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MGMT 301 (Johnson) – Exam 1 – Practice Exam Answer Key

NOTE: 50% of the exam content is from lectures, and 50% is from the textbook. This packet covers lecture and textbook content.

1. C; NASA is a classic bureaucracy that is finding it more difficult to operate with a big bureaucracy; Working on **innovating** to be competitive in space
2. C; Planning is one of the four aspects of the Management Process; Technological is also an acceptable answer to this question according to the professor's lecture
3. B; Emotional Intelligence does NOT include Ethical Decision Making
4. B; If you were managing this project, you would want to seek out stakeholders and identify and talk through potential problems early
5. B; Developing a science for each job was part of Taylor's approach.
6. E; "Subsystem" is the correct answer; in a previous version of the textbook Schermerhorn 2nd ed), answer "A," or "closed system," was given as the correct answer.
7. D; The Hawthorne studies concluded that supervisors should avoid close relations with subordinates
8. B; Conceptual Skill means thinking analytically to solve a complex problem
9. A; Lifelong Learning is continuous learning from daily experiences
10. D; Here you would be using a technical Skill
11. A; You are playing a decisional role
12. E; You want to remember that the **people language of business** is very important
13. C; Setting goals and objectives is the management function of planning; we will explore planning as a function in later chapters
14. D; A manager who does not consider the ethics of his or her behavior is an AMORAL manager
15. B; Mill's view held that ethical behavior delivers the greatest good to the most people
16. E; The social responsibility audit measures and reports on your organization's performance related to social responsibility
17. A; The P on PONG stands for Personal
18. C; You need to talk to the male supervisor who is calling female employees "sweetie." Even if you know he doesn't mean anything negative, it can be construed as harassment and/or cause resentment among your employees.

19. B; You would be looking for a code of conduct
20. A; Kohlberg is talking about the preconventional level here
21. C; The 3 roles of a manager are Decisional, Interpersonal, and Informational
22. B; Taking a long-range view is a skill of a leader. A manager, in contrast, would be likely to think and operate only in the short term.
23. D; Traditional. Conversely, some companies successfully implement an inverted pyramid structure that is more customer-driven.
24. E; Administers; A leader develops, takes a long-range view, challenges the status quo, and innovates.
25. B; This is related to the Hawthorne Effect.
26. D; The hybrid business model is a combination of Business to Business and Business to Consumer
27. D; Overall, management, and business in general, are about creating, delivering, and capturing value. The idea of generating value will come up throughout your Smeal courses.
28. B; A *good* boss empowers employees to meet goals. Bad bosses are generally unlikely to empower their employees. Some traits of bad bosses include: inconsistency, poor people skills, being authoritative, causing dissention, always needing to “be right” about things, micromanaging, doing things that appear unfair to employees.
29. C; The Classical Management theorists believed that all people are rational.
30. D; Maslow’s Hierarchy is an important concept to learn for this exam. You will see it throughout your Smeal coursework.
31. A; Taylor’s goal under the Scientific Management Approach was to secure maximum prosperity for both employer and employee
32. D; You would want to inform your absent colleague of the situation and allow him or her to take action
33. A; Behavioral management theory focuses on people FIRST
34. E; Max Weber identified Bureaucracy; a problem with bureaucracy is that it can be slow-moving.



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Packet Review Solutions

The following contains the answers to the problems included in your packet review. These problems were covered in the on-demand video for this exam review

Intro

Problem 1: We looked different business models in class. While selling iPhones, Apple's business model is what?

- a. A dominant business to business model
- b. A focused business to business model
- c. A strategic business to consumer model
- d. A hybrid business to business/business to consumer model

B2C – Business to Consumer

- Amazon wants to be the Walmart of online sales
- Businesses sell directly to customers

B2B – Businesses sell to other businesses

- General Motors (80% of business)

Hybrid – Mixture of B2B and B2C

- Amazon and Apple are examples
- Trying to play both sides

Chapter 1

Problem 1-1:

We discussed various organizational structures employed by companies. In the traditional organizational structure we discussed in class, top private sector (for-profit) managers are directly accountable to:

- a. Employees
- b. Stockholders
- c. Board of Trustees
- d. Board of Directors
- e. Customers



Problem 1-2:

We discussed organizational structures and the different roles of managers. What best describes what we have learned about a CEO?

- a. Reports to the C-Suite
- b. Provides direction to the line managers
- c. Responsible for leading the company
- d. Develops Board of Trustees
- e. Maintains status quo only

Problem 1-3:

In Chapter 1, we looked at the characteristics of managers and leaders. What is the difference between a manager and a leader?

- a. Managers maintain the status quo; Leaders challenge the status quo
- b. Managers do things "right." Leaders do the "right thing."
- c. Managers look at the long-range view; leaders look at the short-range view
- d. All of the above
- e. Only a and b

Problem 1-4:

Which element below is not part of the management process?

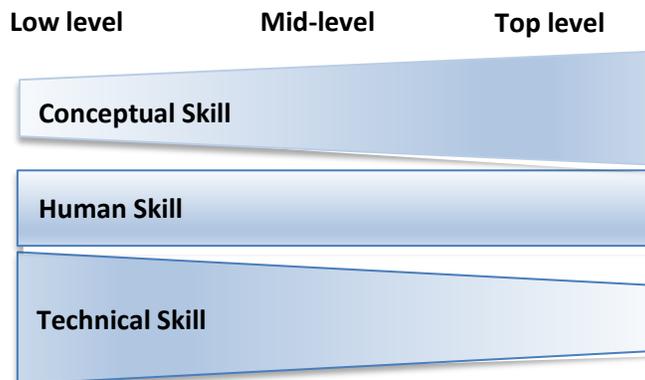
- a. Planning – *Setting performance objectives and determining how to achieve them*
- b. Structuring
- c. Organizing – *Arranging tasks, people and resources to accomplish your objectives*
- d. Leading – *Inspiring people to work hard to achieve your objectives*
- e. Controlling – *Measuring performance and making changes that enable you to meet your performance objectives*



Problem 1-5:

Which of the following is true about Conceptual Skills for a manager:

- a. They are less important as you progress through your career
- b. They are replaced by a need for more technical skills later in your career
- c. They become more important as your career progresses
- d. They are one of the three types of skills a manager should possess
- e. Both C and D are correct



Chapter 2

Problem 2-1:

In **classical management theory**, theorists assumed that people were rational. Who is credited with identifying **bureaucracy** as part of these early management approaches?

- a. Abraham Maslow – *Hierarchy of needs*
- b. Douglas McGregor – *Theory X & Y; Behavioral management approach*
- c. Frederick Taylor – *Scientific management; Classical management approach*
- d. Henry Fayol – *Administrative principles, Classical management approach*
- e. Max Weber – *Bureaucratic organization, Classical management approach*

The correct answer is Max Weber.

Weber believed in:

- Clear division of labor
- Hierarchy of authority
- Formal rules & procedures
- Impersonal management style
- Careers based on merit

Problem 2-2:

Henri Fayol was another classical management theorist. A key insight from his work was “unity of command” What does this mean?

- a. Clear communication all levels
- b. A strong bureaucratic structure
- c. Use of science in management
- d. One boss per person
- e. Top-down command of organizations

Henri Fayol believed that unity of command was an important part of management. He also believed in:

1. Foresight/planning
2. Organization
3. Command
4. Coordinate
5. Control

...as important aspects of managing employees in the workforce.

Problem #2-3:

In Chapter 2, we discussed Six Sigma and related concepts in management. Related to that discussion, what is the lean principle?

- a. To reduce waste
- b. Always searching for new ways to improve
- c. Making decisions based only on facts
- d. Gathering and using information to solve problems
- e. Approaching problems in an analytical manner

Lean principles – Intended to reduce waste

- Lean principles are a significant aspect of supply chain management/operations
- **Lean principles** are key concepts you will see again and again at Smeal and in business.
- You will see this term associated with Six Sigma and Quality Management

Problem 2-4:

If a manager was practicing Theory Y in the workplace, which might be his assumption about the workers being supervised?

- a. Workers are irresponsible
- b. Resistance to change typical
- c. People are self-directed
- d. Everyone likes to follow
- e. Ambition is lacking

Remember that, under **McGregor's Theory Y** people are:

- Participative
- Willing to work
- Capable/creative
- Self-controlled
- Self-directed
- Responsible

Chapter 3

Problem 3-1:

In class, we looked at Kohlberg's 3 levels of moral development. Related to the important issues of morality in the workplace, _____ highlight the risks from public disclosure of a person's actions.

- a. Whistleblowers
- b. Ethics training
- c. Values
- d. Spotlight questions
- e. Virtuous circle

SPOTLIGHT QUESTIONS Highlight the risks from public disclosure of a person's actions

- **Preconventional level** – The individual is self-centered with moral thinking limited to issues of punishment, obedience and self-interest
- **Conventional level** – Individuals focus more on social concerns and base decisions on following social norms, meeting others' expectations, and meeting obligations
- **Post conventional level** – A person is driven by core principles and personal beliefs and possesses a strong ethics framework

Problem 3-2:

What is the difference between an amoral and a moral manager?

- a. The amoral manager considers the ethics of his behavior while the moral manager does not
- b. The amoral manager does not consider the ethics of his behavior, while the moral manager makes ethical behavior a personal goal
- c. The amoral manager behaves unethically while the moral manager behaves ethically
- d. None of the above

An amoral manager does **NOT** consider the ethics of his/her behavior.

- **Immoral manager** – Behaves unethically
- **Amoral manager** – Does not consider the ethics of his/her behavior
- **Moral manager** – Sets ethical behavior as a personal goal

Problem 3-3:

Which of the following is NOT one of the 6 components of the ethical decision-making framework?

- a. Integrity
- b. Awareness
- c. Stakeholders
- d. Values
- e. Standards

The Ethical Decision-Making Framework has 6 facets:

- Awareness
- Facts
- Stakeholders (any people or groups that have an interest in the decision)
- Standards
- Values
- Actions

Problem #3-4:

_____ are broad beliefs about what is considered appropriate behavior.

- a. Ethical frameworks
- b. Cultural relativism
- c. Values
- d. Moral rights view
- e. Spotlight questions
- f.

The correct answer is **Values**.

- **Cultural relativism** – Holds that there is no one right way to behave
- **Moral rights view** – Ethical behavior respects and protects people’s fundamental rights
- **Ethical frameworks** – Well-thought-out, personal rules for making ethical decisions
- **Spotlight questions** – Highlight the risks from public disclosure of a person’s actions