

CHAPTER 1 Appendix – Historical perspectives of management

TRUE/FALSE

1. Social forces pertain to the availability, production and distribution of resources in a society.

ANS: F PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Management and organisation

2. The written rules and perceptions surrounding relationships among people and between employees and management are known as the 'social contract'.

ANS: F PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Management and organisation

3. The desirability of self-government, property rights, contract rights, and the definition of justice can all be considered part of political forces.

ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Management and organisation

4. Economic forces pertain to the availability, production and distribution of resources in a society.

ANS: T PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Management and organisation

5. Total quality management is the concept of focusing on managing the total organisation to deliver uncompromised quality to customers.

ANS: T PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: TQM

6. Culture is the set of key values, beliefs and understandings shared by members of an organisation.

ANS: T PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Management and organisation

7. The classical perspective on management emphasised the understanding of human behaviour as the means for increasing productivity.

ANS: F PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Classical perspective

8. The scientific management perspective and the bureaucratic organisation approach are both subfields of the classical perspective.

ANS: T PTS: 1 DIF: Difficult NAT: AACSB Analytic
TOP: Scientific perspective

9. Scientific management develops an appreciation of the person and their satisfaction with their job.

ANS: F PTS: 1 DIF: Easy NAT: AACSB Analytic

TOP: Scientific perspective

10. The basic scientific management approach is to develop standard methods for doing each job, through selection, training and support of workers and providing wage incentives.

ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Scientific perspective

11. The bureaucratic model developed by Max Weber emphasised efficiency instead of effectiveness in organisations.

ANS: F PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Bureaucratic perspective

12. The scientific management approach focuses on the individual worker, while the administrative principles approach focuses on the whole organisation.

ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Scientific perspective

13. A subfield of the classical management perspective that focuses on the total organisation rather than the individual worker is known as the 'administrative principle'.

ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Administrative principles

14. The term 'division of work' refers to the situation where each subordinate receives orders from one, and only one, superior.

ANS: F PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Unity of command

15. The scalar chain refers to the chain of authority that extension the top to the bottom of an organisation.

ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Scalar chain

16. Follett and Barnard were early advocates of a more humanistic perspective on management that emphasised the importance of understanding human behaviour, needs and attitudes in the workplace, as well as social interactions and group processes.

ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Humanistic perspective

17. The Hawthorne studies, relating to human relations, led to the early conclusion that positive human relations can lead to significantly better performance.

ANS: T PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Humanistic perspective

18. The human resources perspective maintained an interest in worker participation and considerate leadership but shifted the emphasis to consider the daily tasks that people perform.

- ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Human resource perspective
19. As assumption of Theory X is that ‘the average human being learns, under proper conditions, not only to accept but to seek responsibility’.
- ANS: F PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Theory X
20. The point of Theory Y is that organisations can take advantage of the imagination and intellect of all of their employees.
- ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Theory Y
21. The management science perspective develops theories about human behaviour based on scientific methods and study.
- ANS: F PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Management science perspective
22. The classical perspective on management emphasised a rational, scientific approach to the study of management and sought to make organisations effective operating machines.
- ANS: F PTS: 1 DIF: Difficult NAT: AACSB Analytic
TOP: Classical perspective
23. The behavioural sciences approach uses scientific methods and draws from sociology, psychology, anthropology, economics and other disciplines to develop theories about human behaviour and interaction in an organisational setting.
- ANS: T PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Classical perspective
24. Under ‘systems theory’, a closed system is unable to interact with the external environment.
- ANS: F PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Systems thinking
25. The management science perspective applied mathematics, statistics and other qualitative techniques to address managerial problems.
- ANS: T PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Management science
26. Synergy occurs when the interaction between organisational units serve to produce outputs that are greater than could be achieved otherwise.
- ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Systems thinking
27. Entropy is the tendency for a system to diminish in its capacity to deliver the productivity required from that system.

- ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Systems thinking
28. One of the advantages provided by effective coordination within an organisation is that entropy is reduced.
- ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Systems thinking
29. Under the contingency view of management, organisational phenomena exist in logical patterns and managers can devise and apply similar responses to common types of problems.
- ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Contingency view
30. Total quality management focuses on managing the total organisation to deliver quality to customers.
- ANS: T PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: TQM
31. E-business refers to the work an organisation does by using electronic linkages (including the Internet) with customers, partners, suppliers, employees or other key constituents.
- ANS: T PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Technology
32. Knowledge management refers to any effort to systematically find, organise and make available the intellectual capital that exists outside the organisation.
- ANS: F PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Knowledge management
33. The term 'unity of direction' refers to the situation where each subordinate receives orders from one, and only one, supervisor.
- ANS: F PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Administrative principles
34. Systems that help companies keep in contact with its customers, collect and manage customer data, and collaborate with customers generally, are collectively known as CRM systems.
- ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Customer relationship management
35. Outsourcing refers to any task, operation, job or process that could be performed by employees within your company, but is instead contracted to a third party for a significant period of time.
- ANS: T PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Outsourcing

36. Sustainable development is a relatively new term that refers to the way in which an organisation engages with and satisfies its wide array of shareholders, who may have different views on the environment.

ANS: F PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Sustainable development

37. The *jugaad* concept refers to an innovative mindset (used widely by Indian companies) that strives to meet customers' immediate needs quickly and inexpensively.

ANS: T PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Sustainable development

38. The *jugaad* concept can be equated with the Western term 'frugal engineering'.

ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Sustainable development

39. The 'circles of causality' concept describes the process required in the management of organisational systems.

ANS: T PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Circles of causality

MULTIPLE CHOICE

1. _____ forces refer to those aspects of a culture that guide and influence relationships among people.
- A. Legal
 - B. Economic
 - C. Social
 - D. Psychological
 - E. Political

ANS: C PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Management and organisation

2. An example of a political force would be:
- A. an increase in interest rates by the Reserve Bank
 - B. changes to an organisation's employment policies
 - C. a change in legislation concerning workplace relations
 - D. the implications of an ageing workforce
 - E. a decrease in the value of the Australian dollar due to comments made by the US President.

ANS: C PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Management and organisation

3. _____ forces pertain to the availability, production and distribution of resources in a society.
- A. Economic
 - B. Political
 - C. Social
 - D. Interactive
 - E. Unwritten

ANS: A PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Management and organisation

4. The economic stimulus package in Australia in 2008, exemplifies the effect of:
- A. economic forces
 - B. political forces
 - C. social forces
 - D. technological forces
 - E. monetary forces.

ANS: A PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Management and organisation

5. Variables such as interest rates, inflation and trade tariffs are all examples of _____ forces.
- A. technological
 - B. political
 - C. social
 - D. socio-educational
 - E. None of these choices.

ANS: E PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Management and organisation

6. Over the past two decades, managerial tools such as ‘activity-based management’, ‘scenario planning’ and ‘virtual teams’ have become popularly adopted in organisations. Such tools are considered to be:
- A. fads
 - B. populist
 - C. human resource based policy
 - D. fashions.

ANS: D PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Management tools

7. A management perspective that emerged during the nineteenth and early twentieth centuries that emphasised a rational, scientific approach to the study of management and sought to make organisations efficient operating machines is known as _____.
- A. the scientific management perspective
 - B. the classical perspective
 - C. the bureaucratic perspective
 - D. the contingent management perspective
 - E. None of these choices.

ANS: E PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Classical perspective

8. Which of the following would qualify as employee-empowerment?
- A. The ability to make decisions autonomously
 - B. The creation of self-directed work teams
 - C. The opportunity for ‘job enlargement’
 - D. All of these choices
 - E. Both A and B

ANS: E PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Administrative principles

9. A subfield of the classical management perspective that emphasises scientifically determined changes in management practices is known as the:
- A. classical perspective
 - B. scientific management
 - C. bureaucratic organisations
 - D. administrative principles
 - E. humanist perspective.

ANS: B PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Scientific management

10. A subfield of the classical management perspective that emphasises management on an impersonal, rational basis is known as:
- A. the classical perspective
 - B. scientific management
 - C. the bureaucratic perspective
 - D. administrative principles
 - E. the humanist perspective.

ANS: C PTS: 1 DIF: Moderate NAT: AACSB Analytic

TOP: Scientific management

11. The situation where each employee receives orders from one, and only one superior is known as:
- A. division of work
 - B. unity of command
 - C. unity of direction
 - D. the scalar chain.

ANS: B PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Administrative principles

12. A subfield of the classical management perspective that focuses on the total organisation rather than the individual worker is known as:
- A. the classical perspective
 - B. scientific management
 - C. a bureaucratic organisation
 - D. the administrative principle
 - E. the humanist perspective.

ANS: D PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Administrative principles

13. During the early twentieth century, the prevailing management perspective, which emphasised rationality and a scientific approach, was the _____ perspective.
- A. scientific
 - B. classical
 - C. behavioural
 - D. quantitative
 - E. Pareto

ANS: B PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Classical perspective

14. If an organisation is interested in basing their management on an impersonal yet rational basis, emphasising clearly defined authority and responsibility, then that organisation is following the _____ perspective.
- A. scientific
 - B. administrative
 - C. bureaucratic
 - D. classical
 - E. None of these choices.

ANS: C PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Bureaucratic organisation

15. Each of the following is a characteristic of Theory X, except:
- A. The average human being has an intense dislike of work and will avoid it if possible.
 - B. The average human learns, under proper conditions, not only to accept but also to seek responsibility.
 - C. Workers must be coerced, controlled, directed or threatened with punishment to get them to work to the required level.
 - D. Workers prefer to be directed and wish to avoid responsibility.

ANS: B PTS: 1 DIF: Moderate NAT: AACSB Analytic

TOP: Human resource perspective

16. Each of the following is a characteristic of scientific management except:
- A. Workers with appropriate abilities are selected for specific tasks.
 - B. Training within the organisation is specialised and idiosyncratic.
 - C. Workers are given wage incentives for increased output.
 - D. There is a standard method for performing each job.
 - E. The organisation supports its workers by planning their tasks and eliminating interruptions.

ANS: B PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Scientific management

17. All of the following are criticisms of scientific management except:
- A. It does not appreciate the careful study of tasks and jobs.
 - B. It does not appreciate the social context of work.
 - C. It does not appreciate the higher needs of workers.
 - D. It does not acknowledge variance among individuals.
 - E. It tends to regard workers as uninformed and ignores their ideas and suggestions.

ANS: A PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Scientific management

18. Standardisation of work and wage incentives are characteristics of:
- A. bureaucratic organisations
 - B. scientific management
 - C. quantitative management
 - D. administrative management
 - E. behavioural science.

ANS: B PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Scientific management

19. According to Weber's view on bureaucracy, organisations should be based on which of these?
- A. Personal loyalty
 - B. Personal references
 - C. Rational authority
 - D. Charismatic authority
 - E. Educational expertise

ANS: C PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Bureaucratic organisation

20. The idea that employee selection and retention should be based on a rational decision-making process, and not on loyalty or 'who you know' is a characteristic of:
- A. scientific management
 - B. the human relations movement
 - C. quantitative management
 - D. bureaucratic organisations
 - E. total quality management.

ANS: D PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Bureaucratic organisation

21. Which of the following is not a characteristic of a bureaucracy?

- A. Labour is divided with clear definitions of authority and responsibility that are legitimised as official duties.
- B. Positions are organised in a hierarchy of authority, with each position under the authority of a higher one.
- C. Administrative acts and decisions are recorded in writing. Record-keeping provides organisational memory and continuity over time.
- D. Satisfied workers will be more productive.
- E. Management is separate from the ownership of the organisation.

ANS: D PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Bureaucratic organisations

22. The extension of the humanistic perspective that describes organisations as being characterised by synergy, entropy and interdependence is known as:
- A. the management science perspective
 - B. systems theory
 - C. the behavioural sciences approach
 - D. the human resource management perspective.

ANS: B PTS: 1 DIF: Difficult NAT: AACSB Analytic
TOP: Systems theory

23. A(n) _____ system is one that is able to gather resources from the external environment:
- A. closed
 - B. open
 - C. interdependent
 - D. synergistic

ANS: B PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Systems theory

24. The tendency for a system to decline is known as:
- A. a closed system
 - B. an open system
 - C. synergy
 - D. entropy
 - E. None of these choices.

ANS: D PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Systems theory

25. The principle that similar activities in an organisation should be grouped together under one manager is the essence of the classical perspective known as:
- A. unity of command
 - B. division of work
 - C. unity of direction
 - D. scalar chain
 - E. quality management.

ANS: C PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Administrative principles

26. The use of specialisation to produce more and better work with the same level of effort is consistent with the administrative management principle of:

- A. unity of command
- B. unity of direction
- C. scalar chain
- D. division of work
- E. None of these choices.

ANS: D PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Administrative principles

27. When similar activities in an organisation are grouped together under one manager this is known as _____.

- A. unity of command
- B. unity of direction
- C. scalar chain
- D. division of work
- E. None of these choices.

ANS: B PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Administrative principles

28. Sarah believes her employees are responsible and able to work without intense direction and supervision. Sarah is a:

- A. Theory X manager
- B. Theory Y manager
- C. Theory Z manager
- D. contingency theory manager
- E. classical manager.

ANS: B PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Theory Y

29. Management thinking and practice that emphasises satisfaction of employees' basic needs as the key to increased worker productivity is referred to as:

- A. scientific management perspective
- B. human resource perspective
- C. management science perspective
- D. behavioural sciences approach
- E. human relations movement.

ANS: E PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Human relations movement

30. The behavioural sciences approach is based on which of the following disciplines?

- A. Anthropology
- B. Economics
- C. Sociology
- D. psychology
- E. All of these choices.

ANS: E PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Behavioural sciences approach

31. The concept of focus on managing the total organisation to deliver customer satisfaction is known as:

- A. total quality management (TQM)

- B. synergy
- C. the human resource perspective
- D. contented management
- E. behavioural sciences approach.

ANS: A PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: TQM

32. _____ refers to the work an organisation does by using electronic linkages with customers, partners, suppliers, employees or any other key stakeholder groups.
- A. E-commerce
 - B. Internet marketing
 - C. E-business
 - D. Customer relationship management

ANS: C PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: E-business

33. An effort to systematically find, organise, and make available a company's intellectual capital and to foster a culture of continuous learning is known as:
- A. e-commerce
 - B. e-business
 - C. customer relationship management
 - D. knowledge management.

ANS: D PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Knowledge management

34. According to the systems theory, a dental hygienist at a dentist's office would be a(n):
- A. output
 - B. environment
 - C. input
 - D. transformation process
 - E. both A and B.

ANS: C PTS: 1 DIF: Difficult NAT: AACSB Analytic
TOP: Systems theory

35. A subfield of the humanistic management perspective that applies social science and organisational context is referred to as:
- A. scientific management perspective
 - B. human resource perspective
 - C. management science perspective
 - D. behavioural sciences approach
 - E. human relations movement.

ANS: D PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Behavioural science approach

36. A management perspective that emerged after the Second World War and applied mathematics, statistics and other qualitative measures to managerial problems, is referred to as:

- A. scientific management perspective
- B. human resource perspective
- C. management science perspective

- D. behavioural sciences approach
- E. human relations movement.

ANS: C PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Management science

37. In order to determine how to deal with a problem employee, Sharon evaluated the employee, the problem, and the context in which the problem occurred. She is applying which of the following perspectives?
- A. Participative view
 - B. Universalist view
 - C. Autonomy view
 - D. Contingency view
 - E. Optimistic view

ANS: D PTS: 1 DIF: Difficult NAT: AACSB Analytic
TOP: Contingency view

38. _____ is a relatively new term that refers to the way in which organisations engage with and satisfy the wide variety of stakeholders with which it interacts.
- A. Benchmarking
 - B. Carbon footprinting
 - C. Systems theory
 - D. Contingency perspective
 - E. Sustainable development

ANS: E PTS: 1 DIF: Easy NAT: AACSB
Sustainability TOP: Sustainable development

39. Efforts to systematically find, organise and make available a company's intellectual capital is known as:
- A. knowledge management
 - B. scientific management
 - C. customer relationship management
 - D. outsourcing
 - E. the humanist perspective.

ANS: A PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Knowledge management

40. Systems that help companies to keep in close contact with customers, collect information about customers, and collaborate with customers to provide the most valuable products and services in industry is known as:
- A. knowledge management
 - B. scientific management
 - C. customer relationship management
 - D. outsourcing
 - E. knowledge management

ANS: A PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Knowledge management

41. The situation where similar activities are grouped together under one manager is known as:
- A. division of work

- B. unity of command
- C. unity of direction
- D. the scalar chain.

ANS: C PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Administrative principles

42. The situation where managerial and technical work that are amenable to specialisation to produce more and better work with the same amount of effort is known as:
- A. division of work
 - B. unity of command
 - C. unity of direction
 - D. the scalar chain.

ANS: A PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Administrative principles

43. The management perspective that emphasises greater understanding of human behaviour, needs, and attitudes in the workplace.
- A. Classical perspective
 - B. Scientific management
 - C. Human resource perspective
 - D. Administrative principles
 - E. Humanistic perspective

ANS: E PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Humanistic perspective

44. The _____ concept refers to an innovative mindset that strives to meet customer needs quickly and inexpensively:
- A. frugal engineering
 - B. outsourcing
 - C. *jugaard*
 - D. kaizen
 - E. Both A and C

ANS: D PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Jaugaad

COMPLETION

1. _____ forces refer to those aspects of a culture that guide and influence relationships among people.

ANS: Social

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Management and organisation

2. _____ forces pertain to the availability, production and distribution of resources in a society.

ANS: Economic

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Management and organisation

3. _____ forces refers to the influence of legal institutions on people and organisations.

ANS: Political

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Management and organisation

4. Weber's vision of organisations that would be managed on an impersonal, rational basis is called a(n) _____.

ANS: bureaucracy

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Bureaucratic organisation

5. According to Fayol, the situation where every employee receives instruction from one, and only one superior, is known as _____ (three words).

ANS: unity of command

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Administrative principles

6. According to Fayol, of the situation where managerial work and technical work are amenable to specialisation is known as _____ (three words).

ANS: division of work

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Administrative principles

7. A management perspective that emphasises satisfaction of employee needs as a key to increasing productivity is known as the _____ (three words).

ANS: human resources movement

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Human resource movement

8. A chain of authority that extends from the top to the bottom of an organisation is known as a _____ (two words).

ANS: scalar chain

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Administrative principles

9. The ability for individual members of a team to be more productive together than they are when they act separately is known as _____.

ANS: synergy

PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Systems thinking

10. The perspective that describes organisations as open systems characterised by both entry and synergy and subsystem interdependence is known as _____ (two words).

ANS: systems thinking

PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Systems thinking

11. A(n) _____ (two words) is one that interacts with the external environment, where as a _____ (two words) is one that does not interact with the external environment

ANS: open system, closed system

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Systems thinking

12. The _____ view of management is an integration of the case and universalist viewpoints.

ANS: contingency

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Contingency perspective

13. Where managerial and technical work are able to be specialised to produce more and better quality work with the same amount of effort is known as _____ (three words).

ANS: unity of direction

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: Administrative principles

14. _____ (three words), which focuses on managing the total organisation to deliver quality to customers, was at the forefront in helping managers deal with global competition.

ANS: Total quality management

PTS: 1 DIF: Easy NAT: AACSB Analytic TOP: TQM

15. Briana feels that her workforce requires the threat of punishment if they have any chance of achieving their organisation's goals. Briana subscribes to the _____ (two words) perspective of human resource management.

ANS: Theory X

PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Human resource perspective

16. _____ refers specifically to business exchange transactions that occur electronically.

ANS: E-commerce

PTS: 1 DIF: Easy NAT: AACSB Analytic
TOP: The shifting world of the business

17. _____ refers to any work an organisation does by using electronic linkages with customers, partners, suppliers, employees or any other key stakeholders.

ANS: E-business

PTS: 1 DIF: Easy NAT: AACSB Analytic TOP:
Technology

18. _____ (two words) refers to any effort to systematically organise and make available a company's intellectual capital.

ANS: Knowledge management

PTS: 1 DIF: Moderate NAT: AACSB Analytic TOP: The
shifting world of the business

19. _____ (three words) are systems that enable a company to maintain close relationships with its customers, collect and manage customer information, and collaborate with customers to provide the most valuable products and services.

ANS: Customer relationship management

PTS: 1 DIF: Moderate NAT: AACSB Analytic TOP:
Customer relationship management

20. _____ refers to the contracting out to another organisation a function or activity which could be, or was previously, performed in-house.

ANS: Outsourcing

PTS: 1 DIF: Moderate NAT: AACSB Analytic TOP:
Knowledge management

21. _____ (two words) refers to the way in which organisations engage and satisfy wide variety of stakeholders with whom they interact.

ANS: Sustainable development

PTS: 1 DIF: Moderate NAT: AACSB Analytic TOP:
Sustainable development

22. _____ refers to an innovative mindset that strives to meet customers' immediate demands quickly and inexpensively.

ANS: *Jugaad*

PTS: 1 DIF: Moderate NAT: AACSB Analytic TOP: Jugaad

SHORT ANSWER

1. List three of the basic ideas of scientific management.

ANS:

Any three of the following: develop standard methods for doing each job; select workers with appropriate abilities; train workers in standard methods; support workers and eliminate interruptions; provide wage incentives.

PTS: 1

DIF: Moderate

NAT: AACSB Analytic

TOP: Scientific management

2. List the five assumptions associated with McGregor's Theory Y.

ANS:

1. The expenditure of physical and mental effort in work is as natural as play or rest. The average human being does not inherently dislike work.
2. External control and the threat of punishment are not the only means for bringing about effort toward organisational objectives. A person will exercise self-direction and self-control in the service of objectives to which he or she is committed.
3. The average human being learns, under proper conditions, not only to accept but to seek responsibility.
4. The capacity to exercise a relatively high degree of imagination, ingenuity and creativity in the solution of organisational problems is widely, not narrowly, distributed in the population.
5. Under the conditions of modern industrial life, the intellectual potentialities of the average human being are only partly utilised.

PTS: 1

DIF: Moderate

NAT: AACSB Analytic

TOP: Theory Y

3. List the three assumptions associated with McGregor's Theory X.

ANS:

1. The average human being has an inherent dislike of work and will avoid it if possible.
2. Because of the human characteristic of dislike for work, most people must be coerced, controlled, directed or threatened with punishment to get them to put forth adequate effort towards the achievement of organisational objectives.
3. The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition and wants security above all.

PTS: 1

DIF: Moderate

NAT: AACSB Analytic

TOP: Theory X

4. Define the terms 'systems thinking', 'system', 'subsystems', 'synergy'.

ANS:

Systems thinking: An extension of the humanistic perspective that describes organisations as open systems that are characterised by entropy synergy and subsystem interdependence.

System: A set of interrelated parts that function as a whole to achieve a common purpose.

Subsystems: Parts of a system that depend on one another for their functioning.

Synergy: The concept that the whole is greater than the sum of its parts.

9. Identify and define the types of systems inherent to effective customer relationship management (CRM). Be sure to include examples to illustrate your answer.

ANS:

Student should identify systems that help companies keep in close touch with customers (for example, social media websites), collect and manage customer data (for example, frequent shopper programs and related databases), and collaborate with customers to provide the most valuable products and services (for example, focus groups).

PTS: 1

DIF: Easy

NAT: AACSB Analytic

TOP: Knowledge management

10. Using examples, define what is meant by the term *jugaad*.

ANS:

Jugaad refers to an innovation mindset, used widely by Indian companies, that strives to meet customers' immediate needs quickly and inexpensively. With research and development budgets strained in today's economy, Western managers have quickly picked up on the approach, sometimes calling it frugal engineering.

PTS: 1

DIF: Easy

NAT: AACSB Analytic

TOP: Jugaad

ESSAY

1. The writings of Fayol, Taylor and Weber provide the foundation for modern management. Identify the school of thought associated with each writer and compare the focus that each writer takes in relation to the organisation.

ANS:

Fayol is associated with the administrative school, focusing on the manager level.

Taylor is associated with scientific management, focusing on the work level.

Weber is associated with the bureaucratic model, focusing on the organisation level.

PTS: 1 DIF: Difficult NAT: AACSB Analytic
TOP: Scientific to management

2. Discuss the advantages and disadvantages of Taylor's scientific management.

ANS:

The advantages of scientific management included the standardisation of work, the systematic study of work, the linking of performance and pay, and improved productivity. The disadvantages included its failure to consider the social context within which work took place and its failure to appreciate workers' needs other than their need for money.

PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Scientific management

3. Briefly describe systems theory, including synergy and negative entropy.

ANS:

Systems theory suggests that an organisation can be considered a system composed of a number of interrelated subsystems. These subsystems include people, structure, technology and goals. A change in one subsystem results in a rippling effect on the other subsystems. Managed properly, the subsystems work well together and produce more as a whole system than the parts could produce working alone. This is synergy. Negative entropy is the ability to resist the natural tendency to disintegrate.

PTS: 1 DIF: Moderate NAT: AACSB Analytic
TOP: Systems theory

4. Define and discuss the differences between Follett's concepts of 'unity of command', 'division of work', 'unity of direction' and the 'scalar chain'.

ANS:

Students should concentrate on the material provided on page 64 of the text.

PTS: 1 DIF: Difficult NAT: AACSB Analytic
TOP: Administrative principles

5. Define and discuss the term 'sustainable development'. In your work, be sure to provide examples of organisations that have successfully integrated 'sustainable development' into their management practices.

ANS:

Students should be able to provide a detailed definition of ‘sustainable development’ from the text, as well as from their own understanding of the current ‘climate change debate’. Students should be able to identify a range of organisations that have differentiated their brand/products along the lines of environmental performance (i.e. The Body Shop), their ‘carbon footprint’ (e.g. Nicholls Chicken in Tasmania—but there are also a number of car companies that are using this strategy).

PTS: 1 DIF: Difficult NAT: AACSB Sustainability
TOP: Sustainable development

6. Define the term *jugaad* as it applies to the management context. Using examples, demonstrate how the *jugaad* concept relates to the Western notion of frugal engineering.

ANS:

Students should be able to provide a definition of *jugaad* from the text, and provide examples of such management practices from the Internet (for example: using an air conditioner to cool soft drink bottles). Using the examples from Internet, students should be able to draw parallels between *jugaad* and the Western notion of frugal engineering (for example: Suzuki paved the way for the development of low-cost automobiles with its Nano brand) – the most important characteristic appears to be the bottom-up low-tech approach to innovation (as opposed to a top-down high-tech approach to innovation).

PTS: 1 DIF: Difficult NAT: AACSB Sustainability
TOP: Jugaad