

MGMT 301 (Johnson) – Final Exam – Practice Exam Solutions

1. D; Edgar Schein described a company's observable culture using the Iceberg Analogy.
2. C; Dish Network was doing a business model innovation; it identified the acquisition of Blockbuster as an opportunity
3. E; Both B and D are true; A transformational leader does not wait for events to unfold nor support the status quo
4. C; Businesses go global primarily to increase earnings; going global can increase the potential market share, add new markets, and generally increase the opportunity to earn more revenue
5. B: Franchise; examples of franchisor/franchisee relationships include fast food chains like McDonald's
6. C; This is cultural intelligence
7. A; Hofstede identified the 5 value differences between cultures;
8. A; Force-coercion is NOT one of the phases of planned change; force-coercion is a strategy used by some managers to effect change
9. E; Rejection is NOT part of the process of adjusting to a new culture; the 5 stages of the process are confusion, small victories, honeymoon, irritation and anger, and reality
10. B; Actively developing, communicating, and enacting shared values
11. B; This is a low-context culture
12. D; This is the Foreign Corrupt Practices Act
13. B; A joint venture is not a means of entering a global market from your home country; joint ventures enable you to access new markets without the risk of making mistakes in the new country
14. A; Greenfield venture
15. A; this is Decision-making
16. B; This is a transnational corporation; These has a high pressure for integration and high pressure for local responsiveness
17. A; this is Job design;
18. A; A project team is assembled for task-specific reasons
19. B; A virtual team uses technology to connect and work; a virtual team would be particularly useful if you are working across national lines
20. D; this would be a maintenance activity because you are doing this to support the emotional life of the team
21. D; Competition, which is Low Cooperation/High Assertiveness

22. B: Insourcing; in contrast, outsourcing is shifting local jobs to foreign locations
23. C; Socialization is the process through which employees learn the organizational culture
24. E; Importing
25. A; this is called teamwork
26. D; Teams do NOT eliminate conflict
27. E; This is a cross-functional team
28. B; you are at the performing stage
29. B; This is a product innovation
30. A; This is outsourcing
31. E; Globalization
32. B; Ron is using an international model for his beanbag chairs
33. A; They are the franchiser
34. A; This is a process innovation; these result in better ways of doing things
35. A; IBM is now a services provider
36. D; Integration and Responsiveness
37. B: This manager is primarily acting as a facilitator in this type of team
38. D; this is norming
39. C; you are engaging in transformational change.
40. B; 70% of transformation efforts fail, largely due to bad implementation
41. C; We look at Kubler-Ross' work on grief because grief is related to change.
42. C; this is force-coercion strategy
43. A; team membership is not part of the team effectiveness formula
44. E; Your conflict mode is accommodating
45. D; They are referring to the organizational culture
46. D; Perks provided is NOT part of observational culture; remember that observational culture is the stuff you can see and observe when you are walking around the office



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MGMT 301 (Johnson) – Final Exam – Check Your Understanding Solutions

Check Your Understanding – Chapter 9 - Culture, Innovation & Change

1. E; Cultures do not develop managers. They do, however, shape attitudes, reinforce beliefs, direct behavior, and set expectations
2. A; Managers are not required to embrace the status quo; indeed, this might not be the best choice for a manager; we do expect managers to develop culture, manage change, and encourage innovation
3. B; Community is not part of Schein's levels of culture
4. A; Idea implementation is not part of commercializing innovation

Check Your Understanding – Chapter 17 – Global Cultures/Business

1. 7 Reasons Companies go Global:
 - a. **New markets** – Customers and profits
 - b. **Sourcing** – Suppliers of goods and services
 - c. **Financing** – Capital to expand
 - d. **Labor** – Low cost and skilled
 - e. **Risk** – Business, natural or country
 - f. **Technology** – Communications and data
 - g. **MAKE MONEY**
2. A foreign subsidiary is a local operation *completely* owned by a foreign firm. A joint venture is when a company operates in a foreign country through co-ownership with local partners
3. Globalization is the process of growing interdependence among elements of the global economy
It is personal because an individual must be able to operate in a global environment. It is corporate because businesses must work with other cultures.

4. Integration Responsiveness Grid quadrants are:
 - a. Global
 - b. Transnational
 - c. International
 - d. Multinational