--|
| 1. ANS: D | PTS: 1 | NAT: AACSB Diversity Environmental Influence |
| 2. ANS: C | PTS: 1 | NAT: AACSB Diversity Environmental Influence |
| 3. ANS: B | PTS: 1 | NAT: AACSB Diversity Environmental Influence |
| 4. ANS: E | PTS: 1 | NAT: AACSB Diversity Environmental Influence |
| 5. ANS: A | PTS: 1 | NAT: AACSB Diversity Environmental Influence |

Match the following:

- a. A law passed in 1993 that allows up to 12 weeks of leave from work for family medical problems.
- b. A federal agency that receives and investigates charges of employment discrimination.
- c. Individual differences present in the workforce.
- d. Individuals born between 1946 and 1964.
- e. An artificial barrier that prevents women from advancing above a certain organizational level.
- f. Individuals born between 1965 and 1976.

6. Baby Boomers
7. Family and Medical Leave Act
8. EEUC
9. Glass Ceiling
10. Baby Busters
11. Diversity

- | | | |
|-----------|--------|---|
| 6. ANS: D | PTS: 1 | NAT: AACSB Diversity AACSB Ethics Ethical Responsibilities Legal Responsibilities |
| 7. ANS: A | PTS: 1 | NAT: AACSB Diversity AACSB Ethics Ethical Responsibilities Legal Responsibilities |
| 8. ANS: B | PTS: 1 | NAT: AACSB Diversity AACSB Ethics Ethical Responsibilities Legal Responsibilities |
| 9. ANS: E | PTS: 1 | NAT: AACSB Diversity AACSB Ethics Ethical Responsibilities Legal Responsibilities |

10. ANS: F PTS: 1
NAT: AACSB Diversity | AACSB Ethics | Ethical Responsibilities | Legal Responsibilities
11. ANS: C PTS: 1
NAT: AACSB Diversity | AACSB Ethics | Ethical Responsibilities | Legal Responsibilities

Match the following:

- a. A collection of rule-based guides to ethical behavior.
 - b. An ethical perspective that focus on results of behavior.
 - c. The collective ethical conduct of an organization.
 - d. The theory of ethics that argues for local standards on a set of standards for each individual.
 - e. Fairness of outcomes received by organizational members.
 - f. Suggests that right and wrong is determined by the consequences of the action.
12. Distributive Justice
13. Social Responsibility
14. Cultural Relativism
15. Bible
16. Consequential Theory
17. Utilitarianism
-
12. ANS: E PTS: 1 NAT: AACSB Ethics | Ethical Responsibilities
13. ANS: C PTS: 1 NAT: AACSB Ethics | Ethical Responsibilities
14. ANS: D PTS: 1 NAT: AACSB Ethics | Ethical Responsibilities
15. ANS: A PTS: 1 NAT: AACSB Ethics | Ethical Responsibilities
16. ANS: B PTS: 1 NAT: AACSB Ethics | Ethical Responsibilities
17. ANS: F PTS: 1 NAT: AACSB Ethics | Ethical Responsibilities

Match the following:

- a. An organizational informant or someone who reports corporate wrongdoing.
 - b. Fairness of the process and/or criteria used to allocate outcomes.
 - c. A credo or recorded set of accepted and ethical behavior.
 - d. A public statement in which one agrees to follow a set of ethical standards.
 - e. Embezzlement, fraud, and misuse of corporate assets.
18. Professional Oath
19. Procedural Justice
20. White Collar Crime
21. Code of Ethics
22. Whistle-blower
-
18. ANS: D PTS: 1 NAT: AACSB Ethics | Ethical Responsibilities
19. ANS: B PTS: 1 NAT: AACSB Ethics | Ethical Responsibilities
20. ANS: E PTS: 1 NAT: AACSB Ethics | Ethical Responsibilities
21. ANS: C PTS: 1 NAT: AACSB Ethics | Ethical Responsibilities
22. ANS: A PTS: 1 NAT: AACSB Ethics | Ethical Responsibilities

Match the following:

- a. Rules, procedures, tools, and equipment used to transform inputs to organizational outputs.
- b. Computer-assisted work done in one's home.
- c. Materials that carry electric current without energy loss.
- d. Electro-mechanical devices designed and operated to perform manufacturing tasks.
- e. Representation of human knowledge as a computer program.
- f. Creative application of new technology.

23. Superconductivity
24. Reinvention
25. Technology
26. Robots
27. Telecommuting
28. Expert System

23. ANS: C	PTS: 1	NAT: AACSB Technology Information Technologies
24. ANS: F	PTS: 1	NAT: AACSB Technology Information Technologies
25. ANS: A	PTS: 1	NAT: AACSB Technology Information Technologies
26. ANS: D	PTS: 1	NAT: AACSB Technology Information Technologies
27. ANS: B	PTS: 1	NAT: AACSB Technology Information Technologies
28. ANS: E	PTS: 1	NAT: AACSB Technology Information Technologies

ESSAY

1. Briefly discuss the issues an organization would want to consider or understand if it were interested in a business venture within China.

ANS:

Chinese managers' business practices have been shaped by the Communist party, socialism, feudalistic values, and guanxi (the practice of building networks for social exchange). In China, the family is regarded as being responsible for a worker's productivity, and in turn, the company is responsible for the worker's family. Chinese managers have very little experience with rewards and punishments, and are reluctant to use them in the workplace. Americans would need to build their own networks, understand the Chinese chain of command, and negotiate slow, general agreements in order to interact effectively.

PTS: 1 REF: p. 37 NAT: AACSB Diversity | Environmental Influence

2. Describe American business culture using Hofstede's dimensions of cultural differences.

ANS:

The U.S. business and economic culture emphasizes individualism, weak to moderate power distance, low to moderate uncertainty avoidance (or moderate risk taking), masculinity, and short-term time orientation.

PTS: 1 REF: p. 39 NAT: AACSB Diversity | Environmental Influence

3. What are some (mention at least five) of the significant workforce composition changes that have been taking place since the second World War?

ANS:

The number of women in the workforce has almost doubled since 1970, increasing from 31.5 million to 64 million. In 2004, women made up almost 60% of labor force. Women are also becoming better prepared to contribute in organizations than ever before with 52% of master degrees, 32% of doctorates, and 50% of all undergraduate degrees being awarded to women. In 2004, 58% of U.S. women were employed. The most rapidly expanding minority segment of the workforce is Hispanic; Asian Americans are also rapidly increasing their workforce numbers. Finally, the workforce is aging for two reasons: the population is aging and people are working longer as there is not mandatory retirement age.

PTS: 1

REF: p. 44

NAT: AACSB Diversity | HRM

4. Are legal requirements and ethical standards synonymous?

ANS:

They are close but not the same. Staying just within the law could also border on being unethical. In other words, a person could be found to have met legal technical requirements but their behavior might be considered unacceptable from an ethical viewpoint.

PTS: 1

REF: p. 52

NAT: AACSB Ethics | AACSB Analytic | Ethical Responsibilities | Legal Responsibilities

5. Imagine that you are working for an organization that produces a highly controlled and experimental drug that is targeted for the treatment of a rare virus. Unfortunately, someone close to you has contacted the disease, and it appears that the only hope this person has is to obtain the experimental drug. At this time, however, there is absolutely no way you could obtain the drug under legal means. Using each of the three classifications of ethical theories (consequential, rule-based, and cultural), briefly describe what you would do.

ANS:

Consequential - Under this perspective you could argue that the greatest good will be served (saving your friend), and you may rationalize stealing the drug to save the life. Here, good consequences do not always follow from right actions. Rule-based theory - Under this perspective the character of the act would not allow you to steal the drug. The character of the act, not the effect, is the driving force. Under Kant's categorical imperative, it simply wrong to steal, a necessary universal standard. The self-interest of human beings is God's providence, or there are rule-based guides to moral behavior. Cultural relativism - Here, you would do what is right given the context. If a more consequential base was the norm, then you would likely take the drug.

PTS: 1

REF: p. 52-54

NAT: AACSB Ethics | AACSB Analytic | Ethical Responsibilities



6. What technological changes have been taking place in virtually all work environments and what impact will they have on workers?

ANS:

The major changes include telecommuting, use of expert systems, robotics, use of the Internet, digital telecommunications, desktop computing capability (measured in terabytes), networking, improvements in traditional materials which will mean declines in jobs that produce raw materials, advances in biotechnology (i.e., ability to manipulate life forms at the cellular and subcellular levels), and superconductivity.

Implications for managers and employees include the use of computers for monitoring employees (double-edged sword), emphasis on managers' technical skills as well as human and conceptual skills, use of participative management styles, open communication, and the need to help workers manage the stress of their work. Workers must constantly learn and adapt to changing technology so that organizations can remain competitive. Managers must grapple with the challenge of helping workers adapt and make effective use of new technologies.

PTS: 1

REF: p. 60-63

NAT: AACSB Technology | Information Technologies