

Name: _____

Date: _____

BOH4M
Foundations of Management Unit Test

/60

Knowledge & Understanding	Thinking	Communication	Application
/20	/20	/15	/5

K/U – Vocabulary /20

Match the following terms to the correct definition:

- | | |
|--------------------------------|------------------------------------|
| A. Functional Manager | K. Systems Thinking |
| B. Individualism Approach | L. The Stewardship Principle |
| C. Ethics | M. The Charity Principle |
| D. Management | N. Contingency Thinking |
| E. Total Quality Management | O. Corporate Social Responsibility |
| F. The Learning Organization | P. Upper Management |
| G. Moral-Rights Approach | Q. Middle Management |
| H. Theory of Adult Personality | R. Technical Skills |
| I. Utilitarian Approach | S. Human Skills |
| J. Justice Approach | T. Conceptual Skills |

_____ The process of planning, organizing, leading and controlling the resources to accomplish goals.

_____ If a manager believes workers are willing workers who want to do a good job, then they will treat them as such, and will see positive results.

_____ Interpret direction from above and guides lower management.

_____ Views an organization as a group of people working together for a common purpose; can also have smaller groups that work to serve the overall goals of the larger system.

_____ Acknowledging your duty to all stakeholders, including the community in which your business functions and taking this role seriously.

_____ Ability to think critically and analytically and solve problems; most important in upper management.

_____ Acts are moral when they promote the individual's best long-term interests. It is believed to lead to honesty and integrity since it works best in the long run.

_____ The belief that the wealthy have a responsibility to the poor. Corporations are large, powerful, and therefore should take up social causes.

_____ Specialized skills such as engineering, accounting, marketing, information technology; most important in lower management.

_____ Focuses on enhancing the systems within an organization to continually increase the organization's capacity for performance.

_____ Responsible for a single area, such as accounting, engineering, marketing, and human resources.

_____ Establishes organizational objectives and monitors external environment and trends.

_____ The code for moral principles and values that govern the behaviours of a person or group with respect to what is right or wrong.

_____ A management philosophy that demands a commitment to quality in all aspects of an organization and at every step in the value chain.

_____ When business executives think of themselves as trustees of society. It recognizes that a company is not a closed system; it affects (and is affected by) its environment.

_____ Moral behaviour produces the greatest good for the greatest number.

_____ An ability to interact with people; important at all management levels.

_____ The idea that there is no one single style of management that suits all organizations and situations. The most effective management style will vary depending on the type of organization, its size, its environment, and the challenges it faces at the time.

_____ Asserts human beings have fundamental rights and liberties. It believes that an ethical decision is one that avoids interfering with the fundamental rights of others.

_____ Moral decisions must be based on standards of equity, fairness, and impartiality. Treatment of individuals should not be based on arbitrary characteristics.

1. Complete the following chart: /9

Classical Behavioural Theory:	Administrative Principles	Bureaucratic Organization	Scientific Method
Founder Associated with this Theory:	1. <i>E.g. Mary Parker Follett</i> 2.	1.	1.
Definition of Theory:			

2. Outline the advantages and disadvantages of Corporate Social Responsibility:

/6

Corporate Social Responsibility	
<i>Advantages</i>	<i>Disadvantages</i>
<i>Provide at least THREE (3) points!</i>	<i>Provide at least THREE (3) points!</i>

1. How does the Employment Equity Act relate to Corporate Social responsibility?

/2

(b) As a leader/manager in a company, how could you ensure that your organization practices the Employment Equity Act? **Provide 3 examples.**

/3

2. Before building the TransCorp. Pipeline Project, the company had decided to consult with the Aboriginal leaders of the land surrounding the project. Explain how is this is an example of Corporate Social Responsibility? Do you think enough effort was made by the company? **Be specific!**

/5

3. Read the attached article on the following page. Once you have read the article, answer the following questions:

a) Is this story an example of successful Corporate Social Responsibility or failed Corporate Social Responsibility? Explain your answer using direct examples from the article! /5

b) Was there a possible way for Aaron Feuerstein to have avoided major financial challenges while still practicing corporate social responsibility? If so, how? If not, why? /5

Putting People Before Profits: Classic PR Case Study, but without the Fairy-tale Ending

This is a case study that PR experts have lauded as “excellence” in employee relations. It involves a CEO who put the welfare of his employees ahead of his own bottom line. He did so in the most trying of circumstances, and his leadership landed him in the textbooks.



Fire at Malden Mills, 1995 (firenuggets.com)

In late 1995, a fire at Malden Mills put 3,000 union jobs at risk. The timing couldn't have been worse. The 90-year-old manufacturer in Lawrence, Mass., has seen its revenues triple and employment double since emerging from bankruptcy in 1982. It's popular Polartec and Polarfleece fabrics were one reason. A loyal and productive workforce was the other.

In a time when offshore manufacturing became standard procedure in American business, Malden Mills' CEO Aaron Feuerstein opted to stay put and to rebuild his factory on the very site where his family had made textiles for 90 years.

But what would the employees do in the meantime?

The fire came just two weeks before Christmas, affecting employees both financially and emotionally. So just 2 days after the blaze, Feuerstein announced plans to pay his employees their full wages for 30 days. He would eventually extend that offer to 90 days for the paychecks, 180 days for benefits. Total cost to Malden Mills: \$25 million.

Business madness? Many thought so. But in an interview with [CBS News/60 Minutes](#), Feuerstein disagreed: "I think it was a wise business decision, but that isn't why I did it. I did it because it was the right thing to do."

It took years, but Malden rebuilt in Lawrence and eventually hired back all the displaced workers. The workforce repaid Feuerstein with cooperation and productivity. According to the report in the [Center & Jackson](#) text, commitment to employees drove significant bottom-line outcomes.

- Business grew 40% from pre-fire levels.
- Customer and employee retention reached 95%.
- Off-quality products dropped from 6-7% pre-fire to just 2%.
- Production increased from 130,000 to 200,000 yds. per week.

A business fairy tale? It would seem so. Unfortunately, the case doesn't end here. Feuerstein found himself back in financial difficulty, saddled with \$140 million in debt, much of it tied to the rebuild. The company hired a new president in 2004 as part of the Chapter 11 reorganization.

However, the company is still alive and is still functioning in Lawrence, but employs around 1,000 people worldwide, versus the 3,000 who once worked at the New England mill. Aaron Feuerstein is out of the picture.

/5

Using the proper “Successful Approach” to writing business communication letters, write a letter to the employee utilizing the **FOUR (4)** correct parts:

Dear Mrs. _____,