Chapter 1

What is organisational behaviour

1.   Demonstrate the importance of interpersonal skills in the workplace.

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

1) Research shows that _____strongly relates to job satisfaction

A) work-related training
B) an individual's incentive plan
C) higher pay
D) social relationships between workers

Answer: D
AACSB: Application of knowledge
Diff: 1
Type: MC
Topic: the importance of interpersonal skills
Objective: Demonstrate the importance of interpersonal skills in the workplace

2) Which two elements are needed for manager's to succeed?

A) people skills and technical skills
B) interpersonal skills and task-related skills
C) emotional intelligence and cognitive skills
D) political skills and personal power

Answer: A
AACSB: Application of knowledge
Diff: 2
Type: MC
Topic: the importance of interpersonal skills
Objective: Demonstrate the importance of interpersonal skills in the workplace

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

20) Recognition of the importance of developing managers' interpersonal skills is closely tied to the need for organisations to get and keep high-performing employees.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: The importance of interpersonal skills
Objective: Demonstrate the importance of interpersonal skills in the workplace

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

4) Why is it so important for managers to have good interpersonal skills?

Answer:
Developing managers' interpersonal skills also helps organisations attract and keep high performing employees. Regardless of labour market conditions, outstanding employees are always in short supply. Companies known as good places to work have a big advantage. A recent survey of hundreds of workplaces and over 200 000 respondents showed that social relationships among co-workers and supervisors were strongly related to overall job satisfaction. Positive social relationships also were associated with lower stress at work, and lower intentions to quit. So having managers with good interpersonal skills is likely to make the workplace more pleasant, which, in turn, makes it easier to hire and keep qualified people. Creating a pleasant workplace also appears to make good economic sense. Companies with reputations as good places to work (such as the '100 best places to work in Australia') have been found to generate superior financial performance. We have come to understand that in today's competitive and demanding workplace, managers can't succeed on their technical skills alone. They also have to have good people skills.

AACSB: Reflective thinking
Diff: 2
Type: ES
Topic: The importance of interpersonal skills
Objective: Demonstrate the importance of interpersonal skills in the workplace

2. Describe the manager's functions, roles and skills.

1) The four management functions include all of the following except:

A) controlling
B) planning
C) staffing
D) organising

Answer: C
AACSB: Application of knowledge
Diff: 1
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

2) _____ includes defining an organisation's goals, establishing strategy for achieving those goals, and developing plans to coordinate activities.

A) controlling
B) planning
C) leading
D) coordinating

Answer: B
AACSB: Application of knowledge
Diff: 1
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

3) The determination of what tasks are to be done and how the tasks are to be grouped is part of which management function?

A) planning
B) leading
C) controlling
D) organising

Answer: D
AACSB: Application of knowledge
Diff: 1
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

4) The organising function includes a determination of which of the following?

A) what tasks are to be done
B) who is to do these tasks
C) who reports to whom
D) all of the above

Answer: D
AACSB: Application of knowledge
Diff: 2
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

5) Motivating employees, directing their activities, selecting the most effective communication channels and resolving conflicts is the _____ function of management.

A) planning
B) leading
C) controlling
D) organising

Answer: B
AACSB: Application of knowledge
Diff: 1
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

6) According to Henry Mintzberg, the 10 managerial roles can be grouped into three categories. Which of the following is not one of these groups?

A) interpersonal
B) informational
C) decisional
D) liaison roles

Answer: D
AACSB: Application of knowledge
Diff: 2
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

7) An example of Mintzberg's interpersonal management role is:

A) spokesperson
B) leader
C) negotiator

D) monitor

Answer: B
AACSB: Application of knowledge
Diff: 3
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

8) When a manager searches the organisation and its environment for opportunities and initiates projects to bring about change, the manager is acting in which role?

A) negotiator
B) entrepreneur
C) disturbance handler
D) resource allocator

Answer: B
AACSB: Application of knowledge
Diff: 2
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

9) Researchers have identified a number of skills that differentiate effective from ineffective managers. Which of the following is not one of those essential management skills?

A) technical
B) computer
C) human
D) conceptual

Answer: B
AACSB: Application of knowledge
Diff: 1
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

10) When managers have the mental ability to analyse and diagnose complex situations, they possess:

A) technical skills
B) computer skills
C) human skills
D) conceptual skills

Answer: D
AACSB: Application of knowledge
Diff: 2
Type: MC

11) Which one of the following would not be considered a human skill?

A) completing accounting reports
B) communicating
C) managing conflicts
D) motivating others

Answer: A
AACSB: Analytical thinking
Diff: 2
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

12) According to Luthans and his associates, which of the following is not considered a part of traditional management?

A) interacting with outsiders
B) decision making
C) controlling
D) planning

Answer: A
AACSB: Analytical thinking
Diff: 2
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

13) Which of Luthans' managerial activities involves socialising, politicking, and interacting with outsiders?

A) traditional management
B) communication
C) human resource management
D) networking

Answer: D
AACSB: Interpersonal relations and teamwork
Diff: 1
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

14) According to Luthans, successful managers spend more of their time on _____ than on any other activity.

A) traditional management

B) human resource management
C) networking
D) communicating

Answer: C
AACSB: Interpersonal relations and teamwork
Diff: 1
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

15) The major differences between Successful managers and effective managers is that the former emphasises _____, while the latter emphasises _____.

A) traditional management; communication
B) networking; communication
C) communication; HRM
D) networking; HRM

Answer: B
AACSB: Interpersonal relations and teamwork
Diff: 2
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

MULTIPLE CHOICE: Scenarios. Choose the one alternative that best completes the statement or answers the question

1) Leighton Wood is a manager at the XYZ Company. He performs all the management functions as condensed from Henri Fayol's work)

Mr Wood estimates an overall strategy for achieving his department's goals, he is performing the _____ function.

A) planning
B) organising
C) leading
D) controlling

Answer: A
AACSB: Reflective thinking
Diff: 1
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

2) Leighton Wood is a manager at the XYZ Company. He performs all the management functions as condensed from Henri Fayol's work.

When Mr Wood determines what tasks are to be performed by his employees and how they are to be grouped, he is performing the _____ function.

A) planning
B) organising
C) leading
D) controlling

Answer: B
AACSB: Application of knowledge
Diff: 1
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

3) Leighton Wood is a manager at the XYZ Company. He performs all the management functions as condensed from Henri Fayol's work.

When Mr Wood motivates his employees and attempts to resolve conflicts among department members, he is performing the _____ function.

A) planning
B) organising
C) leading
D) controlling

Answer: C
AACSB: Application of knowledge
Diff: 1
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

4) Leighton Wood is a manager at the XYZ Company. He performs all the management functions as condensed from Henri Fayol's work.

When Mr Wood compares projected sales to actual sales in his department, he is performing the _____ function.

A) planning
B) organising
C) leading
D) controlling

Answer: D
AACSB: Application of knowledge
Diff: 3
Type: MC
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

2) Managers get things done through other people.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

3) The term 'organisation', as used in your textbook, is meant to include business firms but exclude government agencies.

Answer: FALSE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

4) Managers may be referred to as 'administrators', especially in not-for-profit organisations.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

5) Henri Fayol listed five management functions: planning, organising, commanding, coordinating, and controlling.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

6) Modern theorists have condensed Fayol's five management functions down to four: planning, organising, commanding, and controlling.

Answer: FALSE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: What managers do

Objective: Describe the manager's functions, roles and skills

7) The leading function includes the determination of what tasks are to be done.

Answer: FALSE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

8) Monitoring performance and comparing it to performance goals, and addressing performance shortfalls is what is meant by the controlling function.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

9) Mintzberg concluded that managers perform 10 different highly-interrelated roles, or sets of behaviours, attributable to their jobs.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

10) The role of spokesperson is an example of an informational role.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

11) As resource allocators, managers are responsible for making or approving significant organisational decisions.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF

12) When managers transmit information received from outsiders or from other employees to members of the organisation they are acting in the capacity of an entrepreneur.

Answer: FALSE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

13) Researchers have identified three essential management skills: technical, human, and conceptual.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

14) Human skills are defined as 'the ability to apply specialised knowledge or expertise'.

Answer: FALSE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

15) The mental ability to analyse and diagnose complex situations is referred to as an individual's conceptual skills.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

16) According to Luthans and his associates, those managers who are most "successful" will spend more time networking than those managers who are considered most "effective".

Answer: TRUE
AACSB: Application of knowledge
Diff: 3
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

21) While managers must be technically competent, technical knowledge is not enough for success.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

26) Research conducted by Luthans supports the theory that promotions are based on performance.

Answer: FALSE
AACSB: Application of knowledge
Diff: 3
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

27) Luthans' research indicates that among effective managers, communication made the largest relative contribution and networking the least.

Answer: TRUE
AACSB: Interpersonal relations and teamwork
Diff: 3
Type: TF
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

28) Managers need to develop their people skills if they are going to be effective and successful.

Answer: TRUE
AACSB: Interpersonal relations and teamwork
Diff: 2
Type: TF

Topic: What managers do
Objective: Describe the manager's functions, roles and skills

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

1) Discuss the four management functions described by your text.

Answer:
The four management functions as condensed from Henri Fayol's original five are planning, organising, leading, and controlling. The planning function encompasses defining an organisation's goals, establishing an overall strategy for achieving those goals, and developing a comprehensive hierarchy of plans to integrate and coordinate activities. Organising includes the determination of what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom, and where decisions are to be made. The leading function involves motivating employees, directing activities of others, selecting the most effective communication channels, and resolving conflicts among members. Controlling involves monitoring, comparing, and correcting any significant deviations to get the organisation back on track.

AACSB: Written and oral communication
Diff: 2
Type: ES
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

2) Discuss Mintzberg's 10 different roles. Group them as being primarily concerned with interpersonal relationships, the transfer of information, and decision making.

Answer:
Mintzberg identified 10 managerial roles; these 10 roles are grouped in three categories: (1) interpersonal, (2) informational, or (3) decisional. The interpersonal roles include figurehead, leadership, and liaison roles. Performing ceremonial and symbolic duties is the figurehead role. The leadership role includes hiring, training, motivating, and disciplining employees. The liaison role involves contacting outsiders who provide the manager with information. The information roles include monitor, disseminator, and spokesperson. Collecting information from organisations and institutions outside their own is the monitor role. The disseminator role involves acting as a conduit to transmit information to organisational members. The spokesperson role occurs when managers represent their organisation to outsiders. Decisional roles include entrepreneur, disturbance handler, resource allocator, and negotiator. In the entrepreneur role, managers

initiate and oversee new projects that will improve their organisation's performance. As disturbance handlers, managers take corrective action in response to unforeseen problems. As resource allocators, managers are responsible for allocating human, physical, and monetary resources. Managers perform a negotiator role, in which they discuss issues and bargain with other units to gain advantages for their own unit. See Exhibit 1.1.

AACSB: Written and oral communication
Diff: 3
Type: ES
Topic: What managers do
Objective: Describe the manager's functions, roles and skills

3.   Define organisational behaviour (OB).

1) OB studies:

A) the behaviour of individuals, groups and structures
B) the behaviour of groups, teams and departments
C) the behaviour of individuals, teams and organisations
D) the behaviour of groups, departments and organisations

Answer: A
AACSB: Application of knowledge
Diff: 2
Type: MC
Topic: Enter organisational behaviour
Objective: Define organisational behaviour (OB)

2) Which of the following can be considered a core topic of OB?

A) Pay and Performance
B) Power
C) Strategy
D) Supply Chain

Answer: B
AACSB: Analytical thinking
Diff: 2
Type: MC
Topic: Enter organisational behaviour
Objective: Define organisational behaviour (OB)

29) Organisational behaviour is a field of study that investigates the impact that individuals, groups, and structure have on behaviour within organisations, for the purpose of applying such knowledge toward improving an organisation's effectiveness.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Enter organisational behaviour
Objective: Define organisational behaviour (OB)

30) Organisational behaviour is concerned with the study of what people do in an organisation and how that behaviour affects the performance of the organisation.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Enter organisational behaviour
Objective: Define organisational behaviour (OB)

31) Organisational Behaviour is field of study which looks at behaviour in three areas: individuals, groups and departments.

Answer: FALSE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: Complementing intuition with systematic study
Objective: Define organisational behaviour (OB)

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

8) What is 'organisational behaviour' and what does the field study?

Answer:
Organisational Behaviour is a field of study with a common body of knowledge that investigates the impact that individuals, groups and structure have on behaviour within organisations for the purpose of applying such knowledge towards improving an organisation's effectiveness. It studies three determinants of behaviour in organisations - individuals, groups and structure, and in addition, applies the knowledge gained about individuals, groups and the effect of structure on behaviour in order to make organisations work more effectively. It is concerned with the study of what people do in an organisation and how that behaviour affects the performance of the organisation.

AACSB: Written and oral communication
Diff: 2
Type: ES
Topic: Enter organisational behaviour
Objective: Define organisational behaviour (OB)

4.   Show the value to OB of systematic study.

<u>MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.</u>

1) You manage a retail outlet for Optus Mobile Phones. Your branch specialises in smartphones, and you pride yourself on your branch's excellent abilities in solving all kinds of business problems with your range of phones and their many applications (apps). Recently you have hired two new young workers who seem to have no ability in the form of ideas to read their customers or to anticipate their needs. They often fail to complete many of their sales. What can OB tell you about how you can improve the predictive abilities of these new staff?

A) Work-related training will increase relevant knowledge, and then build on predictive abilities.
B) Increasing staff incentives will increase creativity, which will positively affect predictive abilities.
C) Increasing the emotional intelligence of staff through training will increase predictive abilities.
D) Predictive ability can be improved by building on intuition with a more systematic approach.

Answer: D
AACSB: Analytical thinking
Diff: 2
Type: MC
Topic: Complementing intuition with systematic study
Objective: Show the value to OB of systematic study

2) How can 'evidence-based management' assist managers to make better decisions?

A) By learning from experience and basing future decisions on successful past decisions.
B) By searching for the best available evidence to support systematic study in preparing for decision-making.
C) By engaging with the staff, asking them to provide evidence for the decisions they make.
D) By supporting decisions with evidence that the right choice was made.

Answer: B
AACSB: Analytical thinking
Diff: 2
Type: MC
Topic: Complementing intuition with systematic study
Objective: Show the value to OB of systematic study

<u>TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.</u>

32) Relying strictly on intuition to understand behaviour is made worse by the fact that we tend to overestimate the accuracy of what we think we know.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Complementing intuition with systematic study
Objective: Show the value to OB of systematic study

33) It is the fundamental consistencies in behaviour that make prediction possible.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Complementing intuition with systematic study
Objective: Show the value to OB of systematic study

41) Anything learned in an unsystematic way is incorrect.

Answer: FALSE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Complementing intuition with systematic study
Objective: Show the value to OB of systematic study

42) Intuition is a 'gut feeling' about what makes others (and ourselves) tick.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: Complementing intuition with systematic study
Objective: Show the value to OB of systematic study

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

14) Why is it important to replace intuition with systematic study in our attempts to understand behaviour within organisations?

Answer:

It is important to replace intuition with systematic study in our attempts to understand behaviour within organisations to help uncover important facts and relationships. This will provide a base from which more accurate predictions of behaviour can be made. That is, we can improve our predictive ability by replacing intuitive opinions with a more systematic approach. Systematic study looks at relationships, attempting to attribute causes and effects, and basing conclusions on scientific evidence. This helps to explain and predict behaviour. When we use the term 'systematic study', we mean: looking at relationships, attempting to attribute causes and effects, and basing our conclusions on scientific evidence—that is, on data gathered under controlled conditions and measured and interpreted in a reasonably rigorous manner.

AACSB: Reflective thinking
Diff: 2
Type: ES
Topic: Complementing intuition with systematic study
Objective: Show the value to OB of systematic study

5.   Identify the major behavioural science disciplines that contribute to OB.

1) OB is an applied behavioural science which is based on contributions from a number of different behavioural disciplines. These various disciplinary contributions lead to three units of analysis. Many of these units of analysis draw from multiple disciplines. Which unit of analysis is drawn from only one discipline?

A) Individual
B) Group
C) Team
D) Organisation system

Answer: A
AACSB: Application of knowledge
Diff: 2
Type: MC
Topic: Disciplines that contribute to the OB field
Objective: Identify the major behavioural science disciplines that contribute to OB

2) OB is an applied behavioural science which is based on contributions from a number of different behavioural disciplines. Which two disciplines is organisational culture drawn from?

A) Psychology and Anthropology
B) Social Psychology and Psychology
C) Sociology and Social Psychology
D) Anthropology and Sociology

Answer: D
AACSB: Diverse and multicultural work environments
Diff: 2
Type: MC
Topic: Disciplines that contribute to the OB field
Objective: Identify the major behavioural science disciplines that contribute to OB

43) OB is an applied behavioural science that is built upon contributions from a number of behavioural disciplines.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: Disciplines that contribute to the OB field
Objective: Identify the major behavioural science disciplines that contribute to OB

44) Learning, perception, and personality have been OB Topics whose contributions have generally come from psychology.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: Disciplines that contribute to the OB field
Objective: Identify the major behavioural science disciplines that contribute to OB

45) While psychology focuses on the individual, sociology studies people in relation to their social environment or culture.

Answer: TRUE
AACSB: Diverse and multicultural work environments
Diff: 1
Type: TF
Topic: Disciplines that contribute to the OB field
Objective: Identify the major behavioural science disciplines that contribute to OB

46) Social psychology is an area within psychology, blending concepts from both psychiatry and political science.

Answer: FALSE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Disciplines that contribute to the OB field
Objective: Identify the major behavioural science disciplines that contribute to OB

47) Anthropology has helped us understand differences in values and attitudes between people in different countries.

Answer: TRUE
AACSB: Diverse and multicultural work environments

Diff: 1
Type: TF
Topic: Disciplines that contribute to the OB field
Objective: Identify the major behavioural science disciplines that contribute to OB

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

5) Organisational behaviour is an applied behavioural science built upon contributions from a number of different disciplines. What are these disciplines and what are the contributions of each discipline? Be complete in your response and include four different behavioural science disciplines.

Answer:
Organisational behaviour has been built upon the contributions of psychology, sociology, social psychology, and anthropology. Psychology has contributed to learning, perception, personality, emotions, training, leadership effectiveness, needs and motivational forces, job satisfaction, decision making processes, performance appraisals, attitude measurement, employee selection techniques, work design, and job stress. Sociology has contributed through the study of formal and complex organisations including group dynamics, design of work teams, organisational culture, formal organisation theory and structure, organisational technology, communications, power, and conflict. Social psychology has contributed in the areas of measuring, understanding, and changing attitudes; communication patterns; building trust; the ways in which group activities can satisfy needs; and group decision-making processes. Anthropology has contributed to an understanding of organisational culture, organisational environments, and differences between national cultures. See Exhibit 1.3.

AACSB: Reflective thinking
Diff: 2
Type: ES
Topic: Disciplines that contribute to the OB field
Objective: Identify the major behavioural science disciplines that contribute to OB

6. Demonstrate why there are few absolutes in OB.

1) When using the science of OB to make reasonably accurate explanations of human behaviour we can say *x* leads to *y*, but only under conditions specified in *z*. In this formula, what does *z* refer to?

A) Contextual variables
B) Contingency variables
C) Temporal variables
D) Personal variables

Answer: B
AACSB: Application of knowledge
Diff: 2
Type: MC
Topic: There are few absolutes in OB
Objective: Demonstrate why there are few absolutes in OB

2) Why is it difficult to make sweeping statements about people using the science of organisational behaviour?

A) People react differently to similar situations
B) Group cohesion and group think distort human behaviour
C) Culture can bias a person's reactions
D) Manager's need time to understand the personal variables of staff before they can make sweeping statements

Answer: A
AACSB: Analytical thinking
Diff: 2
Type: MC
Topic: There are few absolutes in OB
Objective: Demonstrate why there are few absolutes in OB

34) There are many simple and universal principles that explain organisational behaviour.

Answer: FALSE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: There are few absolutes in OB

Objective: Demonstrate why there are few absolutes in OB

35) OB researchers are unable to offer reasonably accurate generalisations of human behaviour since two people can act very differently in the same situation.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: There are few absolutes in OB
Objective: Demonstrate why there are few absolutes in OB

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

9) Why is a contingency approach important to the study of 'organisational behaviour' (OB)?

Answer:
A contingency approach is important to the study of OB because human beings are complex, and so our ability to make simple, accurate and sweeping generalisations about them is limited. OB concepts must therefore reflect situational, or contingency, conditions. The science of OB was developed by using general concepts and then altering their application to the particular situation. For example, OB scholars would avoid stating that effective leaders should always seek the ideas of their followers before making a decision. Rather, the effectiveness of a particular leadership style is contingent on the situation in which it's used)

AACSB: Reflective thinking
Diff: 2
Type: ES
Topic: There are few absolutes in OB
Objective: Demonstrate why there are few absolutes in OB

7.   Identify the challenges and opportunities managers have in applying OB concepts.

16) Whereas _____ focuses on differences between people from different countries, _____ addresses differences among people within given countries.

A) workforce diversity; globalisation
B) globalisation; workforce diversity
C) diversity; culture
D) culturisation; workforce diversity

Answer: B
AACSB: Diverse and multicultural work environments
Diff: 2
Type: MC
Topic: Challenges and opportunities for OB
Objective: Identify the challenges and opportunities managers have in applying OB concepts

17) _____ means that organisations are becoming more heterogeneous in terms of gender, race, ethnicity and sexual orientation.

A) globalisation
B) workforce diversity
C) affirmative action
D) organisational culture

Answer: B
AACSB: Diverse and multicultural work environments
Diff: 2
Type: MC
Topic: Challenges and opportunities for OB
Objective: Identify the challenges and opportunities managers have in applying OB concepts

17) An ethical dilemma is a situation in which employees are required to define right and wrong conduct.

Answer: TRUE
AACSB: Ethical understanding and reasoning
Diff: 1
Type: TF
Topic: Changing demographics

Objective: Identify the challenges and opportunities managers have in applying OB concepts

18) Determining the ethically correct way to behave is especially difficult in a global economy, because different cultures have different perspectives on certain ethical issues.

Answer: TRUE
AACSB: Ethical understanding and reasoning
Diff: 1
Type: TF
Topic: Changing demographics
Objective: Identify the challenges and opportunities managers have in applying OB concepts

36) As the world has become a global village, managers have to become capable of working with people from different cultures.

Answer: TRUE
AACSB: Diverse and multicultural work environments
Diff: 1
Type: TF
Topic: Challenges and opportunities for OB
Objective: Identify the challenges and opportunities managers have in applying OB concepts

37) Workforce diversity means that organisations are becoming more homogeneous in terms of gender, race, and ethnicity.

Answer: FALSE
AACSB: Diverse and multicultural work environments
Diff: 1
Type: TF
Topic: Challenges and opportunities for OB
Objective: Identify the challenges and opportunities managers have in applying OB concepts

38) People must set aside their cultural values when they come to work.

Answer: FALSE
AACSB: Diverse and multicultural work environments
Diff: 2
Type: TF
Topic: Challenges and opportunities for OB
Objective: Identify the challenges and opportunities managers have in applying OB concepts

39) Since the 1980s, Australia's workforce demographics have changed considerably.

Answer: TRUE
AACSB: Diverse and multicultural work environments
Diff: 1
Type: TF
Topic: Challenges and opportunities for OB
Objective: Identify the challenges and opportunities managers have in applying OB concepts

40) One challenge for managers is to stimulate their employees' creativity and tolerance for change.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: Changing demographics
Objective: Identify the challenges and opportunities managers have in applying OB concepts

48) Globalisation, expanded capacity and advances in technology have required organisations to be fast and flexible if they are to survive.

Answer: TRUE
AACSB: Diverse and multicultural work environments
Diff: 1
Type: TF
Topic: Changing demographics
Objective: Identify the challenges and opportunities managers have in applying OB concepts

49) OB can provide considerable guidance in helping managers create customer-responsive cultures.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Changing demographics
Objective: Identify the challenges and opportunities managers have in applying OB concepts

50) Today's managers and employees must learn to cope with temporariness, flexibility, spontaneity and unpredictability.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Coping with 'temporariness'
Objective: Identify the challenges and opportunities managers have in applying OB concepts

51) Motivating and leading people and making collaborative decisions online require techniques that are different from those used when individuals are physically present in a single location.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Working in networked organisations
Objective: Identify the challenges and opportunities managers have in applying OB concepts

52) What constitutes good ethical behaviour is clearly defined by organisational behaviour specialists.

Answer: FALSE
AACSB: Ethical understanding and reasoning
Diff: 2
Type: TF
Topic: Improving ethical behaviour
Objective: Identify the challenges and opportunities managers have in applying OB concepts

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

3) How does globalisation affect a manager's job?

Answer:
If you're a manager, you are increasingly likely to find yourself on a foreign assignment, transferred to your employer's operating division or subsidiary in another country. Once there, you'll have to manage a workforce very different in needs, aspirations and attitudes from those you are used to back home. Even in your own country, you'll find yourself working with bosses, peers and other employees born and raised in different cultures. To work effectively with people from different cultures, you need to understand how their culture, geography and religion have shaped them and how to adapt your management style to their differences. In a global economy, jobs tend to flow where lower costs give businesses a comparative advantage.

Managers face the difficult task of balancing the interests of their organisation with their responsibilities to the communities in which they operate

AACSB: Diverse and multicultural work environments
Diff: 2
Type: ES
Topic: Challenges and opportunities for OB
Objective: Identify the challenges and opportunities managers have in applying OB concepts

6) Briefly discuss three of the challenges facing contemporary managers.

Answer:
Three challenges that managers are facing today include globalisation, managing workforce diversity, and responding to economic pressures. Organisations are no longer constrained by national borders. Globalisation affects a manager's people skills in at least two ways. First, you are likely to find yourself in a foreign assignment managing people from different cultures. Secondly, there is the movement of jobs to countries with low-cost labour. Managers face the difficult task of balancing the interests of their organisation with their responsibilities to the communities in which they operate. Thirdly, you are likely to work with bosses, peers, and other employees who were born and raised in different cultures. One of the biggest challenges is adapting to people who are different. This is 'workforce diversity'. Whereas globalisation focuses on differences between people from different countries, workforce diversity addresses differences among people within given countries. During difficult economic times, effective management is often at a premium. Managing employees well is equally difficult whether times are tough or whether times are good. But the OB approaches sometimes differ. In good times, understanding how to reward, satisfy and retain employees is at a premium. In bad times, issues like stress, decision making and coping come to the fore.

AACSB: Diverse and multicultural work environments
Diff: 3
Type: ES
Topic: Challenges and opportunities for OB
Objective: Identify the challenges and opportunities managers have in applying OB concepts

10) Explain the term 'workforce diversity'.

Answer:
Workforce diversity means that organisations are becoming more heterogeneous in terms of gender, race, and ethnicity and sexual orientation. Whereas globalisation focuses on differences between

people from different countries, workforce diversity addresses differences between people within given countries.

AACSB: Diverse and multicultural work environments
Diff: 1
Type: ES
Page Ref: 14
Topic: Challenges and opportunities for OB
Objective: Identify the challenges and opportunities managers have in applying OB concepts

11. What are managers and their organisations doing to respond to the problem of unethical behaviour?

Answer:
Managers and their organisations are responding to the problem of unethical behaviour in a number of ways. They're writing and distributing codes of ethics to guide employees through ethical dilemmas. They're offering seminars, workshops and other training programs to try to improve ethical behaviours. They're providing in-house advisors who can be contacted, in many cases anonymously, for assistance in dealing with ethical issues, and they're creating protection mechanisms for employees who reveal internal unethical practices.

AACSB: Ethical understanding and reasoning
Diff: 3
Type: ES
Topic: Changing demographics
Objective: Identify the challenges and opportunities managers have in applying OB concepts

8. Compare the three levels of analysis in this book's OB model.

1) Why can turnover be considered a good thing?

A) Turnover can reduce the salary load of companies and thus save money
B) Turnover leads to employment of new staff which can save the company money
C) Turnover can result in some less productive employees leaving who can be replaced by more enthusiastic new staff
D) Turnover can see older and more senior members leave which opens up spots for promotion and growth within the company

Answer: C
AACSB: Analytical thinking
Diff: 2
Type: MC
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

2) What does the statement that 'advanced societies should be concerned not only with the quantity of life … but also with its quality' mean?

A) That organisations should ensure workers have difficult and extrinsically rewarded jobs
B) That organisations should ensure workers have undemanding and intrinsically rewarded jobs
C) That organisations should ensure workers have easy and extrinsically rewarded jobs
D) That organisations should ensure workers have challenging and intrinsically rewarded jobs

Answer: D
AACSB: Analytical thinking
Diff: 2
Type: MC
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

1) There are three levels of analysis in OB, and, as we move from the individual level to the group level to the organisation systems level, we add systematically to our understanding of behaviour in organisations.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

19) Independent group level variables studied in organisational behaviour include perception, learning, and motivation.

Answer: FALSE
AACSB: Application of knowledge
Diff: 1
Type: TF
Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

22) The key factors you want to explain or predict in a model are termed 'independent variables'.

Answer: FALSE
AACSB: Application of knowledge
Diff: 2
Type: TF
Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

23) Typical dependent variables in organisational behaviour are productivity, absenteeism, and job satisfaction.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

24) Organisational behaviour models generally assume job satisfaction to be an independent variable.

Answer: FALSE
AACSB: Analytical thinking

Diff: 2
Type: TF
Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

24) Turnover is a variable which represents an attitude.

Answer: FALSE
AACSB: Analytical thinking
Diff: 3
Type: TF
Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

25) An organisation is productive if it achieves its goals and does so by transferring inputs to outputs at the lowest cost.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Page Ref: 20
Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

53) When employees are absent from their jobs, work flow is generally disrupted and important decisions may have to be delayed.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

54) A conservative estimate of the cost of recruiting, selecting, and training a US sales assistant in a retail store is about $5,000.

Answer: FALSE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

55) In today's changing world, reasonable levels of employee-initiated turnover improve organisational flexibility and employee independence.

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

56) An individual's positive attitude toward his or her job is termed 'job satisfaction'.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

57) 'Job satisfaction' represents an attitude rather than a behaviour.

Answer: TRUE
AACSB: Application of knowledge
Diff: 1
Type: TF
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

58) In service organisations, there is a clear chain of cause and effect that runs from employee attitudes and behaviour to customer attitudes and behaviour to the organisation's productivity

Answer: TRUE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

59) Organisations want and need employees who will do things that aren't in any job description; evidence indicates that organisations that have such employees demonstrating good organisational citizenship outperform those that don't.

Answer: TRUE

AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

60) The belief that satisfied employees are more productive than dissatisfied employees has been a basic tenet among managers for years, although recent research does not support this view.

Answer: FALSE
AACSB: Application of knowledge
Diff: 2
Type: TF
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

7) Define turnover and discuss why it is of concern to organisations.

Answer:
'Turnover' is the voluntary and involuntary permanent withdrawal from an organisation. A high turnover rate results in increased recruiting, selection, and training costs which are quite significant. A high rate of turnover can also disrupt the efficient running of an organisation when knowledgeable and experienced personnel leave and replacements must be found and prepared to assume positions of responsibility. However, reasonable levels of employee-initiated turnover facilitate organisation flexibility and employee independence, and they can lessen the need for management-initiated layoffs. Unfortunately, turnover often involves the loss of people the organisation doesn't want to lose.

AACSB: Reflective thinking
Diff: 2
Type: ES
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

12) Explain the terms: efficiency, effectiveness and productivity.

Answer:

Effectiveness is the achievement of goals, while efficiency means the ratio of effective output to the input required to achieve it. Productivity implies a concern for both effectiveness and efficiency. A business firm is effective when it attains its sales or market share goals, but its productivity also depends on achieving those goals efficiently. Popular measures of organisational efficiency include return on investment, profit per dollar of sales, and output per hour of labour.

AACSB: Written and oral communication
Diff: 3
Type: ES
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model

13) What are some of the most common independent and dependent variables identified on a general OB model?

Answer:
Dependent variables are the key factors that you want to explain or predict and that are affected by some other factor. Scholars have historically emphasised productivity, absenteeism, turnover, and job satisfaction. More recently, deviant workplace behaviour and organisational citizenship has been added to this list. The independent variables are divided into individual-level, group-level, and organisation systems level variables. The individual-level variables include biographical characteristics, ability, values, attitudes, personality, emotions, perception, individual decision making, learning, and motivation. Group-level variables include communication, leadership, power, and politics. Organisation systems level variables include structure, design and organisational culture.

AACSB: Written and oral communication
Diff: 3
Type: ES
Topic: Coming attractions: Developing an OB model
Objective: Compare the three levels of analysis in this book's OB model