

## 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; Everything but D (Perks) is part of the observable culture in a company.
47. C; This is a unicorn. A B-corp is a company founding with an additional mission of helping the environment.
48. The correct answer is LLC, which is a Limited Liability Corporation. This is a way you might structure and legally incorporate your business. The following are ways to fund your new venture:
  - IPO** – Initial public offering; An initial selling of shares of stocks to the public at large
  - Crowdfunding** - New ventures go online to get start-up financing for their new business from crowds of investors.
  - VC** – Venture capital; Makes large investments in new ventures in return for an equity stake in the business.

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

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

9.1: E; Cultures do not develop managers. They do, however, shape attitudes, reinforce beliefs, direct behavior, and set expectations

9.2: B; Community is not part of Schein's levels of culture

9.3: D; The perks provided on the job are not part of the observational culture.

9.4: A; Idea implementation is not part of commercializing innovation

9.5: Multiple select: The correct choices are A, B and C

**Highly innovative organizations** have the following characteristics:

- A **strategy** that includes innovation
- A **culture** that values innovation
- Responsive **structures** and **systems**
- Support from top **management**
- A focus on **staffing** for creativity and innovation

9.6: 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

9.7: C; This is a force-coercion strategy

### Check Your Understanding – Chapter 16 – Global Business

16.1: C; This is cultural intelligence

### Check Your Understanding – Chapter 17 – Global Cultures/Business

17.1: E; Both B and D – The Personal is being an individual who can work in a global environment; The Corporate is being a corporation that can work with other cultures.

17.2: C; This is a transnational company that requires substantial investment globally.

17.3: B; A joint venture is a company that operates in a foreign country through co-ownership with local partners.

Another way to go global by entering a host country is through a **foreign subsidiary** – A local operation *completely* owned by a foreign firm.

17.4: D; The Foreign Corrupt Practices Act

### Check Your Understanding – Chapter 14 – Teams and Teamwork

14.1: A; This would be a project team. Other kinds of teams you will want to know:

**Virtual teams** – Use technology to connect and work together

**Employee-involvement teams** – Meet on a regular basis to help achieve continuous improvement within the organization

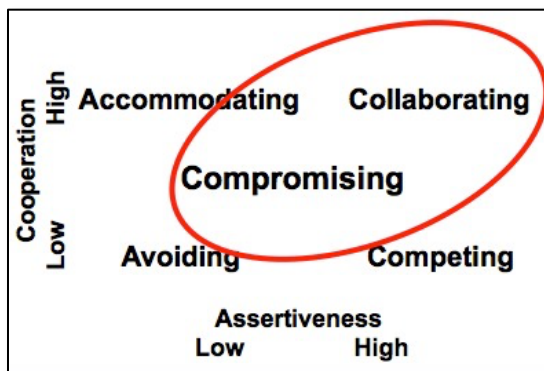
14.2: B; This is called job enrichment. In contrast, **Job design** is the allocation of specific work tasks to individuals or groups

14.3: Multiple select: The correct answers are A, B and E

14.4: C; Norming is the correct stage of the lifecycle of teams. Remember:

- **Forming** – Uninformed optimism
- **Storming** – Informed pessimism
  - You recognize the other person's problems
- **Norming** – Informed optimism
  - Adapting, accepting and starting to see success
- **Performing** – Everything is good
  - Informed optimism on steroids; superior performance
- **Adjourning** – Ending

14.5: C; The correct answer is Compromising and Collaborating



### **Check Your Understanding – Chapter 18 – Entrepreneurship**

18.1: D; We define LLC as combining the advantages of the sole proprietorship, partnership and corporation. In your packet, the question asks about the Limited Liability Partnership, but the question should say “Limited Liability Corporation.” The question should read:

#### **What is the main characteristic of a Limited Liability Corporation?**

- a. It is owned solely by one person who pays taxes on the earnings
- b. It gives ownership to an outside individual or company in exchange for their investment
- c. It combines the goals of making a profit with the goals of engaging in activities that benefit the community and the environment
- d. It combines the advantages of the sole proprietorship, partnership and corporation
- e. None of the above

18.2: B; A corporation holds responsibility for its liabilities. The owners are not directly responsible for liabilities like they would be in a sole proprietorship

18.3: D; You do not need angel investors for success.

18.4: C; You are in the breakthrough stage.

18.5: D; Kickstarter is a crowdfunding platform. Another example is indiegogo.