

MANAGING THE PUBLIC SECTOR  
*Ninth Edition*

Grover Starling

Chapter One:  
The Nature of Public Administration

**Multiple-choice questions:**

1. Which of the following statements about nonprofit organizations is TRUE?
- A. The Internal Revenue Service may allow nonprofits to have private shareholders.
  - B. The U.S. Department of Justice charters nonprofits.
  - C. Few nonprofits have mission statements.
  - D. A nonprofit has several owners.
  - E. Nonprofits may generate profits.

(Answer: E)

2. “The essence of his technique for information-gathering was competition. ‘He would call you in,’ one of his aides once told me, ‘and he’d ask you to get the story on some complicated business, and you’d come back after a couple of days of hard labor and present the juicy morsel you’d uncovered under a stone somewhere, and then you’d find out he knew all about it, along with something else you didn’t know. Where he got this information from he wouldn’t mention, usually, but after he had done this to you once or twice you got damn careful about your information.’”

The person described in this passage is

- A. Richard M. Nixon.
- B. Franklin D. Roosevelt.
- C. Lyndon B. Johnson.
- D. Ronald Reagan.
- E. Woodrow Wilson.

(Answer: B)

3. However diverse the activities of public administrators might seem, research indicates that the activities of these managers can be categorized into 10 roles. Which of the following is NOT such a role?

- A. Figurehead
- B. Entrepreneur
- C. Disturbance handler
- D. Arbitrator
- E. Liaison

(Answer: D)

4. According to Peter F. Drucker, the one thing third-sector institutions have in common is that they

- A. change people.
- B. employ more women than men.
- C. demonstrate an effective capacity to acquire governmental funding.
- D. are among the oldest organizations in the Western world.
- E. learn from failure.

(Answer: A)

5. Which of the following is NOT one of the five traditional management functions?

- A. Organizing
- B. Leading
- C. Planning
- D. Empowering
- E. Controlling

(Answer: D)

6. Which of the following *was* NOT mentioned as a significant difference between the public and private sectors?

- A. Absence of profit in the public sector
- B. Size of operations in the public sector
- C. Blurring of responsibility in the public sector
- D. Higher visibility to the public in the public sector
- E. Different incentives

(Answer: B)

7. Any time that one's actions create costs for another without the other person's permission, there is

- A. an externality.
- B. a moral hazard.
- C. a pecuniary cost.
- D. a trespass.
- E. an estoppel.

(Answer: A)

8. According to President Harry Truman, which of the following are characteristics of a government corporation?

- I. They are predominantly of a business nature.
- II. They produce revenue and are potentially self-sustaining.
- III. They involve a large number of business-type transactions with the public.
- IV. They require a greater flexibility than customary congressional funding ordinarily permits.

- A. I and II only
- B. I and III only
- C. II and IV only
- D. I, II, and III
- E. I, II, III, and IV

(Answer: E)

9. Public health, education, clean air, and police protection are best described as programs

- A. provided primarily at the local level.
- B. historically provided at state and local levels before they were provided at the federal level.
- C. exhibiting characteristics of public goods.
- D. with considerable ‘spillover’ effects.
- E. increasingly provided by nongovernmental organizations.

(Answer: C)

10. The exercise the authority by government or, more precisely, the system and method by which that authority is exercised defines

- A. governance.
- B. public management.
- C. the new public administration.
- D. legitimization.
- E. the science of administration.

(Answer: A)

11. Official records underestimate the true size of government because they ignore people working for the federal government on contracts and grants. If we include these people, along with uniformed military services and Postal Service workers, the real size of government is about

- (A) 3 million
- (B) 5 million
- (C) 8 million
- (D) 12 million
- (E) 25 million

(Answer: D)

12. The basic division of nonprofits is

- (A) small, medium, and large
- (B) member-serving organizations and public-serving organizations
- (C) focused organizations and umbrella organizations
- (D) professional organizations and nonprofessional organizations
- (E) independent organizations and quasi-independent organizations

(Answer: B)

13. Generally speaking, the founding fathers approach to public administration was

- (A) Washingtonian
- (B) Jeffersonian
- (C) Madisonian
- (D) Hamiltonian
- (E) Whiggish

(Answer C)

14. "The field on administration is the field of business. It is removed from the hurry and strife of politics." Who said that?

- (A) Bill Gates
- (B) Theodore Roosevelt
- (C) Franklin Roosevelt
- (D) Woodrow Wilson
- (E) Jack Welch

(Answer: D)

15. The classic management acronym POSDCORB is most closely associated with

- (A) Max Weber
- (B) Henri Fayol
- (C) Henry Mintzberg
- (D) Peter Drucker
- (E) Frederick Taylor

(Answer: B)

16. The expression "the one best way" applies especially well to which of the following management theorists?

- (A) Max Weber
- (B) Henri Fayol
- (C) Henry Mintzberg
- (D) Peter Drucker
- (E) Frederick Taylor

(Answer: E)

17. David Lilienthal, Paul Appleby, Philip Selznick, and Norton Long all attacked which of the following concepts?

- (A) scientific management
- (B) return on assets ( ROA)
- (C) POSDCORB
- (D) the politics-administration dichotomy
- (E) co-optation

(Answer: D)

**Essay and Short Answer Questions:**

1. Distinguish public administration from governance.
2. How do independent executive agencies, independent regulatory commissions, and government corporations differ?
3. How would you answer the not-so-simple question, How big is government?
4. What is a nonprofit organization?
5. What are some of the ways in which public management differs from private management?
6. What is the difference between efficiency and effectiveness?
7. Discuss the three management roles -- interpersonal, information, and decisional -- as they apply in government. Give examples.
8. Most economists would justify government's role in the economy in terms of market failures. Explain.
9. The text discusses three different perspectives essential to understanding the theory and practice of American public administration today. Explain how these three perspectives differ and when each emerged.
10. Who was Henri Fayol?
11. Who was Frederick Taylor?
12. Explain Nye and Donahue's nine-cell matrix of "governance in the 21st century."