- ## Chapter 2(Constraints and Challenges for the Global Manager)

✓ **True Or False:**

1. In the symbolic view of management, managers are seen as directly responsible for an organization's success or failure.

Answer: FALSE

2. The view of managers as omnipotent is consistent with the stereotypical picture of the take-charge business executive who can overcome any obstacle in carrying out the organization's objectives.

Answer: TRUE

3. The symbolic view of management impact is useful in explaining the high turnover among sports coaches, who can be considered the "managers" of their teams.

Answer: FALSE

4. Conditions of economic inequality illustrate how societal attitudes can constrain managers' decisions and actions.

Answer: TRUE

5. A dynamic environment is characterized by the absence of new competitors, few technological breakthroughs by current competitors, and little activity by pressure groups to influence the organization.

Answer: FALSE

6. Environmental uncertainty looks at the number of components in an organization's environment and the extent of the knowledge that the organization has about those components.

Answer: FALSE

7. A dynamic and simple environment is characterized by the greatest level of environmental uncertainty.

Answer: FALSE

8. An organization's competitors and employees are considered to be stakeholders who are affected by the organization's decisions and actions.

Answer: TRUE

9. Managers of high-performing companies tend to consider the interests of the most profitable stakeholder groups as they make decisions.

Answer: FALSE

10. Strong cultures have more influence on employees than do weak cultures.

Answer: TRUE

11. The shared aspect of culture implies that all employees in an organization approve of the culture.

Answer: FALSE

12. In strong organizational cultures, employees have little knowledge of company history or heroes, what is important is present performance.

Answer: FALSE

13. Organizations help employees adapt to the culture through socialization.

Answer: TRUE

14. Corporate rituals are repetitive sequences of activities that express and reinforce the key values of an organization.

Answer: TRUE

15. In a "ready-aim-fire" culture, managers take action and then analyze what has been done.

Answer: FALSE

16. In order to develop an innovative organizational culture, managers must minimize ambiguity and uncertainty and discourage risk-taking.

Answer: FALSE

17. Giving service-contact employees the discretion to make day-to-day decisions on job-related activities is instrumental in creating in a customer-responsive culture.

Answer: TRUE

18. Organizations that emphasize workplace spirituality focus on individual development.

Answer: TRUE

19. Spiritual organizations tend to be intolerant of employees who commit mistakes.

Answer: FALSE

20. Organizations that subscribe to workplace spirituality emphasize the importance of employees controlling their expressions and emotions.

Answer: FALSE

21. A valid criticism of workplace spirituality is that secular institutions, especially businesses, have no right to impose spiritual values on employees, if spirituality means bringing religion into the workplace.

Answer: TRUE

❖ Choose The Correct Answer:

1. Which of the following represents the two views of managerial impact on the success or failure of the organization?
    A. omnipotent and symbolic
    B. omnipotent and reflective
    C. symbolic and interactive
    D. reflective and interactive

Answer: A

2. The current dominant assumption in management theory suggests that _____.
    A. an organization's success or failure is due to external forces outside managers' control
    B. managers' roles are increasingly becoming peripheral and staff manage their own areas of expertise
    C. managers are directly responsible for an organization's success or failure
    D. managers cannot significantly affect an organization's performance because they constrained by the abilities of their employees

3. The omnipotent view of management states that _____.

    A. managers' roles are peripheral and staff manage their own areas of the business

    B. managers are directly responsible for an organization's success or failure

    C. managers should allow employees to take part in decision making

    D. managers have little or no responsibility for an organization's success or failure

4. Which of the following most accurately reflects the symbolic view of management?

    A. Managers are directly responsible for an organization's success or failure.

    B. Managers have to ensure that every obstacle is overcome on the way to achieving the organization's goals.

    C. External forces are responsible for an organization's success or failure.

    D. Employees are directly responsible for an organization's success or failure.

5. The _____ view of management is consistent with the stereotypical picture of the take-charge business executive who can overcome any obstacle in carrying out the organization's objectives.

    A. omnipotent

    B. symbolic

    C. democratic

    D. laissez-faire

6. The soccer league in England is notorious for the number of team managers fired over the course of a single season, which stands at no fewer than eight managers on average, owing to poor team form and consequently, poor results. It is evident from this information that the league endorses a(n) _____ view of management.

    A. symbolic

    B. omnipotent

    C. laissez-faire

    D. democratic

7. According to the symbolic view, managers have a(n) _____ effect on substantive organizational outcomes.

    A. limited

    B. extensive

    C. influential

    D. significant

    Answer: A

8. The symbolic view of management is based upon the belief that managers symbolize _____.

    A. control and influence in developing plans and making decisions

    B. every aspect of an organization's performance, from the top level to the operational level

    C. the fluctuating fortunes of the organization as they alternate between profits and losses

    D. the take-charge executive who overcomes any obstacle to see that the organization achieves its goals

    Answer: A

9. Internal constraints that influence managers' decisions and actions come from _____.

    A. the attitudes of customers

    B. the culture of the organization

    C. the prevailing political conditions

    D. the fluctuations in the stock market

    Answer: B

10. Which of the following factors is a demographic component of an organization's external environment?

    A. lifestyles and behavior

    B. political stability

    C. geographic location

    D. stock market fluctuations

    Answer: C

11. Which of the following factors is an economic component of an organization's external environment?

    A. family composition

    B. education level

    C. disposable income

    D. geographic location

12. The _____ component of an organization's external environment is concerned with trends in population characteristics such as age, race, gender, education level, geographic location, income, and family composition.

    A. economic
    B. political
    C. demographic
    D. sociocultural

    Answer: C

13. Which of the following factors is a sociocultural component of an organization's external environment?

    A. education level
    B. political stability
    C. behavior patterns
    D. family composition

    Answer: C

14. The economic environment affects the performance of an organization, as was noted during the recent recession. Which of the following factors is cited as one of the causes of the recent recession triggered in the home mortgage markets in the United States?

    A. high interest rates on mortgages
    B. massive global liquidity
    C. lack of leverage ability for business borrowers
    D. difficulty in securing housing credit

    Answer: C

15. If the components of an organization's environment change frequently, the organization is operating in a _____ environment.

    A. stable
    B. secure
    C. dynamic
    D. constant

    Answer: C

16. Which of the following is a characteristic of a dynamic environment?

    A. high level of predictability of changes in environmental conditions

    B. few technological breakthroughs by current competitors

    C. the presence of new competitors in the market

    D. little activity by pressure groups to influence the organization

Answer: C

17. If the components in an organization's environment exhibit minimal change, such an environment is said to be _____.

    A. volatile

    B. dynamic

    C. stable

    D. active

Answer: C

18. Which of the following are the two dimensions of environmental uncertainty?

    A. degree of change and degree of complexity

    B. degree of change and degree of volume

    C. degree of complexity and degree of impact

    D. degree of impact and degree of timing

Answer: A

19. Which of the following is NOT true about the environmental complexity of an organization?

    A. Environmental complexity increases as the number of competitors increases.

    B. It is measured in terms of the knowledge an organization needs about its environment.

    C. Complexity decreases as the number of regulatory agencies increases.

    D. It depends on the knowledge an organization has about the components of its environment.

Answer: C

20. Which of the following statements is true of dynamic and complex environments?

    A. They are characterized by a high degree of predictability of change.

    B. There are usually few components in such environments.

    C. A high need for sophisticated knowledge of components exists in such environments.

D. The components in such environments are somewhat similar, but are continually changing.

Answer: C

21. In which of the following environments do managers in an organization have the greatest influence on organizational outcomes?
    A. stable and complex environments
    B. dynamic and simple environments
    C. stable and simple environments
    D. dynamic and complex environments

Answer: C

22. Which of the following environments is characterized by the highest level of environmental uncertainty?
    A. a stable and complex environment
    B. a dynamic and simple environment
    C. a stable and simple environment
    D. a dynamic and complex environment

Answer: D

23. The term _____ is used to collectively refer to any constituencies in an organization's environment that are affected by its decisions and actions.
    A. competitors
    B. shareholders
    C. unions
    D. stakeholders

Answer: D

24. _____ has been described as the shared values, principles, traditions, and ways of doing things that influence the way organization members act.
    A. Corporate hierarchy
    B. Business configuration
    C. Organization culture

D. Industrial psychology

25. Which of the following statements highlights the shared aspect of culture?
    A. Organizational culture is concerned with how members perceive the culture and describe it, not with whether they like it.
    B. Organizational culture is not something that can be physically touched or seen, but employees perceive it on the basis of what they experience within the organization.
    C. The original source of the culture of an organization reflects the vision of the organization's founders.
    D. Even though individuals may have different backgrounds or work at different organizational levels, they tend to describe the organization's culture in similar terms.

26. Which of the following most accurately reflects the difference between strong cultures and weak cultures?
    A. Strong cultures tend to encourage employees to try new approaches to changing conditions, while weak cultures do not.
    B. In strong cultures, organizational values are held by top management, while in weak cultures, values are diffused throughout the organization.
    C. Strong cultures have less of an influence on employee behavior than do weak cultures.
    D. Company values are more deeply held and widely shared in strong cultures than in weak cultures.

27. Which of the following dimensions of organizational culture refers to the degree to which organizational decisions and actions emphasize maintaining the status quo?
    A. stability
    B. attention to detail
    C. innovation and risk taking
    D. people orientation

28. Google has often been cited as a model for employee satisfaction. Google takes extensive care to ensure employees have the best available conditions to perform, ranging from free snack bars, free massages, innovation rooms, spas-

on-site, and many more such measures. Which dimension of organizational culture is Google said to emphasize through such measures?

    A. stability

    B. aggressiveness

    C. people orientation

    D. attention to detail

Answer: C

29. A company whose managers focus on results, rather than how results are achieved, most likely possesses a high degree of _____.

    A. people orientation

    B. team orientation

    C. outcome orientation

    D. aggressiveness

Answer: C

30. Which of the following is a characteristic of an organization with a strong culture?

    A. management strives to delink shared values from behaviors as much as possible

    B. culture conveys consistent messages about what is important to the organization

    C. the core set of organizational values is zealously guarded by the management

    D. emphasis is laid on the future of the organization, rather than acquainting employees with company history or past heroes

Answer: B

31. Which of the following is a disadvantage of having a strong organizational culture?

    A. high employee turnover

    B. decreased organizational performance

    C. low loyalty towards the organization

    D. inability to respond to changing conditions

Answer: D

32. The original source of an organization's culture usually reflects _____.

    A. the present conditions in which the organization functions

B. the composition of its productive workforce

C. the degree of success that the organization has achieved

D. the vision or mission of the organization's founder

Answer: D

33. _____ is a process that helps new employees learn the organization's way of doing things.

A. Externalization

B. Socialization

C. Deculturation

D. Transculturation

Answer: B

34. Organizational _____ typically contain narratives about significant events or people in the organization.

A. stories

B. rituals

C. language

D. material artifacts

Answer: A

35. The term _____ refers to repetitive sequences of activities that express and reinforce the important values and goals of the organization.

A. organizational culture

B. corporate rituals

C. business ethics

D. employee mentoring

Answer: B

36. In an organization whose culture conveys a basic distrust of employees, managers are more likely to use a(n) _____ leadership style.

A. participatory

B. democratic

C. authoritarian

D. laissez-faire

37. An organization's culture supports the belief that profits can be increased by cost cutting and that the company's best interests are served by achieving slow but steady increases in quarterly earnings. What is the nature of the programs that the organization's managers are likely to follow?

    A. short-term

    B. risky

    C. innovative

    D. expansionary

    Answer: A

38. An innovative organizational culture is characterized by all of the following, EXCEPT _____.

    A. freedom

    B. conformity

    C. debates

    D. risk taking

    Answer: B

39. Which of the following guidelines should managers follow while building a customer-responsive culture?

    A. precisely defining employees' normal job requirements and ensuring they perform those actions alone

    B. giving service-contact employees continual training on product knowledge, listening, and other behavioral skills

    C. designing jobs with rigid rules and procedure that employees should stick to in order to satisfy customers

    D. preserving the discretion to make day-to-day decisions on job-related activities at the top level of management

    Answer: B

40. Workplace spirituality has become important in the contemporary workplace because it _____.

    A. increases organizational efficiency

    B. boosts company profits

    C. gives employees a sense of purpose

    D. brings religion into business

    Answer: C

41. A company that aims to develop a strong sense of purpose through meaningful work has a(n) _____ organizational culture.

    A. spiritual

    B. authoritarian

    C. profit-oriented

    D. outcome-oriented

Answer: A

42. Which dimension of the organizational culture is workplace spirituality most closely related to?

    A. outcome-orientation

    B. innovation and risk taking

    C. attention to detail

    D. people-orientation

Answer: D

43. Which of the following is a characteristic found in spiritual organizations?

    A. focus on team development, rather than individual development

    B. profit-oriented outlook towards all organizational activities

    C. tolerance towards mistakes and openness with customers and employees

    D. emphasis on controlling emotions and feelings

Answer: C

44. Which of the following is most likely to have a highly spiritual organizational culture?

    A. a highly aggressive, competitive business

    B. a company with high tolerance of employee expression

    C. a business that focuses strictly on outcomes

    D. a business that emphasizes centralized control

Answer: B

45. Which of the following is a criticism of spiritual organizational cultures?

    A. inhibition of employees' expressions and emotions

    B. incompatibility between profits and spirituality

    C. lack of openness with stakeholders such as customers and suppliers

D. absence of employee empowerment

Answer: B